

Risk Factors Comparison 2025-02-05 to 2024-02-07 Form: 10-K

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Adverse economic conditions, a reduction in client spending, a deterioration in the credit markets or a delay in client payments could have a material effect on our business, results of operations and financial **position-condition**. Macroeconomic conditions have a direct impact on our business, results of operations and financial **position-condition**. Adverse economic conditions, including **high and sustained geopolitical events, international hostilities, acts of terrorism, public health crises, inflation or stagflation, rising tariffs and other trade barriers, central bank interest rates-rate policies in countries that comprise our major markets and labor and** supply chain issues affecting the distribution of our clients' products, or a disruption in the credit markets, pose a risk that clients may reduce, postpone or cancel spending **for on advertising, marketing and corporate communications projects-services**. Such actions would reduce the demand for our services and could result in a reduction in our revenue, which would adversely affect our business, results of operations and financial **position-condition**. A contraction or disruption in the credit markets may make it more difficult for us to meet our working capital requirements or refinance maturing debt, or negatively impact our clients' liquidity that could cause them to delay payment or take other actions that would negatively affect our working capital. In such circumstances, we may need to obtain additional financing to fund our day-to-day working capital requirements, which may not be available on favorable terms, or at all. Even if we take action to respond to adverse economic conditions, reductions in revenue and disruptions in the credit markets by aligning our cost structure and more efficiently managing our working capital, such actions may not be effective. A period of sustained inflation across **our all the major markets in which we operate** could result in higher operating costs. Our principal operating expenses are salary and service costs and occupancy and related costs. Inflationary pressures typically result in increases to our operating expenses. In cases of sustained inflation across several of our major markets, it may become increasingly difficult to effectively control increases to our costs. In addition, the effects of inflation on ~~consumers-~~ **consumer** budgets could result in the reduction of our clients' spending plans on the ~~advertising, marketing and communication~~ **communications** services we provide. If we are unable to increase our fees or take other actions to mitigate the effect of the resulting higher costs, our business, results of operations and financial **position-condition** could be negatively impacted. In an economic downturn, the risk of a material loss related to media purchases and production costs incurred on behalf of our clients could significantly increase, and methods for managing or mitigating such risk may be less available or unavailable. In the normal course of business, our agencies enter into contractual commitments with media providers and production companies on behalf of our clients at levels that can substantially exceed the revenue from our services. These commitments are included in accounts payable when the services are delivered by the media providers or production companies. If permitted by local law and the client agreement, many of our agencies purchase media and production services for our clients as an agent for a disclosed principal. In addition, while operating practices vary by country, media type and media vendor, in the United States and certain foreign markets, many of our agencies' contracts with media and production providers specify that our agencies are not liable to the media and production providers under the theory of sequential liability until and to the extent we have been paid by our client for the media or production services. Where purchases of media and production services are made by our agencies as a principal or are not subject to the theory of sequential liability, the risk of a material loss as a result of payment default by our clients could increase significantly, and such a loss could have a material adverse effect on our business, results of operations and financial **position-condition**. While we use various methods to manage the risk of payment default, including obtaining credit insurance, requiring payment in advance, mitigating the potential loss in the marketplace or negotiating with media providers, these may be insufficient, less available, or unavailable during a severe economic downturn. Geopolitical events, international hostilities or acts of terrorism could have a material adverse effect on our business, results of operations and financial **position-condition**. Current or future geopolitical events, international hostilities or acts of terrorism could impact global economies through, among other things, disruption of business operations and demand for client services, disruption in the credit markets, heightened risk of cybersecurity attacks and disruptions to our information technology infrastructure, increased energy costs and labor and supply chain disruptions. This could result in suspension of our, or our clients' businesses in the affected region, which could impact client spending on our services. These actions could have a significant and adverse impact on our business, results of operations and financial **position-condition** in the future. For example, as a result of the war in Ukraine, in the first quarter of 2022, we suspended our business operations in Ukraine and disposed of all our businesses in Russia. In addition, economic sanctions were imposed on Russia by the United States, United Kingdom, and the European Union. The war in Ukraine is ongoing, and its duration is uncertain. We cannot predict the impact of the war in Ukraine or other international hostilities on our businesses and operations. Global public health crises or pandemics, ~~such as the COVID-19 pandemic,~~ or other similar