

WPP Corporate Responsibility Report 2009/2010



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This Corporate Responsibility Report, together with our Annual Report, trading statements, news releases, presentations, and previous CR Reports, is available online at www.wpp.com



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Introduction

Welcome to our eighth annual Corporate Responsibility (CR) Report. Here we sum up our approach to social, ethical and environmental issues and report progress made across the Group during 2009.

We start with a look at three themes relevant to CR and our business strategy: corporate responsibility in faster-growing markets; the impact of marketing on efforts to tackle climate change; and privacy and the growth of digital marketing. Throughout the report we include thoughts and insights on corporate responsibility from our companies.

We don't think reporting should be a one-sided conversation. We welcome your feedback – whether positive or negative.

You can contact us at: cr@wpp.com.

From our CEO

Many people will view 2009 as a set-back for global efforts to tackle climate change. As the Copenhagen summit ended without agreement, leading climate scientists became embroiled in controversy and hope of organised action to protect us from the threat of climate change receded.

Yet I remain optimistic that these events do not mark an end to progress but rather a shift in leadership from government towards business. While the politicians are deadlocked, leading companies have begun to reshape themselves, the early movers in an industrial revolution that will be every bit as important as the one that began in England in the 19th century. Take a look at IBM's 'Smarter Planet' website, created with the help of Ogilvy & Mather. It is clear that IBM, under its chairman and CEO Sam Palmisano, is fundamentally rethinking its business – what it does and how it does it. At the centre of the new strategy is an awareness that societies across the globe need to use resources more efficiently to achieve sustainable levels of consumption of the earth's resources and that IBM will help to facilitate this transition.

IBM is not alone. Procter & Gamble is planning for a future in which consumer products have greatly reduced environmental impact. Each of the company's range of Sustainable Innovation Products has an environmental footprint at least 10% lower than the previous or alternative products. P&G has a goal to sell \$50-billion worth of these products



by 2012. WPP is proud to assist in the research and marketing of these products through our multi-disciplinary 'S-Team' led by Hill & Knowlton.

Unilever is also integrating environmental goals across its brands. Its ambitious targets include a commitment to source 100% of its palm oil from sustainable sources and to buy all the tea for its Lipton and PG Tips brands from Rainforest Alliance Certified™ farms by 2015.

In UK retail, M&S's Plan A has been so successful that the company has extended it to 180 commitments which M&S intends to achieve by 2015. RKCRC/Y&R has worked on the marketing and communications of Plan A since the launch in 2007.

These are just some of the most prominent examples from the Group's client list but the shift in the way leading business people view their relationship with the environment and society is already well-established and gathering momentum. Leadership on climate change may never come from politicians, but it is already evident in the business community. Of course there are many challenges we have yet to face, but essentially I believe that the consumer needs to be enticed by sustainability, not just pushed by regulations.

Another interesting dimension is the mindset of consumers globally. The desire for more sustainable lifestyles is not confined to Europe and North America. The latest *Green Brands* survey developed jointly by three WPP companies shows that consumers in Brazil,

China, and India are even more inclined to seek out green products and to favour green companies, than their counterparts in France, Germany, the US and the UK. The results are encouraging from a political perspective, since much of the global climate change discussion is focused on what these new economic powerhouses are willing to do to control their emissions. It also offers hope that the economic growth in BRIC countries could potentially be achieved by a much more sustainable kind of consumption. In all regions, awareness of climate change is strong and concerned citizens are looking to business as the only sector willing and able to take the lead.

This presents huge opportunities for brands to distinguish themselves and risks to those that do not take heed of weaknesses in their products or supply chains. In the years ahead I expect to see intensifying competition for green credentials and increased efforts by brand owners to understand and reduce the life-cycle impacts of their products. Investment in eco-innovation and marketing will continue to grow.

Some of our companies are already at the forefront of these trends, helping their clients to understand the green agenda and communicate their efforts. I am keen to see a greater focus on sustainability in WPP businesses and a deepening of our understanding of the issues and how to present them in marketing without tokenism or 'greenwash'. We have profiled some of our recent work throughout this report.

At the same time, we're getting our own house in order, transforming WPP into a low-carbon communications services group. We agreed a new climate strategy this year with a target to reduce our emissions by 40% by 2020. As this report shows, we have already cut our emissions by 10% since 2006 and I expect our investment in energy-efficient offices, smart metering, videoconferencing and sustainable IT projects to continue to cut our footprint.

Our corporate responsibility policy embraces a wide range of subjects, not least how our companies behave as employers and the contribution we make to society through pro bono work. We are a truly global business and our clients are best served by a diverse workforce that understands the rich variety of cultures in the countries in which we have a presence. There are 43 nationalities represented among WPP Leaders and Partners, who form the senior echelon of our business. These leaders support a diverse and inclusive workplace and reflect this in recruitment and employment practices.

I welcome your thoughts and comments on this report and look forward to updating you on further progress in 2010.

Martin Sorrell

Sir Martin Sorrell
Group chief executive
msorrell@wpp.com

Who we are



WPP Digital

TAPSA



BANNER



Burson-Marsteller

ROBINSON LERER & MONTGOMERY
STRATEGIC COMMUNICATIONS



MillwardBrown

KANTAR WLT[®]RLDPANEL

CommonHealth[®]

Dentsu Y&R

imasina



MosaicaMD

everystone
uncovering opportunities and delivering value

metro

KASSIUS



Ogilvy Public Relations Worldwide

[BRANDBUZZ]

ZAAZ

THE STORE
WPP
THE WPP GLOBAL
RETAIL PRACTICE

DIALOGUE141

THE UNITED NETWORK

kinetic

COLEY PORTER BELL

BRIDGE WORLDWIDE

MINDSHARE



JOHANNES LEONARDO

GRASS ROOTS
inspiring people

SANTO

mec:
Active Engagement

groupm

ALLIANCE

tns

Catalyst on-line
an IBM Group Company



SOHO SQUARE

schematic

THE PARTNERS

actis® wunderman

Ogilvy Healthworld

FITCH

A. Eicoff & Company

CHIME COMMUNICATIONS PLC

H-art

JWT INSIDE

*S,C,P,F..

