

THE INTERPUBLIC GROUP OF COMPANIES, INC.

CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines have been approved by Interpublic's Board of Directors and, together with the charters of the Board's committees, provide the framework for the governance of Interpublic.

1. Board Composition

- A. **Size of Board and Selection Process.** Interpublic's Directors are elected each year by Interpublic's stockholders at the annual meeting of stockholders. Interpublic's Corporate Governance Committee recommends nominees to the Board of Directors, and the Board proposes a slate of nominees to the stockholders for election. Between annual stockholder meetings, the Corporate Governance Committee may recommend and the Board may elect Directors to serve until the next annual meeting. The Board believes that, absent special circumstances, the size of the Board should be in the range of 8 to 12 Directors.
- B. **Independent Directors.** A majority of the Directors shall be independent as provided for in these Corporate Governance Guidelines and required by applicable law and the listing standards of the New York Stock Exchange (the "NYSE"). The independent Directors and any other non-management Directors shall meet in at least four regularly scheduled executive sessions without management each year.
- C. **Management Directors.** The management Directors should include the Chief Executive Officer ("CEO"). The General Counsel will not serve on the Board but will be expected to attend Board meetings in an advisory capacity.

The Board shall select its Chairman and Interpublic's CEO in any way it considers in the best interests of Interpublic. The roles of the Chairman and the CEO may be separate or combined and, if separate, the Chairman may be a management or non-management Director.

- D. **Role and Responsibilities of the Chairman.** It is the responsibility of the Chairman to facilitate constructive interaction between the Board and management. The Chairman should be fully aware of the condition of Interpublic and the concerns and recommendations of both the Directors and management. The Chairman should provide an opportunity for full and open participation by each Director at Board meetings.
- E. **Role and Responsibilities of Presiding Director.** The Board may, from time to time, designate a Presiding Director whose role and responsibilities shall be defined by the Board in any way it considers in the best interests of Interpublic.

2. Director Responsibilities

- A. Directors have a fiduciary duty to exercise their business judgment in the best interests of Interpublic. Directors must perform their duties as Directors, including their duties as members of committees, in good faith and with that degree of care that an ordinarily prudent person in a like manner would use under similar circumstances. Directors must maintain the confidentiality of Interpublic's non-public information and abide by applicable law.
- B. The business and affairs of Interpublic are managed under the direction of the Board. The Board shall review and approve Interpublic's broad policies, strategic direction and overall priorities. The specific duties of the Board, which may be performed through committees, include:
1. reviewing and approving fundamental financial objectives and business strategies;
 2. selecting, evaluating and compensating the CEO, and providing counsel and oversight on the selection, performance and compensation of other senior managers;
 3. annually electing the executive officers of Interpublic;
 4. monitoring management performance and recommending improvements;
 5. reviewing and approving major actions of Interpublic, including
 - a. acquisitions and divestitures over authorized limits;
 - b. determining parameters for delegation of authority to officers to engage in transactions;
 - c. decisions on major strategic directions of Interpublic; and
 - d. dividend actions;
 6. ensuring that processes and controls are implemented for maintaining the integrity of Interpublic and compliance with applicable legal requirements; and
 7. reviewing material risks Interpublic faces and identifying methods to monitor, mitigate or manage those risks.
- C. Each Director is expected to prepare for, attend and participate in all regularly scheduled and specially called Board meetings, and absent special circumstances, must attend at least 75 percent of such meetings.

- D. The Chairman of the Board oversees the preparation of the agenda for each Board meeting. Any Director may request the inclusion of an item on the agenda. Management and/or outside advisors to the Board should provide, and Directors are expected to review, any written materials relating to the agenda for each upcoming meeting sufficiently in advance of the meeting to allow the Directors to prepare for discussion of the items at the meeting.

3. Director Qualification Standards

- A. **Determination of Independence.** To be considered “independent” for purposes of these Guidelines and as may be required by NYSE rules, a Director must be determined, by resolution of the Board as a whole, after due deliberation, to have no direct or indirect material relationship with Interpublic other than as a Director.