health crises could adversely impact our business, results of operations and financial **position-condition**. When a public health crisis arises, demand for certain of our services may be adversely affected by government measures, including restrictions on travel and business operations and quarantine and stay-at-home orders arising from the occurrence of a pandemic, or similar global public health crises. The extent of the impact on our business will depend on numerous factors that we are not able to accurately predict, including the geographic regions that may be affected. Business and Operational Risks Clients periodically review and change their ~~advertising, marketing and corporate~~ communications requirements and relationships. If we are unable to remain competitive or retain key clients, our business, results of operations and financial **position-condition** may be adversely affected. We operate in a highly competitive industry. Key competitive considerations for retaining existing clients and winning new clients include our ability to develop solutions that meet client needs in a rapidly changing environment, the quality and effectiveness of our

services and our ability to serve clients efficiently, particularly large multinational clients, on a broad geographic basis. From time to time, clients may put their advertising, marketing and corporate communications business up for competitive review. We have won and lost accounts as a result of these reviews. To the extent that we are not able to remain competitive or retain key clients, our revenue may be adversely affected, which could have a material adverse effect on our business, results of operations and financial position-condition. Acquiring new clients and retaining existing clients depends on our ability to avoid and manage conflicts of interest arising from other client relationships, retaining key personnel and maintaining a highly skilled workforce. Our ability to acquire new clients and retain existing clients may, in some cases, be limited by clients' perceptions of, or policies concerning, conflicts of interest arising from our other client relationships. If we are unable to maintain multiple agencies to manage multiple client relationships and avoid potential conflicts of interests, our business, results of operations and financial position-condition may be adversely affected. As a service business, our ability to attract and retain key personnel is an important aspect of our competitiveness. If we are unable to attract and retain key personnel, our ability to provide our services in the manner clients have come to expect may be adversely affected, which could harm our reputation and result in a loss of clients, which could have a material adverse effect on our business, results of operations and financial position-condition. The loss of several of our largest clients could have a material adverse effect on our business, results of operations and financial position-condition. In 2023-2024, our largest client represented approximately 2.7% and our 100 largest clients represented approximately 55-54% of our revenue. Clients generally are able to reduce or cancel current or future spending on advertising, marketing and corporate communications projects-services at any time on short notice for any reason. A significant reduction in spending on our services by our largest clients, or the loss of several of our largest clients, if not replaced by new clients or an increase in business from existing clients, would adversely affect our revenue and could have a material adverse effect on our business, results of operations and financial position-condition. We rely extensively on information technology systems, and cybersecurity incidents could adversely affect us. We rely on our own and third-party service providers' information technology systems and infrastructure to connect with our clients, people and others, and to collect, store, transfer, process and use business, personal and financial data. We face cybersecurity risks that threaten the confidentiality, integrity and availability of our information technology systems or data stored on such systems. Additionally, hardware, software applications or services that we develop or procure from third parties may contain defects in design or manufacture or other problems that could compromise the confidentiality, integrity or availability of our information technology systems or data stored on such systems. Cybersecurity threats and attacks, including computer viruses, advanced persistent threats, malware, hacking, ransomware or other destructive or disruptive activities or software, are constantly evolving and pose a risk to our information technology systems and data. There can be no assurance that our cybersecurity risk management program and processes will be fully implemented, complied with or effective in detecting and preventing such threats or protecting our information technology systems or data. Security breaches, improper use of our systems and unauthorized access to our data and information by employees and others may pose a risk that data may be exposed to unauthorized persons. Such occurrences could adversely affect our business, results of operations, financial position-condition and reputation and could result in litigation or regulatory action, as discussed below. Also, we have acquired or may acquire companies that have cybersecurity vulnerabilities or different cybersecurity risk management processes, which may increase our risks from cybersecurity threats and attacks. In addition, we make extensive use of third-party service providers, including cloud providers, that store, transmit and process data. These third-party service providers are also subject to malicious attacks and cybersecurity threats that could adversely affect our business, results of operations, financial condition and reputation and could result in litigation or regulatory action, as discussed below. Currently, many of our agencies operate in a flexible working environment that allows for partial remote work. The number of personnel working remotely varies by market and is dependent on local conditions. When our