Lightspeed
RESEARCH

malone advertising



EWA
Bespoke Communications

Blue Hive

Our companies & associates

Advertising

ADK¹
www.adk.jp

Bates 141
www.bates141.com

BrandBuzz•
www.brandbuzz.com

CHI & Partners¹
www.chiandpartners.com

Dentsu Y&R^{1,2}•
www.dyr.co.jp

Grey
www.grey.com

HS Ad¹
www.hs-ad.co.kr

JWT
www.jwt.com

Johannes Leonardo¹
www.johannesleonardo.com

Marsteller Advertising•
www.marsteller.com

Ogilvy & Mather
www.ogilvy.com

Santo
www.santo.net

Scangroup¹
www.scangroup.biz

Soho Square
www.sohosq.com

Tapsa
www.tapsa.es

Team Detroit
www.teamdetroit.com

The Jupiter Drawing Room
& Partners¹
www.jupiter.co.za

United Network
www.theunitednetwork.net

Y&R•
www.yandr.com

Media Investment Management

GroupM:
www.groupm.com

Maxus
www.maxusglobal.com

MediaCom
www.mediacom.com

MEC
www.mecglobal.com

Mindshare
www.mindshareworld.com

Outrider/Quisma
www.outrider.com
www.quisma.com

Catalyst
www.catalystsearchmarketing.com

Other media agencies
Kinetic Worldwide²
www.kineticww.com

KR Media¹
www.krmedia-france.com

Consumer Insight

Kantar:
www.kantar.com

Added Value
www.added-value.com

Center Partners
www.centerpartners.com

IMRB International
www.imrbint.com

Kantar Health
www.kantarhealth.com

Kantar Japan
www.jp.kantargroup.com

Kantar Media
www.kantarmedia.com

Kantar Operations
www.kantaroperations.com

Kantar Retail
www.kantarretail.com

Kantar Worldpanel
www.kantarworldpanel.com

Lightspeed Research
www.lightspeedresearch.com

Millward Brown
www.millwardbrown.com

The Futures Company
www.thefuturescompany.com

TNS
www.tnsglobal.com

Other marketing consultancies

Everystone
www.everystonegroup.com

ohai
www.ohai-group.com

Public Relations & Public Affairs

Blanc & Otus
www.blancandotus.com

Buchanan Communications
www.buchanan.uk.com

Burson-Marsteller•
www.bm.com

Chime Communications PLC¹
www.chime.plc.uk

Clarion Communications
www.clarioncomms.co.uk

Cohn & Wolfe•
www.cohnwolfe.com

Dewey Square Group
www.deweysquare.com

Finsbury
www.finsbury.com

Hill & Knowlton
www.hillandknowlton.com

Ogilvy Government Relations
www.ogilvygr.com

Ogilvy Public Relations
Worldwide
www.ogilvypr.com

The PBN Company¹
www.pbnco.com

Penn Schoen Berland•
www.psbresearch.com

Prime Policy Group
www.prime-policy.com

Public Strategies
www.pstrategies.com

Quinn Gillespie
www.quinnillespie.com

Robinson Lerer & Montgomery•
www.rlmnet.com

Wexler & Walker Public Policy
Associates
www.wexlergroup.com

Branding & Identity

Addison Corporate Marketing•
www.addison.co.uk

BDGMcCoy
www.bdg-mccoll.com

BDGworkfutures
www.bdgworkfutures.com

Coley Porter Bell
www.cpb.co.uk

Dovetail
www.dovetailfurniture.com

FITCH•
www.fitchww.com

Lambie-Nairn•
www.lambie-nairn.com

Landor Associates••
www.landor.com

PeclersParis•
www.peclersparis.com

The Brand Union•
www.thebrandunion.com

The Partners•
www.thepartners.co.uk

VBAT•
www.vbat.com

Healthcare Communications

CommonHealth
www.commonhealth.com

Feinstein Kean Healthcare
www.fkhealth.com

GCI Health
www.gcihealth.com

ghg
www.ghgroup.com

Ogilvy Healthworld
www.ogilvyhealthworld.com

Sudler & Hennessey•
www.sudler.com



Direct, Digital, Promotion & Relationship Marketing

A. Eicoff & Co
www.eicoff.com

Actis Systems[†]
www.actis.ru

AGENDA^{*}
www.agenda-asia.com

Aqua Online[†]
www.aquaonline.com

Blast Radius[†]
www.blastradius.com

Bridge Worldwide
www.bridgeworldwide.com

Brierley & Partners¹
www.brierley.com

Designkitchen[†]
www.designkitchen.com

Dialogue 141
www.dialogue141.com

Digit
www.digitlondon.com

EWA
www.ewa.ltd.uk

FullSIX³
www.fullsix.com

Grass Roots¹
www.grg.com

G2
www.g2.com

- G2 Branding & Design

- G2 Interactive

- G2 Direct & Digital

- G2 Promotional Marketing

Headcount Worldwide

Field Marketing
www.headcount.co.uk

High Co¹
www.highco.fr

Kassius[†]
www.kassius.fr

KnowledgeBase Marketing[†]
www.knowledgebasemarketing.com

Mando Brand Assurance
www.mando.co.uk

Maxx Marketing
www.maxx-marketing.com

OgilvyAction
www.ogilvyaction.com

OgilvyOne Worldwide
www.ogilvy.com

OgilvyAction Sports & Entertainment Marketing
www.ogilvyaction.com

OOT²
www.oot.it

RTC Relationship Marketing[†]
www.rtrcm.com

Smollan Group¹
www.smollan.co.za

Studiocom[•]
www.studiocom.com

These Days[†]
www.thesedays.com

VML[•]
www.vml.com

Wunderman[•]
www.wunderman.com

ZAAZ^{*}
www.zcaz.com

Specialist Communications

Corporate/B2B
Ogilvy Primary Contact
www.primary.co.uk

Custom media
Forward
www.theforwardgroup.com

Spafax
www.spafax.com

Demographic marketing
The Bravo Group[•]
www.thinkbravo.com

Kang & Lee[•]
www.kanglee.com

MosaicaMD
www.mosaicamd.com

UniWorld¹
www.uniworldgroup.com

WING[•]
www.insidewing.com

Employer branding/recruitment
JWT Inside
www.jwtinside.com

Event/face-to-face marketing
MJM
www.mjmcreative.com

Metro

Foodservice marketing
The Food Group
www.thefoodgroup.com

Sports marketing
PRISM Group
www.prismteam.com

Entertainment marketing
Alliance
www.alliance-agency.com

Youth marketing
The Geppetto Group
www.geppettogroup.com

Real estate marketing
Pace
www.paceadv.com

Technology marketing
Banner Corporation[•]
www.bl.com

Media & production services
The Farm Group
www.farmgroup.tv

Hogarth Worldwide²
www.hogarthww.com

Imagina³
www.mediapro.es

MRC³
www.mrcstudios.com

The Weinstein Company³
www.weinsteinco.com

WPP Digital

24/7 Real Media
www.247realmedia.com

BLUE
www.blue-interactive.com

Deliver
www.deliveroffshoring.com

iconmobile¹
www.iconmobile-group.com

Quasar
www.quasar.co.in

Schematic
www.schematic.com

Szygy¹
www.szygy.net

WPP Digital partner companies

HDT Holdings Technology³
www.hdtworld.com

In Game Ad Interactive³
www.ingamead.cn

Invidi³
www.invidi.com

JumpTap³
www.jumptap.com

LiveWorld³
www.liveworld.com

Proclivity Systems³
www.proclivitysystems.com

Realtime Worlds³
www.realtimeworlds.com

SpotRunner³
www.spotrunner.com

VideoEgg³
www.videoegg.com

Visible Technologies¹
www.visibletechnologies.com

Visible World³
www.visibleworld.com

WildTangent³
www.wildtangent.com

Yield Software³
www.yieldsoftware.com

WPP knowledge communities

The Channel
The Store
droth@wpp.com

Key

- ¹ Associate
- ² Joint venture
- ³ Investment
- [•] A Young & Rubicam Brands company
- [†] A member of B to D Group
- ^{*} Part of the Wunderman network

As at June 2010.



What we're thinking

WPP companies exist to help their clients compete successfully: in marketing strategy, advertising, every form of marketing communication and in monitoring progress.

Our clients look to us for our insights into the latest economic, social and environmental trends and changing consumer attitudes across the globe.

Here we share our thoughts on three of the hot topics relating to corporate responsibility that were significant for our clients and the Group during 2009.



New markets: new responsibilities?

Corporate responsibility has often been depicted as a luxury: something that can be afforded in the affluent societies of North America and Western Europe, but less relevant in faster-growing markets facing more pressing economic issues.

We believe this analysis is out of date. Our research shows consumer interest in the social and environmental performance of companies and brands is as strong, or even stronger, in faster-growing markets, as in Western Europe and the US. In our view, corporate responsibility can no longer be

considered a 'nice-to-have' for brands and businesses in any corner of the globe.

With our growing presence in the dynamic new markets of Asia Pacific, Latin America and beyond (accounting for almost 27% of our business in 2009), we are using our insights and creativity to help clients understand changing attitudes to environmental and ethical business issues in these regions and communicate on these complex subjects.

Here we highlight some of our recent thinking and examples of our work for clients.

CASE STUDY:

Green Brands survey reveals consumer attitudes to green issues in Brazil, India and China

Since 2006, WPP companies Cohn & Wolfe, Landor Associates, and Penn Schoen Berland (PSB) have partnered to survey consumers on their attitudes to green issues. In 2010, the *Green Brands* survey included over 9,000 people in eight countries – Australia, Brazil, China, France, Germany, India, the UK and the US.

Globally, the survey found that consumers expect companies to take comprehensive environmental action. Over 60% of participants in all eight countries stated that they want to buy from environmentally responsible

companies. Despite economic concerns, the majority of consumers said they planned to spend the same or more on green products in the coming year.

But while many environmental beliefs and behaviours are shared across different consumer cultures, others vary widely – and not necessarily in the way you might think. For example, consumers in Brazil, China, and India reported being more inclined to favour companies they consider green than their counterparts in France, Germany, the US and the UK.

Consumers in China, India, and Brazil also showed a willingness to spend more where necessary on green products, with over 70% of consumers in these markets planning to increase

their green spend in the next year. Their counterparts in Europe and North America, however, are less inclined to pay more.

These results are interesting from a political perspective, since much of the global climate change discussion is focused on what these new economic powerhouses are willing to do to control their emissions. From a business perspective it shows that the market for green branding and green products may be even bigger than generally thought.

For more, contact Beth Lester (blester@ps-b.com), Dain Percifield (dain.percifield@cohnwolfe.com), and Mindy Romero (mindy.romero@landor.com)

New markets: new responsibilities?

PERSPECTIVE:

Sustainability in China



“Interest in sustainability is growing in leaps and bounds in China, as people experience deteriorating air and water quality. Young or old, high or low income, between 84% and 88% of Chinese urban consumers said they try to avoid companies that harm the environment and professed a preference for green products. 54% of consumers say they recycle – a phenomenon driven as much by a traditional penchant for thriftiness as by environmental concerns.

They are fortunate to have a government that is listening. In terms of pure monetary value China's \$221.3 billion green stimulus package – allocated to green business and infrastructure, including environmental protection, transportation and power grids – is quite simply the largest in the world. There is a growing expectation that the government will create tougher environmental standards for corporations to adhere

to; as well as providing support to help them adopt greener behaviour. The establishment of bike-sharing programs in Shanghai's Zhangjiang Hi-Tech Zone, and across Wuhan city are good examples of the latter.

Environmental performance is a new issue for many business players. Individual companies may have limited understanding of the environmental agenda and minimal influence on the government or consumers. As a result we are seeing a slew of collaborative initiatives such as Cleaner Greener China, the China Greentech Initiative, and JUCCE (Joint US-China Cooperation on Clean Energy) entering the fray, trying to figure out how corporations can make a difference.

The green movement in China is a relatively young phenomenon. Much of it is reactionary and spontaneous. In 2007 in Xiamen, citizens went to the streets to demonstrate against a planned chemical plant, using the internet as their rallying platform. Other campaigners – such as journalists Wen Bo, who has lobbied against deforestation, and Liu Jianqiang, a former senior investigative reporter at *Southern Weekend*, China's most influential investigative newspaper – are testing the limits of media freedom in their bid to raise public consciousness. They remain a select few, responding to specific events.