1. In no event will a Director be considered independent if (i) within the preceding five years: (a) the Director was employed by Interpublic or any of its direct or indirect subsidiaries; (b) an immediate family member of the Director was employed by Interpublic as an officer; (c) the Director was affiliated with or employed by a present or former internal or external auditor of Interpublic who had such auditing relationship within the preceding five years; (d) an immediate family member of the Director was affiliated with or employed in a professional capacity by a present or former internal or external auditor of Interpublic who had such auditing relationship within the preceding five years; (e) an Interpublic executive officer was on the board of directors of a company that employed either the Director or an immediate family member of the Director as an officer; or (f) the Director, or an immediate family member of the Director, was employed as an executive officer of another company where any of Interpublic’s present executives, within the preceding five years, served on that company’s compensation committee; or (ii) the Director is an executive officer or an employee, or the Director’s immediate family member is an executive officer, of another company (a) that, within the preceding five years, accounted for at least 2% or \$1 million, whichever is *greater*, of Interpublic’s consolidated gross revenues, or (b) for which Interpublic, within the preceding five years, accounted for at least 2% or \$1 million, whichever is *greater*, of such other company’s consolidated gross revenues.

A Director will be presumed not to be independent if the Director, or an immediate family member of the Director, within the preceding five years, received more than \$100,000 per year in direct compensation from Interpublic, other than Director and committee fees and pensions or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service). The Board may negate this presumption with respect to a Director if the Board determines, and no independent Director dissents, that, based upon the

relevant facts and circumstances, such compensatory relationship is not material.

Any transition rule provided for in the NYSE listing standards with regard to the five year “look back” period will apply to the provisions of this section 3.A.1.

2. Audit Committee members may not have any direct or indirect financial relationship or affiliation whatsoever with Interpublic or any subsidiary other than as Directors or members of the Audit Committee or of other committees. Members of the Audit Committee and the other Independent Committees (as defined below) may receive directors’ fees, in the form of cash, stock options or other in-kind consideration ordinarily available to Directors, as well as regular benefits that other Directors receive and pension or other deferred compensation that is not contingent on future service. Members of the Audit Committee and the other Independent Committees may also receive additional fees to compensate them for the significantly greater commitment expected of them as members of an Independent Committee.
3. The following commercial or charitable relationships will not be considered to be material relationships that would impair a Director’s independence: (i) if an Interpublic Director is an executive officer of another company that does business with Interpublic and the annual sales to, or purchases from, Interpublic are less than one percent of the annual revenues of the company he or she serves as an executive officer; (ii) if an Interpublic Director is an executive officer of another company which is indebted to Interpublic or to which Interpublic is indebted, and the total amount of either company’s indebtedness to the other is less than one percent of the total consolidated assets of the company he or she serves as an executive officer; and (iii) if an Interpublic Director serves as an officer, director or trustee of a charitable organization, and Interpublic’s discretionary charitable contributions to the organization are less than one percent of that organization’s total annual charitable receipts. Annually, the Board will review all commercial and charitable relationships of Directors. These categorical independence tests and whether Directors meet them will be reviewed and will be made public annually prior to the Directors standing for re-election to the Board.
4. For relationships not covered by the guidelines in subsections 1 or 3 above, the determination of whether the relationship is material or not, and therefore whether the Director would be independent or not, shall be made by the Directors who satisfy the independence guidelines set forth in subsections 1 and 3 above. For example, if a Director is the CEO of a company that is indebted to Interpublic in an amount representing one percent or more of the total consolidated assets of that company, the

independent Directors could determine, after considering all of the relevant circumstances, whether such a relationship was material or immaterial, and whether the Director would therefore be considered independent.

5. No Director shall serve on more than four boards of other public companies. No management Director, however, shall serve on more than two boards of other public companies. No member of the Audit Committee shall serve on more than two audit committees of other public companies. Any membership on the boards or audit committees of other public companies in excess of these limits must be affirmatively determined by the Board not to impair the ability of the relevant Director or Audit Committee member, as the case may be, to serve effectively on the Board or Audit Committee, as the case may be.
6. Directors shall advise the Corporate Governance Committee and the CEO before (i) accepting new memberships on any boards of directors or audit or other significant committees of a public company; or (ii) establishing other significant relationships (other than those listed in the next paragraph) with businesses, governmental entities or other institutions that may result in significant new time commitments or a change in the Director's relationship with Interpublic.
7. When a Director's principal occupation or business association changes substantially during his tenure as a Director, that Director shall tender his resignation for consideration to the Corporate Governance Committee. The Corporate Governance Committee will recommend to the Board the action, if any, to be taken with respect to the resignation.
8. Interpublic will not make any personal loans or extensions of credit to Directors or executive officers.

B. General Qualifications for Non-Management Directors. Non-management Directors will be chosen for nomination based on perspective, experience, knowledge, integrity and independence of judgment, enabling them to contribute to the effective functioning of the Board and the fulfillment of its responsibilities. They will be expected to become familiar with the condition and operations of Interpublic, and to serve on at least one committee of the Board. The Board of Directors should have a predominance of business backgrounds, balanced by qualified individuals who can bring additional sets of experiences and perspectives to the Board.