employees work remotely, the risk of cybersecurity incidents and attacks and unauthorized exposure of sensitive business and client advertising and marketing information, as well as personal data or information, increases. We and certain of our third-party providers regularly experience cyberattacks and other incidents, and we expect such attacks and incidents to continue. For example, we have experienced cybersecurity incidents that resulted in the disruption of our information technology systems and required us to engage third parties to remediate the issues. While, to date, no incidents have had a material impact on our operations or financial results, we cannot guarantee that material incidents will not occur in the future. Any attack or incident could result in legal claims or proceedings (such as class actions), regulatory investigations and enforcement actions, fines and penalties, negative reputational impacts, and / or significant incident response, system restoration or remediation and future compliance costs, which could materially adversely affect our business, results of operations and financial condition. We also cannot guarantee that any such costs or losses will be covered by our existing insurance policies or that applicable insurance will be available to us in the future on economically reasonable terms or at all. We are subject to risks related to our use of generative AI, a new and emerging technology, which is in the early stages of commercial use. We continually evaluate the use of AI in our business processes, and in 2023, we entered into strategic partnerships with leading AI technology companies, enabling enhanced product and service capabilities in generative AI. In recent years, the use of AI has come under increased scrutiny. This technology, which is a new and emerging technology in early stages of commercial use, presents a number of risks inherent in its use, including ethical considerations, public perception and reputation concerns, intellectual property protection, regulatory compliance and privacy and data security concerns, all of which could have a material adverse effect on our business, results of operations and financial position-condition. Further, new laws, guidance and decisions in this area may limit our ability to use AI or decrease its usefulness. As a result, we cannot predict future developments in AI and related impacts to our business and our industry. If we fail to increase our capabilities in generative AI, or if we are unable to successfully adapt to new developments related to the -and risks and challenges associated with AI, demand for our services could be reduced, and our business, results of operations and financial position-condition could be negatively impacted. Risks Related to International Operations Currency exchange rate fluctuations have impacted, and in the future could impact, our business, results of

operations and financial ~~position-condition~~. In 2023-2024, our international operations represented approximately 49-48% of our revenue. We operate in all major international markets including the Euro Zone, the United Kingdom, or the U. K., Australia, Brazil, Canada, China and Japan. Our agencies transact business in more than 50 different currencies. Substantially all of our foreign operations transact business in their local currency and, accordingly, their financial statements are translated into U. S. Dollars. As a result, both adverse and beneficial fluctuations in foreign exchange rates impact our business, results of operations and financial ~~position-condition~~. In addition, funds transferred to the United States can be adversely or beneficially impacted by changes in foreign currency exchange rates. We operate in high- growth markets and developing countries, which often carry greater risks and uncertainties that could have a material adverse effect on our business, results of operations and financial ~~position-condition~~. The operational and financial performance of our international businesses are affected by global and regional economic conditions, competition for new business and personnel, currency exchange rate fluctuations, political conditions, differing tax and regulatory environments and other risks associated with extensive international operations. We conduct business in numerous high- growth markets and developing countries. Such countries tend to have longer billing collection cycles, currency repatriation restrictions and commercial laws that can be undeveloped, vague, inconsistently enforced, retroactively applied or frequently changed. Our operations are also subject to the United States Foreign Corrupt Practices Act and other anti- corruption and anti- bribery laws and regulations. These laws and regulations are complex and stringent, and any changes and violations could have an adverse effect on our business and reputation. Our business, results of operations and financial ~~position-condition~~ can be adversely affected if we are unable to effectively operate, or manage the risks associated with operating in these markets and countries. For financial information by geographic region, see Notes 3 and 8 to the consolidated financial statements. Risks Related to Acquisitions We may be unsuccessful in evaluating material risks involved in completed and future acquisitions. We regularly evaluate potential acquisitions of businesses that are complementary to our businesses and ~~client-needs-service offerings~~, and in some cases, associated technological capabilities and assets. As part of the process, we conduct business, legal and financial due diligence to identify and evaluate material risks involved in any particular transaction, including business strategy and operational execution. Despite our efforts, we may be unsuccessful in ascertaining or evaluating all such risks. As a result, the intended advantages of any given acquisition may not be realized. If we fail to identify certain material risks from one or more acquisitions, our business, results of operations and financial ~~position-condition~~ could be adversely affected. Our goodwill is an intangible asset that may become impaired, which could have a