So, is there an opportunity for brands and marketers to engage with the growing interest in environmental protection? If sustainability in China is to become a mass movement, brands

must do more than appeal to a committed band of eco warriors. Corporations must collaborate to put pressure on government to raise regulatory standards (some of which have roots in the previous century) and help lower the entry barriers for consumers. After all, it was only when the Chinese government began offering a subsidy of as much as 60,000 yuan (\$8,700) to buyers of green vehicles did sales of hybrids take off. Zotye Auto, a local electric car maker in Hangzhou is offering its electric cars on a lease-only plan to customers, so that they can get comfortable with the idea before making a financial commitment.

Marketing and communications need to push the envelope beyond tokenism and event-based participation to a deeper engagement. They need to focus less on defending their environmental record and more on the opportunities they create for consumers to buy responsibly. Only then will a brand's sustainability credentials become a true differentiator. It's certainly possible – the URBN Hotel, Asia's first carbon-neutral hotel, in Shanghai, has built itself a base of committed clients, in large part by giving them the opportunity to mitigate their carbon footprint. With 73% of consumers willing to spend more on green services in China, the opportunity seems like a no-brainer.

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Ogilvy & Mather Asia Pacific
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CASE STUDY:

WPP company:

Ogilvy PR, Guangzhou

Client:

Prudential

Campaign:

Investing in Your Future

In China many families are moving to the cities in search of employment and higher wages. A survey conducted by Prudential in 2004 showed that although women are often in charge of the finances in migrant families, they often lack basic financial knowledge.

Ogilvy PR in Guangzhou worked with the financial services company Prudential to develop and implement 'Investing in Your Future' in China, a financial literacy initiative which brings together Prudential's female employees to share their knowledge with female staff from state-owned and private enterprises.

'Investing in Your Future' is a key part of Prudential's corporate responsibility strategy and has helped to build its reputation as a responsible financial services company. Over the past six years, Ogilvy PR helped to organise and deliver a total of 55 financial literacy seminars in Beijing and Guangdong Province, reaching more than 11,500 female workers by the end of 2009.



On average, 93% of the audience felt the seminars were good to excellent, 89% felt they would be able to apply the knowledge and skills in their daily life, and 90% said they would invest or change the way they are investing to improve their quality of life. With the success of the campaign in China, the CR initiative has been extended to India, Malaysia and Vietnam.



Communicating the climate challenge

The challenge of climate change was brought into sharp focus during 2009 in the build-up to the UN summit in Copenhagen and the negotiations during December 2009. Against a backdrop of GDP contraction and rising unemployment, leaders were unable to form a global agreement to deliver the emissions cuts that science demands.

In the absence of a legally-binding governmental framework to cut emissions, society continues to look to business to drive change towards a low-carbon economy.

For smart companies, this offers significant opportunities. The innovation required to tackle climate change will create many green jobs and huge markets for sustainable products. In 2009, billions of dollars in government stimulus packages were earmarked for green projects – China alone allocated \$221.3 billion for green business and infrastructure and environmental protection.

The communications services industry will be instrumental in gaining public support for action. This will rely on finding ways to reframe the issue away from negative campaigning to focus on the solutions to the problem and on what matters to people right now – economic security and jobs.

WPP companies are helping clients in the public and private sector communicate on climate change, to promote greener products and to encourage consumers to adopt low-carbon lifestyles.

CASE STUDY:

Listening to the climate conversation

Hill & Knowlton was chosen by the Danish government as official media sponsor for the UN Conference on Climate Change, COP15 during December 2009. Its brief was to support transparent communication of events at the summit and to encourage climate-conscious behaviour by delegates.

As part of its work, Hill & Knowlton created The Climate Conversation website which followed the debate in the run-up to and during the COP15 in Copenhagen. The site gave the view from the conference floor day by day, monitoring the debate and tracking the most influential individuals.

The 'COP15 Top 15' list ranked the politicians, companies and NGOs driving the discussion, based on the number of media mentions. The site also included charts and league tables showing the most active sources of commentary split by publications, journalists, blogs and twitterers.



View the debate as it happened at www.theclimateconversation.com.



CASE STUDY:

The power of hope

During the summer of 2009, politicians and NGOs were busy preparing for the United Nations Climate Change Conference in Copenhagen in December. But despite its historic nature, few members of the public seemed to know about it.

Realising the importance of gaining public support, United Nations Secretary General Ban-Ki Moon turned to the international Advertising Association to find ways to raise mainstream awareness of the conference. The challenge was to do so in less than 12 months.

OgilvyEarth, the WPP specialist sustainability agency, took on the challenge, working pro bono to develop a communications strategy and campaign for the conference.

Research showed that negative messages about climate change have become much less effective. People want to be offered solutions and be inspired to take action to create a better world.

Using these insights, the creative team hit on 'Hopenhagen,' with the simple but powerful call to action, "Let's turn Copenhagen into Hopenhagen."



The campaign included 30-second TV spots aired around the world as well as digital banners and billboard ads (including two in Times Square, New York). People were encouraged to visit www.hopenhagen.org and demonstrate their support for a global climate accord by becoming a 'citizen' of Hopenhagen and signing a petition demanding that the delegates reach a multilateral agreement. During the conference the number of 'Hopenhagen citizens' reached six million.

The campaign made extensive use of social media and online ads. High-profile individuals such as Al Gore and Laurie David contributed to a branded blog series. The campaign had 5,000 followers on Twitter and almost 54,000 fans on Facebook.



Communicating the climate challenge

PERSPECTIVE:

Sustainability: from idealism to pragmatism in 2010



“ In December 2009, the world looked on as two weeks of COP15 negotiations failed to reach a binding global climate deal.

What does the outcome mean for corporations and brands? Far from a signal to take a step back on sustainability, we believe it's a call to action to business to step into the leadership vacuum and forge new paths forward.

If 2009 was a year of 'idealistic sustainability' and expectations of multilateral 'change we can believe in' – 2010 looks set to be remembered as the year of 'pragmatic

sustainability', characterised by renewed, diversified action.

So in 2010, expect prudent expectations and practical progress to unlock the inertia, with business – the bastion of efficient productivity – at the helm.

Our prescription for brand success? The 3Ps:

Progress: At Davos in January 2010, Unilever CEO Paul Polman seized the headlines when he pledged to prioritise long-term 'stakeholder value' over short-term shareholder value; ditto Nike president and CEO Mark Parker who said he would not wait for consensus on environmental issues to "step up and help educate consumers." With progress at the global level stymied for now, institutions with greater autonomy have a clear opportunity to fill the leadership vacuum – and to reap the reputational rewards of so doing. Smart corporations will view this as a chance to leapfrog competitors hedging on sustainability.

Practicality: Despite their leaders' stalling, data show many consumers are more eager than ever to reward responsibility. *TIME* magazine found that 38% of US consumers make a conscious, regular effort to purchase products from socially responsible companies. With consumers yearning to participate, brands are uniquely placed to empower them with easy, relevant ways to play their part. Like

Coke-Cola's 'Give it Back' recycling program and American Express' 'Cardmembers' Project'; participation platforms – with a practical twist – fit the times.

Positivity: The dramatic anti-climax of COP15 left influencers deflated. Protracted economic woes are fomenting mainstream consumer antipathy. The antidote? Strong leadership and positive articulations of a better way forward. IBM broke through with 'Smarter Planet', its manifesto for the future. Six million Hopenhagen citizens proved consumers are thirsty for positive messaging around climate. Hope, when grounded in common sense, can be a powerful galvanizing force. Business knows this better than anyone, and brands can make great gains by realizing their ability to give consumers a vision and the tools to build better lives in a smarter world.

The bottom line: While pragmatism in the realm of sustainability may not sound as sexy as the once-promised revolution, it makes much better sense. And it just might get us to that low carbon utopia faster. Remember who beat the hare?

Freya Williams
Co-founder and worldwide planning director, OgilvyEarth
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CASE STUDY:

WPP company:

Ogilvy & Mather

Client:

IBM

Campaign:

Smarter Planet

Ogilvy & Mather helped to create the IBM 'Smarter Planet' campaign, which is arguably among the most extensive and successful corporate campaigns ever produced.

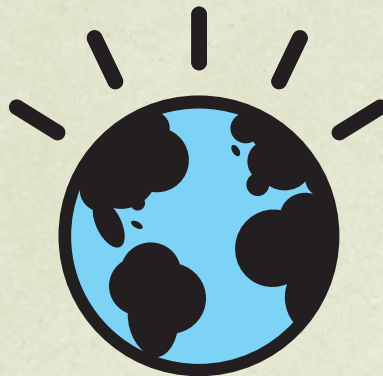
Launched by IBM chairman and CEO Sam Palmisano, Smarter Planet highlights the challenges facing society and provides the inspiring message that IBM is leading the transformation to a more efficient, smarter world.

Mandate for Change, Smarter Planet's first print ad, was anything but classic marketing. Long in form and matter-of-fact in delivery, Mandate for Change set out IBM's argument in clear detail, using thought-provoking content to point out how IBM could make the world work better.

