A Letter from the Chairman and Chief Executive Officer



To Our Shareholders:

I am happy to report that 2023 was a transformative year for Omnicom. We achieved our financial performance goals, made significant progress on our strategic initiatives, including in the area of Generative AI, and closed on the biggest transaction in Omnicom's history with the acquisition of Flywheel Digital.

On the new business front, we had a very successful 2023. We secured work with Amazon, Beiersdorf, Enterprise, Grupo Bimbo, Jaguar Land Rover, Novartis, Phillips, Telstra, Uber, Under Armour, Vans, and Virgin Voyages, among others. We also closed the year with exciting news that BMW consolidated its U.S. creative, digital and CRM business with us.

Our success was not limited to new business wins. We were honored as the top creative company at several industry events, including at the prestigious Cannes Lions Festival of Creativity.

We are immensely proud of these wins and credit them to the partnership and trust of our clients and the tireless efforts of our talented people around the world. Our teams consistently deliver exceptional work for our clients, and I am truly grateful for their dedication and commitment to excellence.

In sum, we delivered against our financial targets, continued to transform our business, strengthened our relationships with existing clients, and won more than our fair share of new business. We are excited about the opportunities that lie ahead and look forward to continued growth in the year to come.

Performance Overview

Omnicom's strength comes from our broad range of capabilities and how we orchestrate them to provide our clients with intelligent outcomes. Our sustained success, in 2023 and over time, is underpinned by our ability to consistently adapt and evolve our capabilities to meet our clients' changing needs in a complex marketing and technology landscape.

In 2023, against the backdrop of a challenging business environment, Omnicom delivered across our key financial indicators. Our organic revenue growth was 4.1% for the year, in line with our targets, and our adjusted operating profit margin for the full year 2023 was 15.2%.

On the bottom line, we delivered non-GAAP adjusted earnings of \$7.41 per diluted share, an increase of 6.9 percent from 2022.

In 2023, Omnicom generated \$1.9 billion in free cash flow, an increase of 6.5%, and returned \$1.2 billion to shareholders through dividends and share repurchases. Our liquidity and balance sheet remain very strong. Moving forward, we will continue our consistent approach to capital allocation: paying dividends, pursuing strategic acquisitions, and share repurchases.

Accelerating Innovation Underpinned by Creativity

Omnicom is built on a foundation of creativity and innovation. Innovation is difficult to achieve in monolithic environments, which is why we remain steadfastly committed to our agency brands, cultures, and entrepreneurship. We are just as committed to seamlessly delivering a holistic set of services to our clients by bringing together the innovation of our agencies through our global client leaders and our purpose-built operating system.

That operating system — Omni — consolidates the highest fidelity data and advanced technology into a single platform that puts powerful tools directly into the hands of our people and clients. This means data and tech live on the front lines, enhancing our intelligence, fueling our creativity, extending our expertise, and empowering our people.

At the 2023 Cannes Lions Festival of Creativity, we launched Omni 3.0, a next generation operating system for Omni where every experience is powered by Generative AI. The experience is delivered through Omni Assist and is a result of our first-mover partnership with Microsoft. Omni Assist gives our agency teams the power to do their jobs more efficiently while focusing on high impact work for our clients.

Following the launch of Omni 3.0, we unveiled several additional first-mover Generative AI collaborations with Adobe, Amazon, Getty, and Google to execute work more effectively and efficiently on behalf of our clients.

It's critically important to note that AI can never replace the inspiration and genius that comes from our people and their creativity. These technologies will simply make it easier and faster to develop and deploy creative ideas.

In addition to our internal investments and strategic partnerships, we continue to invest in high-growth areas through acquisitions. Earlier this year, we closed on the acquisition of Flywheel Digital. Flywheel enables brands to sell goods across digital marketplaces such as Amazon, Walmart, Alibaba and more than 100 other marketplaces around the world.

It opens an entirely new market opportunity for Omnicom, transforming us from an advertising and marketing-focused company to a marketing and sales-focused company. We can now seamlessly integrate end-to-end services from brand media to precision marketing to e-commerce and in-store commerce, ultimately delivering superior results for our clients.

In January, we welcomed Flywheel's CEO, Duncan Painter, and more than 2,000 Flywheelers around the world to Omnicom. We quickly began combining Omni's audience and behavior data with marketplace point of purchase sales data in Flywheel's Commerce Cloud, giving us an unmatched set of data to effectively drive sales for clients, as well as truly measure return on advertising spend. It's a unique offering that no one has been able to achieve, and we believe our competitors can't match it.