material adverse effect on our business, results of operations and financial ~~position-condition~~. In accordance with generally accepted accounting principles in the United States, or U. S. GAAP or GAAP, we have recorded a significant amount of goodwill related to our acquisitions; a substantial portion of which represents the intangible specialized know- how of the acquired workforce. As discussed in Note 2 to the consolidated financial statements, we review the carrying value of goodwill for impairment annually on May 1 and whenever events or circumstances indicate the carrying value may not be recoverable. The estimates and assumptions about future results of operations and cash flows made in connection with the impairment testing could differ from future actual results of operations and cash flows. While we have concluded, for each year presented in the financial statements included in this report, that our goodwill is not impaired, future events could cause us to conclude that the ~~goodwill intangible asset values~~ associated with a given operation may become impaired. Any resulting non- cash impairment charge could have a material adverse effect on our business, results of operations and financial ~~position-condition~~. **Risks Related to the Proposed Merger with IPG The Merger may not be completed, and the Merger Agreement may be terminated in accordance with its terms. The Merger is subject to a number of conditions that must be satisfied or waived prior to the completion of the Merger, including, among others, the approval by our stockholders of our share issuance proposal, the approval by IPG stockholders of the proposal to adopt the Merger Agreement, the receipt of requisite regulatory approvals and the approval for listing on the New York Stock Exchange, or NYSE, of the shares of our common stock issuable to IPG stockholders pursuant to the Merger Agreement. These conditions to the completion of the Merger may not be satisfied or waived in a timely manner or at all, and, accordingly, the Merger may be delayed or may not be completed. In addition, if the Merger is not completed by December 8, 2025, which date may be extended to June 8, 2026 in certain circumstances, either we or IPG may choose not to proceed with the Merger by terminating the Merger Agreement, and the parties can mutually decide to terminate the Merger Agreement at any time, before or after stockholder approval. In addition, we and IPG may elect to terminate the Merger in certain other circumstances as set forth in the Merger Agreement. If the Merger Agreement is terminated under specified circumstances, Omnicom would be required to pay IPG a termination fee of \$ 676 million. Additionally, if the Merger Agreement is terminated in circumstances where the Omnicom shareholders have not approved our share issuance proposal, then Omnicom has agreed to reimburse IPG' s expenses up to \$ 25 million. Failure to complete the Merger could negatively impact the price of shares of our common stock, as well as our business and results of operations. If the Merger is not completed for any reason, our business and results of operations may be adversely affected and, without realizing any of the benefits of having completed the Merger, we would be subject to a number of risks, including: • we may experience negative reactions from the financial markets, including negative impacts on the market price of our common stock; • we may experience negative reactions from clients, vendors, joint venture participants and other third parties with whom we do business, which in turn could affect our business operations or our ability to compete for new business or obtain renewals in the marketplace more broadly; • we may experience negative reactions from employees; • we will still be required to pay certain significant costs relating to the Merger, such as legal, accounting, financial advisor and printing fees; and • we will have expended time and resources that could otherwise have been spent on our existing business and the pursuit of other opportunities that could have been beneficial to us, and our ongoing business and results of operations may be adversely affected. If the Merger Agreement is terminated under specified circumstances, we may be required to pay IPG a termination fee or other termination - related payment as discussed above. Uncertainties**

associated with the Merger may cause a loss of our and IPG's management personnel and other key employees, which could adversely affect the business and operations of the combined company following the Merger. Each of Omnicom and IPG depends on the experience and industry knowledge of its officers and other key employees to execute its business plans. The success of the combined company after the Merger will depend, in part, on its ability to retain key management personnel and other key employees. Our and IPG's current and prospective employees may experience uncertainty about their roles within the combined company following the Merger or other concerns regarding the timing and completion of the Merger or the operations of the combined company following the Merger, any of which may have an adverse effect on our and IPG's ability to retain or attract key management and other key personnel. If we or IPG are unable to retain personnel, including our or IPG's key management, who are critical to the future operations of the companies, we and IPG could face disruptions in our respective operations, loss of existing clients, loss of key information, expertise or know-how and unanticipated additional recruitment and training costs. In addition, the loss of our and IPG's key personnel could diminish the anticipated benefits of the Merger. No assurance can be given that the combined company, following the Merger, will be able to retain or attract our and IPG's key management personnel and other key employees to the same extent that we and IPG have previously been able to retain or attract personnel. Our and IPG's business relationships may be subject to disruption due to uncertainty associated with the Merger, which could have a material effect on our business, results of operations, financial condition and