Mandate became the first in a series of 25 arguments and created a cadence of 'smart.' Topics ranged from specific industries (retail, oil) to societal issues (water, healthcare) to areas of technology (cloud computing).

If print was Smarter Planet's argument – television was Smarter Planet's proof. Enlisting IBMers from around the globe, Ogilvy made the case that Smarter Planet is not some far off notion, but real and happening now. Authentic and true, IBMers shared stories of "what they're working on". From "finding new oil in old wells" to "using math to cure disease" Ogilvy featured IBM's best asset, its people, to make the case for IBM's expertise in building a Smarter Planet. Additionally, a 'Smarter Cities' tour of over 100 conferences accompanied the Smarter Planet campaign, in which civic leaders met to innovate and share solutions to problems facing rapidly-growing urban centres.

All communications drove to a robust digital experience that expanded on the Smarter Planet story. Video content was distributed across eight of the largest video-sharing sites, and links were shared with IBM's 400,000 employees, who were encouraged to



"spread the word" through their own social networking.

Smarter Planet was a resounding success, expanding IBM's target market by an estimated 40% and increasing its brand value. It coincided with a 58% increase in IBM's stock price, compared to a market that grew just 18%. IBM was also recognised as one of the world's most valuable brands by both BrandZ, WPP's global brand study, and Interbrand – surpassing brands such as Pepsi, Microsoft, GE and American Express.

The Smarter Planet campaign was featured and quoted over 6,000 times across the world's media, made the cover of *Fortune* magazine and won the 2010 Global Gold Effie Award. The campaign also successfully positioned IBM as a key player in the transition to a more sustainable future.

IBM has since been approached by US President Barack Obama, German Chancellor Angela Merkel and Chinese Premier Wen for advice on building a smarter planet.

As the Smarter Planet campaign continues with its momentum, the next chapter sets out to empower society, government and business leaders with the "how" of building a smarter planet.



For video of the campaign visit
www.wpp.com/cr2009/ibm.

Marketing in a digital age

The rise of the internet and digital communications is transforming the way we live and work, and the way brands communicate with consumers. WPP has world-class capabilities in digital marketing and media. This is a significant and growing area of our business, with some 27% of our revenues coming from digital and direct marketing in 2009, up from 17% just five years ago. Through our digital experts across the Group, we help brands engage with consumers online, on their mobiles and through a range of interactive media.

These changes are bringing new responsibilities too – most notably the risks and challenges relating to issues of privacy and data security. Our companies are fully involved in the debate on these subjects and issues such as behavioural targeting, helping advertisers to understand consumer views and shaping new solutions and safeguards that support trust in digital marketing.

WPP companies in the US have been collaborating on a number of projects to improve transparency around behavioural advertising, to give consumers more control over when their data is collected and to help advertisers and online publishers comply with changing regulatory requirements.

Here we profile some of our recent thinking and work on these topics. More information on our own privacy policies and practices is available on page 44.

PRO BONO CASE STUDY:

Developing a consumer privacy icon



WPP companies Ogilvy, GroupM and Kantar have been working pro bono with the Future of Privacy Forum, an advocacy group, to develop a privacy icon for online advertising. The icon will appear alongside phrases such as, 'Why did I get this ad?' on advertising that uses demographic or behavioural data, to show consumers that information about them is being collected. Consumers will be able to click on the icon to find out how their web surfing history and demographic profile is used to send them certain ads, and how they can opt out.

Ogilvy led the creative development, generating a number of compelling, consumer-friendly icons. These were tested through quantitative and qualitative consumer research by Kantar, to show which ones were best understood and remembered by internet users.

The American Association of Advertising Agencies, Association of National Advertisers, Direct Marketing Association, Interactive Advertising Bureau and the Council for Better Business Bureaus were also involved in the project. There is no legal requirement for advertisers, publishers and ad networks to use the icon, but it is hoped that it will be widely adopted.

WPP companies also worked with the Better Advertising Project to help develop the technology infrastructure to support the icon, and to ensure that it appears on all relevant ads and that consumer opt outs are observed.



CASE STUDY:

Consumer attitudes on behavioural targeting – new research

Behavioural targeting uses consumer data such as browsing history to deliver advertising suited to a web user's interests, allowing consumers to view more relevant advertising and giving brands higher response rates. However, some consumers and interest groups are concerned that the collection and use of data for behavioural targeting could affect consumer privacy.

For the second year in a row, TNS (WPP's custom market research company) and TRUSTe (a leading internet privacy services provider) surveyed consumer attitudes about behavioural targeting. The research looked at what consumers think about having their browsing behaviours tracked for marketing purposes and found that behavioural targeting has become a critical online trust issue.

Participants answered questions on their concerns and opinions about tracking issues, and the actions they take to protect their privacy. The survey results found that most consumers consider privacy important enough to take steps to protect it. Many individuals know their behaviour is being targeted, and they're uncomfortable with being tracked, even with the assurance of anonymity. Most are in favour of tools and features that control targeted advertising. Businesses have a stark choice: they can either increase

transparency about their behavioural advertising practices or risk increasing consumer doubt and suspicion. Companies also need to treat personal information with respect and earn the right to deliver advertising based on behaviour.

Key results from the survey showed that:

- 83.8% say that less than 25% of the ads they see while browsing online are relevant to their wants and needs.
- 50.5% of respondents say they're uncomfortable with advertisers using their browsing history to serve relevant ads, even when that information cannot be tied to their names or any other personal information.
- Only 30.6% said they would be comfortable having their browsing behaviour captured by websites on which they've registered in order to improve user experience.
- Consumer discomfort with tracking has declined by 6% year-over-year, suggesting that some consumers are more comfortable with behavioural targeting.

For more, contact David Stark, TNS privacy officer, North America: david.stark@tns-global.com

Marketing in a digital age

‘The collection and use of data for digital marketing must balance the delivery of relevant advertising to consumers with respect for legitimate concerns about transparency and notice in online marketing practices. Many tools have already been developed that enhance data transparency and choice for consumers, including technology that allows them to opt out of online advertising. The industry must now improve communication of these tools and continue to develop technology solutions based on a deeper understanding of consumer views **’**

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Read a full perspective online at
www.wpp.com/cr2009/iab.

PRO BONO CASE STUDY:

WPP companies:
Schematic, 24/7 Real Media, GroupM
Client:
Interactive Advertising Bureau
Campaign:
Privacy Matters

As part of industry efforts to improve transparency around online advertising practices, the Interactive Advertising Bureau (IAB), an industry organisation, launched the 'Privacy Matters' campaign during 2009.

WPP digital agency Schematic worked pro bono with the IAB to develop a series of striking banner ads to attract the attention of web users and tackle some of the concerns surrounding online and behavioural advertising and to educate them about what behavioural advertising is and how it is used.

Users clicking on the banner are directed to the Privacy Matters website, also developed by Schematic. Here they can access easy-to-understand information about different types of online advertising and resources to help them manage their privacy online. The campaign is running throughout 2010 and all ad space has been donated by publishers and ad networks, including 24/7 Real Media's Global Web Alliance.

The campaign has garnered widespread press attention, including stories in the *New York Times*, *Advertising Age*, *Adweek*, *ClickZ* and *MediaPost*. Between December 2009 and February 2010, the average percentage of people 'mousing' over the ads hit a high of 11% and at least 12 million people chose to take action and learn more about their online privacy. The daily average number of visitors to IAB's website rose by about 80% in January 2010, as a direct result of visitors to the Privacy Matters pages.

WPP's GroupM was also involved in the campaign and provided media planning services via its MEC agency.



To view 'Privacy Matters' visit
www.iab.net/privacymatters.







CR at WPP

Serving the CR communications needs of our clients is a growing business opportunity for WPP companies. We also need to manage social, ethical and environmental risks in our businesses. We believe that corporate responsibility helps us achieve our business goals and enhances our reputation with clients, our people, regulators and investors.





WPP exists:

To develop and manage talent;
to apply that talent,
throughout the world,
for the benefit of clients;
to do so in partnership;
to do so with profit.

Our CR activity supports our business strategy in a number of areas. These include:

- **Generating new business opportunities.** Increasingly, leading companies require a marketing services partner to help them communicate their social and environmental achievements. Our CR program enhances our understanding of these issues and supports our businesses in competitive pitches.
- **Attracting and retaining the best people.** There is fierce competition for talent in our industry and questions relating to CR are frequently raised by our people and new candidates during job interviews. Creating a diverse company culture, adopting leading employment practices and demonstrating our commitment to social and environmental issues can help us to attract and retain the best people. A diverse workforce enhances our understanding of consumers in all markets.
- **Enhancing our reputation.** We reduce the risk of adverse publicity by seeking to ensure that our work complies fully with regulations and marketing standards and by carefully evaluating the risk associated with new commissions. Our pro bono work and support for charities and community organisations reinforces our reputation for making a positive contribution in society.
- **Meeting investor expectations.** WPP share owners are showing interest in our CR practices and we aim to respond constructively to their requests for information.
- **Improving efficiency.** Our climate strategy is reducing costs associated with business travel and office energy use.