C. Mandatory Retirement. The mandatory retirement age for a Director of Interpublic is 70 years; *provided, however*, that the Board may, in its business judgment, extend the mandatory retirement age in individual cases to assure that the Board has the necessary and desirable overall continuity and expertise.

4. Director Access to Management and Independent Advisors

- A. **Access to Management.** At the invitation of the Board, members of senior management recommended by the Chairman and CEO may attend Board meetings or portions thereof for the purpose of making presentations or participating in discussions. Generally, presentations of matters to be considered by the Board are made by the executive responsible for that area of Interpublic's operations. In addition, Directors shall have free access to all executives of Interpublic and its agencies and subsidiaries. Directors shall inform the CEO of any such planned meetings with executives and of the outcome of such meetings.
- B. **Access to Independent Advisors.** The non-management Directors, any Board committee or the Board as a whole may retain and consult with independent legal, financial, accounting, executive compensation or other advisors as necessary and appropriate in their judgment, at the expense of Interpublic.

5. Director Compensation

The Corporate Governance Committee shall have the responsibility for recommending to the Board compensation and benefits for non-management Directors, which may include an annual retainer, meeting fees and equity compensation awards. In discharging this duty, the Corporate Governance Committee shall be guided by three goals: compensation should fairly pay Directors for work required in a company of Interpublic's size and scope; compensation should align Directors' interests with the long-term interests of stockholders; and the structure of the compensation should be simple, transparent and easy for stockholders to understand.

6. Director Orientation and Continuing Education

Interpublic provides for Director orientation and continuing education through management briefings and presentations concerning Interpublic's key businesses and major issues. The Board, following review by the Corporate Governance Committee, will determine whether additional educational measures are appropriate.

7. Management Succession and Performance Reviews

- A. The Compensation Committee shall design, monitor and present to the Board for its approval, a succession plan for the CEO and senior executives. This succession plan shall include policies regarding succession in the event of the unavailability, incapacity or retirement of the CEO and Interpublic's other senior executives.
- B. At least annually, the Compensation Committee shall review and report to the full Board on the performance of the CEO and other Interpublic senior executives as designated by the Compensation Committee.

- C. At least annually, the Corporate Governance Committee shall review and report to the full Board on the Board's (including committees') performance. The Corporate Governance Committee shall make appropriate recommendations to the Board following such review, including regarding areas in which the Board can better contribute to the governance and success of Interpublic. The purpose of the review of the Board's and committees' performance is to improve the Board's and the committees' performance generally and not to target the performance of individual Directors. The Corporate Governance Committee may use the results of its review in determining the criteria for Directors to be considered to fill any vacancies in the Board or on committees and for inclusion in the slate of Directors to be recommended by the Board at the annual meeting of Interpublic's stockholders (or recommendations for committee membership).

8. Annual Performance Evaluation of the Board

The Directors shall review annually the effective functioning of the Board and, if required by the listing standards of the NYSE, of the Board's committees.

9. Ethics and Conflicts of Interest

- A. The Board expects Interpublic's Directors, as well as all officers and employees, to act ethically at all times in accordance with Interpublic's Code of Conduct and their duty of loyalty to Interpublic. Directors are required to sign the Code of Conduct. The Board will not waive any ethics policy for any Director or executive officer.
- B. To maintain independence of the Board, all Directors are required to deal at arm's length with Interpublic and to disclose to Interpublic's General Counsel any circumstance material to the Director that might be perceived as a conflict of interest, the taking of a corporate opportunity or a violation of the Code of Conduct.

10. Board Committees

- A. The committees of the Board include the Audit Committee, the Compensation Committee, the Corporate Governance Committee, the Finance Committee and the Executive Committee. The Board may, in accordance with Interpublic's bylaws, appoint such other committees from time to time as it deems appropriate.
- B. The Audit Committee, the Compensation Committee and the Corporate Governance Committee (collectively, the "**Independent Committees**") will each consist entirely of independent Directors and the Chair of the Finance Committee shall be an independent Director. The purposes and responsibilities of these committees and the required qualifications for their members are set forth in their charters.

- C. Any independent Director may attend any meeting of any committee of the Board, provided that any such Director wishing to attend any such meeting may not have any personal interest in matters being considered at such meeting.

11. Public Communications.

Management speaks for Interpublic and is responsible for communications with the press, analysts, regulators and other constituencies. From time to time non-management members of the Board may be requested to communicate with one or more of those constituencies. Such communication shall be coordinated with Interpublic's corporate communications department. The proceedings and deliberations of the Board and committees, as well as all information received in connection with service on the Board and committees, shall be kept confidential by the Directors.