cash flows or those of the combined company following the Merger. Parties with whom we or IPG do business may experience uncertainty associated with the Merger, including with respect to current or future business relationships with us or IPG following the Merger. Our and IPG's business relationships may be subject to disruption as clients, vendors, landlords, joint venture participants and other third parties with whom we or IPG do business may attempt to delay or defer entering into new business relationships, negotiate changes in existing business relationships or consider entering into business relationships with parties other than us or IPG. These disruptions could have a material and adverse effect on our and IPG's business, results of operations, financial condition and cash flows, regardless of whether the Merger is completed, as well as a material and adverse effect on the combined company's ability to realize the expected cost savings, operating synergies and other benefits of the Merger. The risk, and adverse effects, of any disruption could be exacerbated by a delay in completion of the Merger or termination of the Merger Agreement. The Merger Agreement subjects us to restrictions on business activities prior to the effective time of the Merger. The Merger Agreement restricts us from entering into certain corporate transactions and taking other specified actions without the consent of IPG and generally requires us to continue our operations in the ordinary course through the completion of the Merger. These restrictions could be in place for an extended period of time if completion of the Merger is delayed and could prevent us from pursuing attractive business opportunities that may arise prior to the completion of the Merger. We are expected to incur significant costs in connection with the Merger and integration of the two companies, which may be in excess of those anticipated by us. We have incurred and expect to continue to incur costs associated with negotiating and completing the Merger and combining the operations of the two companies. These costs have been, and will continue to be, substantial. The substantial majority of costs will consist of transaction costs related to the Merger and include, among others, fees paid to financial, legal and accounting advisors, filing fees, employee retention and other employment-related costs, and debt restructuring costs. Many of these costs will be borne by us even if the Merger is not completed. We will also incur transaction costs related to formulating and implementing integration plans, including facilities, systems and service contract consolidation costs and employment-related costs. We will continue to assess the magnitude of these costs, and additional unanticipated costs may be incurred in connection with the Merger and the integration of the two companies' businesses. Although we expect that the elimination of duplicative costs, as well as the realization of other synergies related to the integration of the businesses, should allow the combined company to offset integration-related costs over time, this net benefit may not be achieved in the near term, or at all. For additional information, see "Risk Factors- The failure to integrate our and IPG's businesses and operations successfully in the expected time frame may adversely affect the combined company's business and results of operations." The costs described above, as well as other unanticipated costs and expenses, could adversely affect the results of operations, financial condition and cash flows of the combined company following the completion of the Merger. Litigation relating to the Merger, if any, could result in an injunction preventing the completion of the Merger and / or substantial costs to us. Securities class action lawsuits and derivative lawsuits are often brought against public companies that have entered into acquisition, merger or other business combination agreements like the Merger Agreement. Even if such a lawsuit is without merit, defending against these claims can result in substantial costs and divert management time and resources. An adverse judgment could result in monetary damages, which could have a negative impact on our liquidity and financial condition. Lawsuits that may be brought against us, IPG, or our or their directors could also seek, among other things, injunctive relief or other equitable relief, including a request to rescind parts of the Merger Agreement already implemented and to otherwise enjoin the parties from consummating the Merger. One of the conditions to the closing of the Merger is that no Law or Order (each as defined in the Merger Agreement) is promulgated, entered, enforced, enacted or issued by any governmental entity of competent jurisdiction in which we, IPG, or our or their subsidiaries have material assets or material business operations, which prohibits, restrains or makes illegal the consummation of the Merger. Consequently, if a plaintiff is successful in obtaining an injunction prohibiting completion of the Merger, that injunction may delay or prevent the Merger from being completed within the expected timeframe or at all, which may adversely affect our businesses, results of operations, financial condition and cash flows. In addition, either we or IPG may terminate the Merger Agreement if any Law or Order has been promulgated, entered, enforced, enacted or issued by any governmental entity of competent jurisdiction in which we, IPG, or our or their subsidiaries have material assets