Corporate Responsibility Committee

Established in 2003 to advise on CR policy, the committee is made up of senior representatives from our agencies. Current members are:

- Jed Beitler, chairman & CEO Worldwide, Sudler & Hennessey
 - Craig Branigan, chairman & CEO, B to D Group
 - Owen Dougherty, chief communications officer, Grey Group
 - Chris Graves, CEO, Ogilvy PR Worldwide
 - Julie Halpin, CEO, The Geppetto Group
 - Mandy Pooler, development director, Kantar
 - Dominic Proctor, worldwide CEO, Mindshare
 - Vanessa Edwards, head of Corporate Responsibility, WPP
 - Tom Kinnaird, head of Global Commercial & Procurement Services, WPP
 - Mark Linaugh, chief talent officer, WPP
 - Howard Paster, executive vice president, WPP Public Relations & Public Affairs
 - Paul Richardson, Group finance director, WPP (chair)
 - Paul Stanley, director of Internal Audit, WPP.
- The Committee met once formally in 2009 when the main topics discussed were:
- Privacy
 - Client work-related risk
 - The impact of sustainability on marketing
 - Employment
 - Climate strategy

How we manage CR risk and opportunity

We focus our efforts on the issues that are most material (relevant and significant) to WPP. These are:

Issue	How it is managed	Aims
The social and environmental impact of our work for clients.	Opportunities to advise clients on marketing with a social or environmental dimension are identified by our companies.	Be a centre of excellence for environmental and social communication.
Risk to WPP's reputation from undertaking controversial client work.	Upward referral within operating companies and consideration at WPP ethical review meetings.	Protect WPP's reputation by taking decisions at the appropriate level.
Marketing ethics, compliance with marketing standards, and increasing transparency about our marketing practices.	Managed by our operating companies with referral to WPP directors as necessary.	Comply with all laws and industry codes governing marketing material. Improve standards and measurement in marketing practices.
Privacy and data protection are priority issues for all our companies and a particular focus for our research and digital agencies. Operating companies hold data on employees, clients and consumers.	The Group assists our operating companies in developing principles on privacy. Our key digital marketing and research companies have nominated senior executives to provide leadership on privacy and to work with other companies in the Group.	Meet best practice standards, contribute to the debate on privacy, increase transparency for consumers on how their data is obtained and used.
Employment, including diversity and equal opportunities, business ethics, employee development, remuneration, communication and health and safety.	Human resources policies are set and implemented at operating company level. WPP's chief talent officer assists the operating companies in attracting, developing and retaining our talent.	Support our companies' talent recruitment and retention through our reputation for corporate responsibility. Improve standards and measurement in employment.
Social investment, including pro bono work, donations to charity and employee volunteering.	Pro bono projects are agreed between WPP companies and the charities concerned. Many of our companies have long-standing relationships with their pro bono partners. WPP the parent company helps to coordinate pro bono projects involving multiple WPP companies or cross-Group collaborations.	To make a significant contribution to good causes through pro bono application of our marketing skills and direct donations to charity.
Climate change, including the emissions from energy used in our offices and during business travel.	Cross-functional, Group-wide Energy Action Teams and a network of agency Climate Champions help implement our climate change strategy.	Reduce absolute CO ₂ emissions by 40% by 2020 (from 2006 levels). Reduce per head carbon intensity to 1.2 tonnes by 2020 (from 3.3 tonnes in 2006).



CR issues in our supply chain and our environmental impacts beyond climate change are also important for WPP companies.

There are more than 150 companies within the Group – each a distinct brand in its own right. A great deal of management responsibility and discretion is devolved to our operating companies. Our approach to CR reflects this decentralised structure, with many CR issues managed at operating company level.

WPP the parent company complements this activity. Our Group CR function determines CR policy, monitors risks and opportunities and coordinates data collection. It helps raise awareness within our companies and provides advice and guidance on CR issues.

Paul Richardson, the Group finance director, is the Board director responsible for CR and is chair of our Corporate Responsibility Committee. He provides an annual assessment of corporate responsibility risks and performance to the Audit Committee.

Monitoring performance

We have established key performance indicators to help us review and improve our performance.

CR data is collected quarterly through our Group financial reporting system. This is helping to improve the accuracy of the data we collect and to embed CR into our operating company management systems.

Each WPP company has a nominated CR representative who is responsible for completing our annual internal case study survey of CR activity.

WPP's internal audit function assesses CR risks relating to employment, marketing ethics and business ethics during reviews of Group companies.

Stakeholder engagement

Stakeholder feedback helps us to refine and strengthen our approach to CR. We engage with a number of different stakeholder groups as part of normal business practice. These include:

- **Clients** – WPP companies are regularly asked about their approach to social and environmental issues during pitches.
- **Employees** – we engage with our people through regular surveys (conducted at operating company level). We distribute our Corporate Responsibility Report to 2,000 senior managers and send copies to WPP CR representatives, communications departments, key account executives and new business directors. It is also available on our Group intranet and public website. Articles on CR are included in *The WIRE* (WPP's global newspaper and eBook) and our magazine for procurement professionals (*Buy-in*).
- **Industry organisations and other partners** – WPP is a founder member of the UK's Media Sector CSR Forum, a group of leading media companies committed to furthering corporate responsibility in the sector. We are members of Business in the Community, the Employers Forum on Disability and the Institute of Business Ethics.

We believe that marketing and communications could play a key role in efforts to tackle climate change, see pages 2 and 3. Our Group CEO, Sir Martin Sorrell, participated in panels at the Copenhagen Business Summit on Climate Change in May 2009.

■ **Investors** – we respond to requests for information and meetings from WPP share owners and rating agencies. In 2009 this included requests for information or meetings from the following organisations:

- Bloomberg
- Carbon Disclosure Project
- Dow Jones Sustainability Index
- Ethical Investment Research Service (EIRIS)
- FTSE4Good
- Goldman Sachs
- Innovest
- Jupiter Asset Management
- KLD
- LCF Rothschild
- Norges Bank Investment Management
- Trucost
- UN Principles for Responsible Investment
- Vigeo

Investors focused on human rights, ethics, CR risks associated with client work and water use. WPP is included in the FTSE4Good Index.

WPP received two CR reporting awards during 2009:

- **Building Public Trust Awards (UK)** – Winner in FTSE 100 category for excellence in corporate reporting. Based on Annual Report, Corporate Responsibility Report and investor presentations.
- **20th Annual International GALAXY Awards (US)** – Silver in the Sustainability Report category for our Corporate Responsibility Report 2008/09.

Lobbying and political donations

WPP does not make political contributions from corporate resources with the occasional exception of very small, lawful contributions to local candidates in the US.

In countries where it is consistent with applicable law, individuals working at WPP make personal voluntary political contributions directly to candidates for office. Three of our businesses – Wexler & Walker, Hill & Knowlton and Burson-Marsteller – also maintain political action committees (PACs) which accept voluntary donations from employees to support political candidates.

WPP has on rare occasions sought to influence public policy on its own behalf, operating through its own companies.

Several WPP companies have public affairs practices which lobby governments on behalf of clients, see page 44.

Corporate governance

The Board of Directors as a whole is collectively accountable to WPP's share owners for good corporate governance and is committed to achieving compliance with the principles of corporate governance set out in the Combined Code.

Our goal is to comply with relevant laws, regulations, and guidelines such as the Combined Code, the US Sarbanes-Oxley Act of 2002, the NASDAQ rules, and their related regulations and, where practicable, seek to comply with guidelines issued by institutional investors and their representative bodies.

WPP operates a system of internal control, which is maintained and reviewed in accordance with the Combined Code and the guidance in the Turnbull Report as well as the relevant provisions of the Securities Exchange Act of 1934 as they currently apply to the Company. In the opinion of the Board, the Company has complied throughout the year with the Turnbull Report and has also complied with the relevant provisions of the Securities Exchange Act of 1934.



Tax policy

We believe it is important to state our views on tax in the context of corporate responsibility. We believe our obligation is to pay the amount of tax legally due in the territory in which the liability arises and to observe all applicable rules and regulations in all of the territories in which we operate. However, at the same time we also have an obligation to maximise share owner value and to manage financial and reputational risk. This includes controlling our overall liability to taxation.

The Group does not condone either personal or corporate tax evasion under any circumstances, and where such activities are identified, full disclosure of the activities undertaken are required to be made to the relevant tax authorities.

Our aim is to have a constructive relationship with tax authorities on an ongoing basis. Nevertheless we recognise that there may be some areas that are not free from doubt or where differing legal interpretations may be possible. Where disputes arise with tax authorities with regard to the interpretation and application of tax law, we are committed to addressing the matter promptly and resolving the matter in a responsible manner.

Business ethics

WPP's Code of Conduct (see page 26) and CR Policy (see page 27) set out the standards we expect our companies and employees to meet in their work. They provide guidance for our people in dealing with a wide range of ethical, social and environmental subjects. Both documents are publicly available on our website, www.wpp.com. Our Code of Conduct was strengthened during 2009 to incorporate key principles from the CR Policy and include guidance on avoidance of risks relating to client work, corruption and bribery, see page 26.

The CEO of each WPP company is required to sign a statement each year confirming that they comply with WPP's Code of Conduct. Employees can

report any concerns or suspected cases of misconduct in confidence through our third party-managed Right to Speak facility, overseen by our internal audit department. A Right to Speak phone number is available to all employees worldwide and is publicised through induction packs, the Group intranet and the WPP Policy Book which is available on our Group intranet.