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Omnicom won Creative Company of the Year at the 2023 Cannes Lions International Festival of Creativity.

Omnicom was named Holding Company of the Year and Dieste was named Multicultural Agency of the Year for Ad Age's 2023 A-List and Creativity Awards.

Omnicom was crowned Creative Holding Company of the Year by The One Show for the sixth time in the past decade.

Omnicom took home Holding Company of the Year at the 2023 Gerety Awards.

Omnicom was recognized as MediaPost's 2023 Holding Company of the Year. Moving forward, our focus remains on satisfying the growing demand for our services throughout the entire marketing journey. To achieve this goal, we aim to expand our capabilities to both current and prospective clients. We believe that combining our comprehensive range of services, creative expertise, and collaborative culture – all powered by Omni – will continue to give us a significant competitive advantage while driving growth opportunities for our business.

Empowering our People

Our people are our greatest asset. Every year, we look for new ways to ensure they can advance within Omnicom as well as feel seen and respected.

Professional development is a key part of this equation. In 2023, we moved all our virtual learning and development opportunities – which includes tens of thousands of courses available to all employees – onto our OneLearning platform. In addition, almost 500 of our rising stars attended our 11 in-person programs that were part of Omnicom University, our longstanding management development program. We also continued to promote internal career advancement through our Roleseeker platform, which shows job opportunities across Omnicom's U.S. networks and agencies and saw roughly 9,000 users in 2023.

To ensure a sense of belonging, we continued to invest in OPEN 2.0, our action plan to achieve systemic equity throughout Omnicom. In 2023, we had more than 60 dedicated, full-time DEI leaders across the organization help with our OPEN 2.0 goals and initiatives. We upheld our commitment to transparency by publicly disclosing our U.S. EEO-1 data and achieved a 14% increase in representation of BIPOC employees throughout Omnicom. In the year ahead, we will continue to push our DEI efforts forward.

Protecting our Planet

We are working diligently to reduce our environmental footprint. Across the more than 70 countries in which we operate, we're increasing our efficiency, reducing energy use and consolidating our real estate footprint.

To keep us on track, we set a goal to reduce our absolute Scope 1, 2 and 3 greenhouse gas emissions by 46.2% by 2030. In early 2023, the Science Based Targets initiative (SBTi) validated this near-term science-based emissions reduction target.

As we move forward, we plan to measure emissions from our business activities with greater accuracy using an environmental data platform we built at Omnicom. The platform is integrated with an expert third-party carbon calculator that uses methodologies aligned to the most recent climate science.

Leading Responsibly

Omnicom's Board of Directors is regularly recognized for being one of the most diverse Boards of any U.S.-based company. Now at 11 members, I am proud to say we have seven women and six ethnically diverse members. In 2023, Diversity First ranked us #23 out of all Fortune 500 companies based on the racial and gender diversity of our executive and board membership, making us a Top 50 Company for Diversity.

Our progress in 2023 positions us at the forefront of new technologies and innovation, and it extends our leadership position in the industry.

The composition of our Board is a direct result of our commitment to onboarding exceptional candidates who bring a wealth of experience and diverse points of view. In 2023, the Board elected Mary C. Choksi to serve as our new Lead Independent Director. Mary will replace Len Coleman, who decided to step down from the role at the end of 2023 but will continue to serve on the Board and chair our Governance Committee. I would like to extend my deep gratitude to Len for his outstanding leadership, dedication and numerous contributions as Lead Independent Director over the years. In addition, we welcomed one new Board member, Casey Santos, who was recently appointed as an independent director and a member of the Finance Committee.

Our Journey Continues

In early 2023, Ad Age named us their 2023 Holding Company of the Year. The publication aptly noted that "while still creative, Omnicom is a data-driven powerhouse enabling marketers to transform their businesses using its capabilities in e-commerce, consumer experience management, CRM and more."

This recognition and our other 2023 accolades are a testament to having the most creative talent and innovative technologists in the world, as well as a data science community that is now at the leading edge of machine learning. I am humbled and honored to work with such outstanding talent.

We have solid momentum as we enter 2024, especially as we bring the new capabilities of Flywheel to our clients. Our progress in 2023 positions us at the forefront of new technologies and innovation, and it extends our leadership position in the industry.

On behalf of Omnicom and our management team, I want to express my deepest gratitude to the more than 75,000 people at our agencies and 5,000 clients around the world for their contributions to another great year. And, as always, I thank you, our investors, for your trust and support as we continue to invest in the future growth of our business.

Sincerely, John D. Wren

Chairman & Chief Executive Officer