or material business operations, which is in effect and permanently prohibits, restrains, enjoins or makes illegal the consummation of the Merger, so long as our or Merger Sub's (in the case of a termination by us) or IPG's (in the case of a termination by IPG) material breach of any obligations under the Merger Agreement has not been the primary cause of, or resulted in, the enactment or issuance of such Law or Order, decree, ruling, injunction or other action. There can be no assurance that any of the defendants would be successful in the outcome of any potential future lawsuits. The defense or settlement of any lawsuit or claim that remains unresolved at the time the Merger is completed may adversely affect the combined company's business, results of operations, financial condition and cash flows. We and IPG have operated and, until the completion of the Merger, will continue to operate independently. Following the completion of the Merger, our and IPG's businesses may not be integrated successfully. It is possible that the integration process could result in the loss of our or IPG's key employees, the loss of clients, service providers, vendors or other business counterparties, the disruption of either company's or both companies' ongoing businesses, inconsistencies in standards, controls, procedures and policies, potential unknown liabilities and unforeseen expenses, delays, or regulatory conditions associated with and following completion of the Merger; or higher - than - expected integration costs and an overall post - completion integration process that takes longer than originally anticipated. Specifically, the following challenges, among others, must be addressed in integrating our and IPG's operations in order to realize the anticipated benefits of the Merger: • combining the companies' operations and corporate functions and the resulting difficulties associated with managing a larger, more complex, diversified business; • combining our and IPG's businesses in a manner that permits the combined company to achieve the cost savings and operating synergies anticipated to result from the Merger; • avoiding delays in connection with the completion of the Merger or the integration process; • integrating personnel from the two companies and minimizing the loss of key employees; • identifying and eliminating redundant functions and assets; • harmonizing the companies' operating practices, employee development and compensation programs, internal controls and other policies, procedures and processes; • maintaining existing agreements with clients, service providers, vendors and other business counterparties and avoiding delays in entering into new agreements with prospective clients, service providers, vendors and other business counterparties; • addressing possible differences in business backgrounds, corporate cultures and management philosophies; and • consolidating the companies' operating, administrative and information technology infrastructure and financial systems. In addition, at times the attention of certain members of either company's or both companies' management and resources may be focused on completion of the Merger and the integration of the businesses of the two companies and may reduce their availability for day - to - day business operations or other opportunities that may be beneficial, which may disrupt each company's ongoing operations and the operations of the combined company. The Merger may result in a loss of our and IPG's clients, service providers, vendors, joint venture participants and other business counterparties, and may result in the termination of existing contracts. Following the Merger, some of our and IPG's clients, service providers, vendors, joint venture participants and other business counterparties may terminate or scale back their current or prospective business relationships with the combined company. In addition, we and IPG have contracts with clients, service providers, vendors, joint venture participants and other business counterparties that may require us or IPG to obtain consents from these other parties in connection with the Merger, which may not be obtained on favorable terms or at all. If relationships with clients, service providers, vendors, joint venture participants and other business counterparties are adversely affected by the Merger, or if the combined company, following the Merger, loses the benefits of the contracts of Omnicom or IPG, the business, results of operations, financial condition and cash flows of the combined company could be adversely affected. The combined company may fail to realize all of the anticipated benefits of the Merger. The success of the Merger will depend, in part, on our ability to realize the cost savings, operating synergies and other benefits from combining our and IPG's businesses. The anticipated cost savings, operating synergies and other benefits of the Merger may not be realized fully or at all, may take longer to realize than expected, or may result in other adverse effects that we do not currently foresee, in which case, among other things, the Merger may not be accretive to adjusted earnings per share for both us and IPG and may not generate significant cash to return to stockholders via share repurchases or other means. Some of the assumptions that we and IPG have made, such as the achievement of the anticipated benefits related to combining complementary assets to create a portfolio of services and products that expand client opportunities, and advances in both companies' ability to innovate and develop new products and services, may not be realized. The integration process may, for each of us and IPG, result in the loss of key employees, the disruption of ongoing businesses or inconsistencies in standards, controls, procedures and policies. In addition, there could be potential unknown liabilities and unforeseen expenses associated with the Merger that could adversely impact the combined company. The future results of the combined company following the Merger will suffer if the combined company does not effectively manage its expanded operations. Following the Merger, the size and complexity of the combined company will increase significantly compared to the separate businesses of each of Omnicom and IPG. The combined company's future success will depend, in part, upon its ability to manage this expanded business, which will pose substantial challenges for management, including challenges related to the management of a larger number of operations and geographies and associated increased costs and complexity. The combined company may also face increased scrutiny from, and / or additional regulatory requirements of, governmental authorities as a result of the significant increase in the size and complexity of the business. There can be no assurances that the combined company will be successful or that it will realize the expected operating synergies, cost savings or other benefits currently anticipated from the Merger. Legal and Regulatory Risks Laws and regulations and actions of consumer advocates may limit the scope and content of our services, affect our ability to meet our clients' needs, result in third- party claims, litigation, regulatory proceedings or government investigations, or otherwise have a material adverse effect on our business, results of operations and financial position condition. Government