Read about our Code of Conduct and anti-bribery and corruption training modules on page 42.

Code of Conduct

WPP and its companies operate in many markets and countries throughout the world. In all instances, we respect national laws and any other laws with an international reach, such as the US Foreign Corrupt Practices Act, where relevant, and industry codes of conduct. We are committed to acting ethically in all aspects of our business and to maintaining the highest standards of honesty and integrity.

- We, the officers and staff of all companies in the WPP Group ('the Group'), recognise our obligations to all who have a stake in our success including share owners, clients, staff and suppliers.

- Information about our business shall be communicated clearly and accurately in a non-discriminatory manner and in accordance with local regulations.

- We select and promote our people on the basis of their qualifications and merit, without discrimination or concern for race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.

- We believe that a workplace should be safe and civilised; we will not tolerate sexual harassment, discrimination or offensive behaviour of any kind, which includes the persistent demeaning of individuals through words or actions, the display or distribution of offensive material, or the use or possession of weapons on WPP or client premises.

- We will not tolerate the use, possession or distribution of illegal drugs, or our people reporting for work under the influence of drugs or alcohol.

- We will treat all information relating to the Group's business, or to its clients, as confidential. In particular, 'insider trading' is expressly prohibited and confidential information must not be used for personal gain.

- We are committed to protecting consumer, client and employee data in accordance with national laws and industry codes.

- We will not knowingly create work which contains statements, suggestions or images offensive to general public decency and will give appropriate consideration to the impact of our work on minority segments of the population, whether that minority be by race, religion,

national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.

- We will not undertake work which is intended or designed to mislead, including in relation to social, environmental and human rights issues.

- We will consider the potential for clients or work to damage the Group's reputation prior to taking them on. This includes reputational damage from association with clients that participate in activities that contribute to the abuse of human rights.

- We will not for personal or family gain directly or indirectly engage in any activity which competes with companies within the Group or with our obligations to any such company.

- We will not give, offer or accept bribes, whether in cash or otherwise, to or from any third party, including but not restricted to government officials, clients and brokers or their representatives. We will collectively ensure that all staff understand this policy through training, communication and by example.

- We will not offer any items of personal inducement to secure business. This is not intended to prohibit appropriate entertainment or the making of occasional gifts of minor value unless the client has a policy which restricts this.

- We will not accept for our personal benefit goods or services of more than nominal value from suppliers, potential suppliers or other third parties.

- We will not have any personal or family conflicts of interest within our businesses or with our suppliers or other third parties with whom we do business.

- No corporate contributions of any kind, including the provision of services or materials for less than the market value, may be made to politicians, political parties or action committees, without the prior written approval of the WPP Board.

- We will continue to strive to make a positive contribution to society and the environment by: maintaining high standards of marketing ethics; respecting human rights; respecting the environment; supporting community organisations; supporting employee development; and managing significant corporate responsibility risks in our supply chain.

Our Corporate Responsibility Policy provides more detail about our commitments in these areas.



CR Policy

We believe our business can make a positive contribution to society and the environment by managing our activities with care and by working with responsible organisations that promote social and environmental causes.

Our operating companies are required to comply with this CR Policy and report performance to the parent company quarterly.

Social investment

WPP companies are encouraged to:

- Undertake pro bono work for not-for-profit organisations involved in tackling social and environmental issues.
- Make appropriate financial and other donations to social and environmental organisations.

Managing relationships

- In all our relationships we will be open, honest and transparent and will not pay or receive bribes or inducements of any kind.

Employee development

WPP companies:

- Will select and promote our people on the basis of qualifications and merit, without discrimination or concern for race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.
- Will support training and career development for our people.
- Will provide a safe and civilised workplace free from sexual harassment or offensive behaviour.

Marketing ethics

WPP companies:

- Will comply with applicable regulations and self-regulatory codes of practice in the countries in which they operate.
- Will not knowingly create work which contains statements, suggestions or images offensive to general public decency and will give appropriate consideration to the impact of our work on minority segments of the population, whether that minority be by race, religion, national origin, colour, sex, sexual orientation, gender identity, age or disability.
- Will not undertake work designed to mislead in any respect, including social, environmental and human rights issues.

Environment

WPP companies will respect the environment by minimising their impact from:

- Energy use.
- Transport.
- Consumption of paper and other resources.
- Managing any significant CR risks in our supply chains.

Human rights

- WPP companies will uphold the principles contained in the United Nations Universal Declaration on Human Rights and the International Labour Organisation's fundamental conventions on core labour standards.
- We support the right of our people and their families to basic human rights including the right to organise, the right to fair conditions of work, freedom of opinion and expression and freedom from forced labour and child labour.



The impact of our work

The social and environmental impact of the work we undertake for clients is one of our most important CR issues.

Our goal is for WPP to be a centre of excellence for environmental and social communication.

Three areas of our work are significant:

- Sustainability in marketing
- Social marketing
- Cause-related marketing





Sustainability in marketing

Consumer concerns about the environment and labour standards are creating markets for green and fair trade products. In many regions, businesses are subject to a growing volume of regulation and increased scrutiny from pressure groups, the media and the public on a wide range of social and environmental issues.

Leading companies are responding positively, by embedding ethical values in their brands and developing products with better social or environmental standards. They need effective marketing to communicate the benefits to consumers.

This is an opportunity for WPP and a number of our companies have developed bespoke sustainability services for their clients. Current examples include P&G's S-Team (including Added Value, Bridge, Fitch, G2, The Futures Company, Hill & Knowlton, Landor and Penn Schoen & Berland); OgilvyEarth, Ogilvy's global network of sustainability marketing specialists; PSB Green, Penn Schoen & Berland's sustainability strategy group; and Cohn & Wolfe's Sustainability Practice.

Winners will be the brands who find ways to develop authentic messages, categories and even products that meet changing expectations. This is an extraordinary opportunity for companies, a luxury in a world where it is increasingly hard to differentiate on price and quality alone. The companies that rise to the challenge will find that they, and the world, are richer for it

Scott Osman

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Read a full perspective online at
www.wpp.com.

Case study: P&G S-Team

The S-Team is a group of experts from around WPP who have extensive experience in developing brand strategy and award-winning campaigns that leverage sustainability issues. The team collaborates with P&G and its partners on sustainability, helping them to accelerate meaningful change by connecting brands, stakeholders and consumers to the benefit of all.

The majority of today's consumers want to help the environment by choosing products that are more sustainable while not sacrificing product performance or paying a higher price. P&G has a goal to sell \$50-billion worth of Sustainable Innovation Products by 2012 – products that have demonstrated meaningful improvements to their environmental profile, with no trade-offs for consumers.

A core P&G sustainability initiative is Future Friendly, a multi-brand initiative aimed to inspire and educate consumers to save energy, water, waste, and packaging. This initiative achieved outstanding media coverage and messaging and generated incremental sales. Originally launched in 2007 in the UK and now active in North America and Europe, Future Friendly is a consumer education initiative, communicated in conjunction with leading environmental partners such as the Energy Savings Trust, Water Wise, and Waste Watch. The Future Friendly concept was developed in partnership with WPP company Added Value who researched how compelling the concept was with its target audience and WPP design agency Fitch who created an identity that resonates with consumers and stakeholders and works effectively in-store.



Read the full case study online
www.wpp.com/cr2009/pg.

Sustainability in marketing – case studies

Campaign: Tesco Greener Living website

Client: Tesco

WPP company: Forward UK

Tesco's Greener Living website showcases the UK supermarket's green products and advises customers on how to make quick and easy steps to lead a more environmentally-friendly lifestyle. The site also shows customers how being greener can help save money, supporting Tesco's brand proposition 'Every Little Helps'.

In 2009, Forward was asked to redesign the website and its content, making it more dynamic and easy to navigate.

Customer research indicated that saving money was the biggest motivator for environmental behaviour among Tesco customers. In response, Forward developed a fully interactive 'Save Money House,' which people can use to find out how to lower their carbon footprint and their living expenses. To encourage people to choose food grown closer to home, a new section was created where users can build their own recipe book based on seasonal produce recommendations. Other dynamic features, include a live 'Green news' feed, videos, blogs and interactive games.

To support the launch, Forward created a marketing strategy to raise awareness of the new website and inspire people to visit. This included mail-outs to customers and advertising in stores, online and in the in-store magazine. An interactive game which encouraged people to sign up to a monthly newsletter was played over 100,000 times.

In the first three months after launch, traffic to the website increased by 20%. A survey showed that 43% of people who had visited the site before the revamp felt that it was now more interesting and relevant, and 40% put something they'd read into practice after visiting the site.

Tesco marketing manager Steph Skeeles said: "Forward has put together a fantastic site that is dynamic, easy to use and visually appealing. It promotes every aspect of our Greener Living activity at Tesco, as well as providing excellent advice and support to our environmentally-minded customers, which is of real importance to us."



Visit the site at www.tesco.com/greenerliving.





Campaign: Start a Party

Client: Diageo

WPP company: G2 Mexico

Diageo's 'Start a Party' global advertising campaign promoted its J&B Scotch Whisky and encouraged consumers to drink responsibly.