agencies and consumer groups directly or indirectly affect or attempt to affect the scope, content and manner of presentation of advertising, marketing and corporate communications services, through regulation or other governmental action, which could affect our ability to meet our clients' needs. Such regulation may seek, among other things, to limit the tax deductibility of advertising expenditures by certain industries or for certain products and services. In addition, there has been a tendency on the part of businesses to resort to the judicial system to challenge advertising practices and claims, which could cause our clients affected by such actions to reduce their spending on our services, and from time to time we may be subject to claims, lawsuits, regulatory proceedings or government investigations into whether our business practices comport with applicable law. Regardless of the merit of such claims, lawsuits, proceedings or investigations, defending against them could cost us a significant amount of time and money and result in negative publicity. Any regulatory or judicial action that affects our ability to meet our clients' needs or reduces client spending on our services could have a material adverse effect on our business, results of operations and financial position-condition. Compliance with ever evolving federal, state, and foreign laws relating to the handling of information about individuals involves significant expenditure and resources, and any failure by us or our vendors to comply could materially adversely affect our business, results of operations and financial position-condition. We, and third-party vendors on our behalf, process information related to individuals, including from and about individuals we may advertise to, actual and prospective clients, employees, and service providers. We and our vendors are subject to a variety of federal, state, and foreign laws, rules, regulations, industry standards, and other requirements related to privacy, use of personal information, marketing and advertising, and internet tracking technologies. These requirements, and their application, interpretation, and amendments are constantly evolving and developing. Among other things, such laws generally: require disclosures about the data collection, use, and disclosure practices of covered businesses, and provide individuals expanded rights to access, delete, and correct their personal information, and opt out of certain sales or transfers of personal information. Our obligations related to data privacy and security are quickly changing in an increasingly stringent fashion, creating some uncertainty as to the future legal framework governing such matters. Preparing for and complying with these obligations requires us to devote significant resources. These obligations may necessitate changes to our practices and to those of any third parties that process personal data on our behalf. In addition, these laws, rules, and regulations could also affect the acceptance of new communications technologies and the use of current communications technologies as advertising media. Any failure or perceived failure by us, or third parties on which we depend, to comply with data privacy laws, rules, regulations, industry standards and other requirements could result in legal claims or proceedings (such as class actions), regulatory investigations and enforcement actions, fines and penalties, negative reputational impacts and future compliance costs, which could materially and adversely affect our business, results of operations and financial condition. We also cannot guarantee that any such costs or losses will be covered by our existing insurance policies or that applicable insurance will be available to us in the future on economically reasonable terms or at all. Any of the foregoing could also affect our business and reduce demand for certain of our services, which could have a material adverse effect on our business, results of operations and financial position-condition. Expectations relating to environmental, social and governance considerations expose us to potential liabilities, reputational harm and other unforeseen adverse effects on our business. Many governments, regulators, investors, employees, customers and other stakeholders are focused on environmental, social and governance considerations relating to businesses, including climate change and greenhouse gas emissions, human capital and diversity, equity and inclusion. We make statements about our environmental, social and governance goals and initiatives through information provided on our website, press statements and other communications, including through our Corporate Responsibility Report. Responding to these environmental, social and governance considerations and implementation of these goals and initiatives involves risks and uncertainties and requires ongoing investments. The success of our goals and initiatives may be impacted by factors that are outside our control. In addition, some stakeholders may disagree with our goals and initiatives and the focus and views of stakeholders may change and evolve over time and vary depending on the jurisdictions in which we operate. Any failure, or perceived failure, by us to achieve our goals, further our initiatives, adhere to our public statements, comply with federal, state or international environmental, social and governance laws and regulations, or meet evolving and varied stakeholder expectations and views could materially adversely affect our business, reputation, results of operations, financial position-condition and stock price.