G2 Mexico helped bring Mirrorball Man, J&B's responsible drinking spokesperson, to life and to spread his message that a responsible attitude to drinking makes partying more enjoyable. The character, wearing a sharp yellow suit and a mirror ball for a head, travelled to bars and clubs across the country to party while handing out free water bottles to encourage people to pace their drinking with non-alcoholic spacers and providing taxi numbers to discourage drink-driving.

In addition to his live appearances, Mirrorball Man spread his responsible drinking message through stickers and posters in washrooms. These told people to watch out for signs of drunkenness (such as not being able to walk in a straight line) and to call a taxi if they had too much to drink.

The campaign was effective, because it communicated a serious message in a fun and engaging way. Research following the campaign in Mexico found that 91% of consumers polled thought that promoting responsible drinking was a good idea for J&B and 71% said they thought better of the brand as a result.

Mirror Ball Man has also appeared in 13 countries in Asia, Africa, Europe and Latin America.



Sustainability in marketing – case studies

Campaign: E-billing campaign

Client: Vodafone India

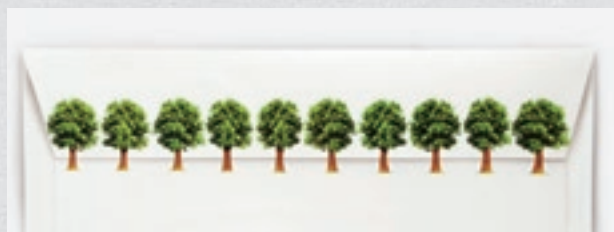
WPP company: Ogilvy Mumbai

With millions of new mobile phone subscribers added each year in India, the country is a key market for Vodafone. As the telecoms company expands its business, it is determined to limit the environmental impacts of growth.

In January 2009, Ogilvy Mumbai developed a campaign to encourage customers to opt for e-billing instead of paper statements. As well as saving paper and environmental impacts from posting the statements, e-billing also brings cost savings for Vodafone.

The agency developed the idea of printing a row of trees across the seal of the envelope. When the customer opened the statement, the trees were cut in two and a message was revealed informing them that over 5,000 trees are felled for every billing cycle and telling them how to switch to e-billing.

Since the launch of the campaign over 300,000 customers have switched to e-billing.





Campaign: Quality worth every penny

Client: Marks & Spencer Plan A

WPP company: RKCR/Y&R UK

In 2007, UK retailer Marks & Spencer launched ‘Plan A’, a set of 100 commitments with the ultimate goal to become the world’s most sustainable major retailer.

Two years on, the company celebrated its 125th anniversary with a marketing campaign showing how they have provided ‘quality worth every penny’ since 1884 and highlighting how their commitment to sustainability is undiminished despite the global recession.

RKCR/Y&R created a series of print and television ads which emphasised how environmental, animal welfare and labour standards are integral to the quality of M&S products and the way it does business.

Whereas previous Plan A ads ran separately from M&S’s main food or clothing ads, RKCR/Y&R decided that the time was right to integrate the campaigns. The agency used the same seductive close-ups of food and beautiful clothing that feature in broader M&S campaigns but added messaging and specific examples about how the company is dedicated to ‘Doing the Right Thing’.

The campaign was received very positively by shoppers who responded well to the message encouraging them not to compromise on quality even when times are tough.



View the video at www.wpp.com/cr2009/ms.



Social marketing – case studies

Social marketing

These are campaigns with social or environmental objectives, usually undertaken for government or non-governmental organisation (NGO) clients. Campaigns often tackle issues related to public health, safety or the environment. They are designed to raise awareness or encourage people to change their behaviour.

Many of our operating companies are involved in social marketing and several companies specialise in social marketing, including Ogilvy Outreach, Ogilvy PR's social marketing practice, JWT Ethos, Thompson Social and TNS Political and Social.

Examples of social marketing campaigns by WPP companies in 2009 are summarised here.

Campaign: Swine flu communications strategy

Client: The UK Department of Health

WPP company: MEC London

In 2008, MEC London was commissioned to develop a communications strategy as part of the response to a potential flu pandemic in the UK. A year later, the World Health Organization announced that a swine flu outbreak originating in Mexico had become a pandemic. MEC's strategy was put into action.

Throughout the pandemic, MEC gave the Department of Health advice on communications and developed communication plans for key campaigns. These included the 'Catch It, Bin It, Kill It' campaign, encouraging people to adopt good hygiene to limit the spread of swine flu, and a campaign to raise awareness of a national phone line and website which provided advice and enabled people to get anti-viral drugs. MEC also developed a communications plan to encourage 'at risk' people, such as healthcare workers and pregnant women to get vaccinated.

The severity of the situation, as well as the constant need for new communications working across multiple channels within tight deadlines, meant that the strategy was tested to its limit. Key messages were communicated to the right audiences in the right way which ensured public concern remained relatively low.

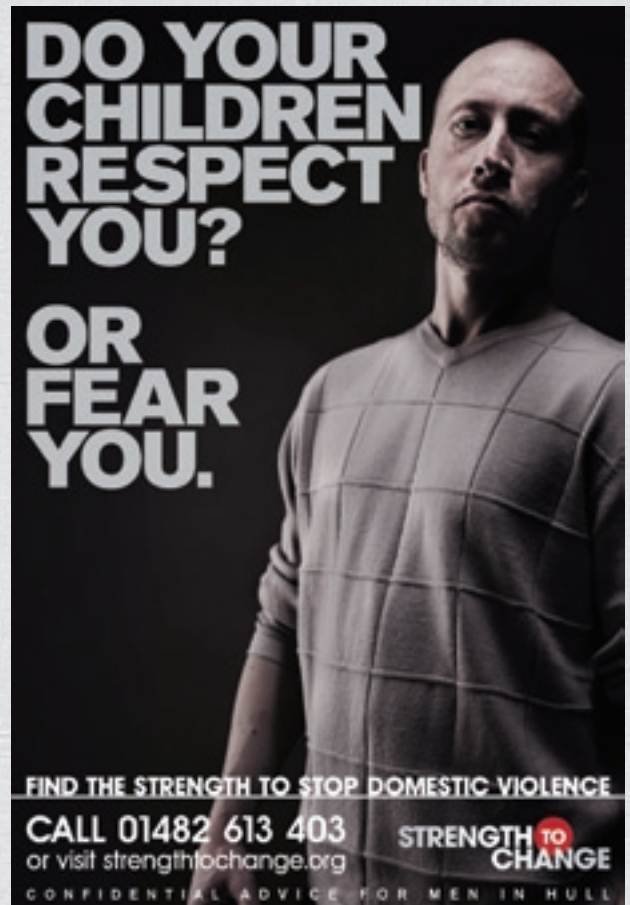


Campaign: Strength to Change – program against domestic violence

Client: NHS – Hull Primary Care Trust
WPP company: TNS Social UK

In 2009, the NHS launched the ‘Strength to Change’ campaign to raise awareness of domestic violence in Hull, in the UK, and to encourage perpetrators to get help to change their behaviour. TNS Social, which specialises in social and public sector research, undertook some pre-testing and evaluation research for the campaign to ensure that the advertising strategy was on track and made recommendations to increase the impact of ads.

With the help of TNS Social the campaign reached 60% of men in Hull aged between 18 and 50, well ahead of benchmark levels for comparative UK government campaigns. The vast majority of the men exposed to the campaign said it was believable and one in three men said that it had changed the way they thought about domestic violence, including those who admitted to being violent at home (the primary target group).



Social marketing – case studies

Campaign: Normal Life

Client: UNHCR (UN High Commissioner for Refugees)

WPP company: Y&R Buenos Aires

The UNHCR, a branch of the UN, helps to protect 32 million refugees worldwide who are displaced by persecution or conflict.

In Argentina, one of the consequences of the 2009 global economic crisis was a rise in hostility and xenophobia towards immigrants and refugees, as many locals became worried about losing their jobs.

Y&R Buenos Aires was asked to develop a creative campaign confronting this problem and educating people about the difficulties faced by refugees.

The campaign also targeted government departments, NGOs and businesses, encouraging them to support the UNHCR's work.

The campaign, which ran between May and October 2009, showed refugees confronting everyday situations that audiences could easily identify with. The tagline – 'Refugees want to have your problems' – reminded the public that refugees are just normal people, facing very difficult circumstances.



Los refugiados quieren tener los mismos problemas que vos.

Los refugiados son personas que tuvieron que abandonar sus países a causa de persecución por razones políticas, religiosas, de pertenencia a un grupo social o por conflictos armados. En el camino dejaron todo lo que les pertenecía. ACNUR trabaja para que más de 32 millones de personas en el mundo puedan renovar sus vidas. Vos también puedes ayudar. (811) 303 ACNUR | www.acnur.org



Cause-related marketing – case studies

Cause-related marketing

Cause-related marketing links brands to charities, usually through a donation for every product purchased. Executed sensitively, these campaigns generate awareness and funds for charity and benefit brands through increased sales and customer loyalty. Consumers are able to buy something they want and benefit a good cause. We help our clients create brand-charity partnerships that are meaningful and appropriate.

We profile two recent examples here.

Campaign: 50 states for good

Client: Tom's of Maine

WPP company: Cohn & Wolfe and ZAAZ US

Tom's of Maine is a Colgate-Palmolive company known for using natural ingredients and supporting communities.

In 2009, ZAAZ, part of the Wunderman network, and Cohn & Wolfe helped Tom's of Maine launch '50 states for good'. The initiative invites consumers to submit charity projects for consideration and then vote on those deemed most worthy. The five projects receiving the most votes are awarded \$20,000 each by Tom's of Maine. ZAAZ created a web-based program to enable consumers to vote and charities to apply for the scheme. Cohn & Wolfe developed an online campaign to promote the program.

The campaign was a tremendous success, demonstrating the company's commitment to community action and raising awareness about the charities that took part. More than 2,000 charities from all 50 US states applied for the initiative and more than 280,000 votes were received by Tom's of Maine. The campaign generated nearly 80 million impressions, increased traffic to the Tom's of Maine website by over 300% and doubled the number of people signing up to the company's newsletter.

Because of the positive response from customers and charities, Tom's of Maine has decided to rerun the initiative every year. The 2010 initiative will build on the previous year with the addition of a volunteer component.





Campaign: Coffee against loneliness

Client: Kraft

WPP company: OgilvyAction Denmark

In 2009, OgilvyAction created a cause-related marketing campaign to promote Denmark’s leading coffee brand, Gevalia, and raise awareness of the Red Cross’ visiting service for lonely people.

For almost 30 years Gevalia’s advertising has revolved around their slogan ‘Which coffee do you offer unexpected guests?’ Building on this famous slogan, OgilvyAction launched a print campaign in major newspapers and magazines highlighting that not everyone has the joy of unexpected visitors and encouraging people to volunteer as Red Cross visitors. Kraft donated 1 DKK to the Red Cross for each of the 500,000 promotional packs of Gevalia sold.

The agency also organised events at shopping centres and large supermarkets where customers were invited to enjoy a cup of coffee as Red Cross volunteers distributed material about the work they do.

The campaign helped to raise awareness about loneliness and sparked debate about the issues on television, radio and newspapers all over Denmark. Besides increasing sales of Gevalia, more than 1,500 people signed up to become new visiting friends.





Marketing ethics

Successful marketing can change opinions and influence behaviour. It's a powerful tool and that brings important responsibilities.





Our reputation and that of our clients depends on us meeting high ethical standards in all our work. As a minimum our companies are expected to comply with all laws, regulations and codes of marketing practice. All advertising produced by WPP companies should present products fairly and accurately, comply with the relevant laws and marketing codes, and reflect changing public attitudes to questions of taste and decency or marketing of sensitive products.

Our research and digital marketing agencies need to make privacy and data protection a priority when collecting, using and storing consumer data.

The markets in which we operate, the clients we work for and the campaigns we undertake can give rise to ethical issues. We need to identify and manage risks associated with our client work, in line with our Group policies.

Our standards

There are numerous regulations and industry codes covering all aspects of marketing. Our companies are expected to understand and comply with their requirements.

In addition, our CR policy and Code of Conduct contain guidance to our companies and employees on the standards we expect. We benchmarked our Code of Conduct during 2009 and strengthened clauses on CR.

Key excerpts include:

“We will not knowingly create work which contains statements, suggestions or images offensive to general public decency and will give appropriate consideration to the impact of our work on minority segments of the population, whether that minority be by race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability”

“We will consider the potential for clients or work to damage the Group’s reputation prior to taking them on. This includes reputational damage due to participating in business activities that abuse human rights”

“We will not undertake work which is intended or designed to mislead, including in relation to social, environmental and human rights issues”

“WPP companies will comply with applicable regulations and self-regulatory codes of practice in the countries in which they operate”

Ethical decision-making

Where we operate, who we work for and the type of work we undertake can give rise to ethical issues. Examples include: work undertaken for government clients; operating in countries with a poor human rights record; and marketing for sensitive or controversial products.

In cases where work may be a potential risk to WPP's reputation, employees are required to elevate the decision to the most senior person in the relevant office and then to the most senior executive of the WPP operating company in the country concerned, who will decide if further referral to a WPP director is required.

Strengthening our decision-making process

We have further strengthened our internal processes for assessing risks associated with client work and prepared a training module on this subject. The module is included in a package that covers the key areas of our revised Code of Conduct and uses scenarios to help employees identify and respond appropriately to ethical issues, including those associated with client work. We are currently piloting the training course with a number of WPP companies before rolling it out globally to all WPP employees. It will be available on the intranet in order to be accessible to as many staff as possible. The course will be available in English, German, Mandarin, Spanish and Portuguese.

We also launched an online anti-bribery training course in 2010 as part of our continued activity in this area. It is available on our intranet in nine languages. The course is mandatory for all senior management but is intended to be taken by as large a proportion of all staff as possible.

Involvement in industry groups

Many professionals from within WPP companies play an important part in developing and revising industry codes in sensitive areas such as advertising to children and the marketing of food and pharmaceutical products.

Compliance with marketing codes

WPP companies produce thousands of campaigns for clients every year. We expect all our companies to comply with marketing regulations and industry codes of practice. However, a small number of campaigns do give rise to complaint.

We track and report upheld complaints against work by WPP companies. However, our data is still incomplete.

This table shows a representative sample of infringements identified and publicly reported by regulatory authorities and those reported through our internal data collection system.



Representative infringements in 2009

WPP company	Country	Regulatory organisation	Type	Ruling
Cheetham Bell JWT	UK	ASA	Radio	Advertisement was deemed to be misleading as it made exaggerated claims about risks of asbestos exposure and did not make clear that calculations used to make the claims were based on estimates.
Hill & Knowlton	UK	ASA	Press	The advertisement claimed children should drink six to eight 250ml glasses of fluids a day. This was misleading as it implied the claim was generally accepted, whereas there was no concrete evidence to support the claim. The ad could not appear in its current form.
Grey	UK	ASA	TV	Advertisement was deemed to be misleading as a claim that all the readers of a magazine would recommend a product was based on a survey that included a small number of participants. The survey was also judged to have been structured to encourage positive responses.
Grey	UK	ASA	TV	Advertisement was deemed to be misleading as the claim that most readers of a magazine would recommend the product was insufficiently robust.
Grey	UK	ASA	TV	Advertisement made a claim that could not be substantiated. Additional clarification was added in order to run the advertisement.
Ogilvy & Mather	India	ASCI	Press	Advertisement was deemed to be non-compliant with rules relating to alcohol advertising.
Ogilvy & Mather	India	ASCI	TV	Advertisement showed a motorbike being driven dangerously and the cautionary message was deemed not to be adequately readable.
Ogilvy & Mather	India	ASCI	TV	The terms and conditions in the advertisement were deemed not to be readable.
Ogilvy & Mather	UK	ASA	TV	The advertisement was deemed to be misleading as the claim that "nothing" worked faster than the product advertised could not be substantiated.
Ogilvy & Mather	UK	ASA	Press	Advertisement made a comparative claim that could not be supported and an unsubstantiated claim that the product would support all children's immune systems. The ad also used graphic illustrations to demonstrate the effectiveness of the product that could not be substantiated.
Ogilvy & Mather	UK	ASA	Press	The advertisement's headline offered a two-for-one offer but this was contradicted on the price chart that gave more details of the deal.

Public affairs

We undertake public policy work for clients including direct lobbying of public officials and influencing public opinion. The majority of our public affairs work is undertaken for clients in the US. Our public affairs companies include:

- Burson-Marsteller, and its subsidiaries:
 - Prime Policy Group
 - Direct Impact
 - Penn Schoen & Berland
- Hill & Knowlton, and its affiliate, Wexler & Walker Public Policy Associates
- Ogilvy Government Relations
- Quinn Gillespie & Associates
- Dewey Square Group
- Public Strategies

WPP companies comply with all applicable laws and regulations governing the disclosure of public affairs activities. In the US, this includes the Lobby Disclosure Act and the Foreign Agent Registration Act, which are designed to achieve maximum transparency on client representation. In the US, this means lobby firms are required by law to register the names of clients on whose behalf they contact legislators or executive branch personnel.

When our companies represent a coalition they do not mask the underlying client.

It is WPP's practice that those of its US companies whose sole or primary business is lobbying have representatives of both major political parties among senior management.

Privacy

Privacy and data protection are priority issues for all our companies and we aim to meet best practice standards. Our research, media and digital companies contribute to the debate on privacy and aim to increase transparency for consumers on how their data is obtained and used.

Our approach

We are developing a set of Group principles on privacy to guide our companies' approach and provide a consistent definition of 'personal information'. Many of our companies have additional privacy policies and procedures, and some have developed their own technology and tools to improve transparency. For example, Safecount, a WPP online research agency, has tools that give consumers more control over cookies and the survey invitations they receive. Some of our companies collect and use consumer data to study attitudes and purchasing habits and to create targeted digital and direct marketing campaigns. We endeavour to comply with data protection laws and marketing codes of practice as applicable.

Our internal audit function is including privacy in its reviews of Group companies. These assessments cover data security, privacy policies, procedures and compliance with regulations and best practice standards. Our key digital marketing and research agencies have nominated senior executives to provide leadership on privacy and to work with other agencies in the Group. These include:

- Jon Greenwood, corporate vice president – Global Operations, 24/7 Real Media
- John Montgomery, CEO, Mindshare Interaction
- George Pappachen, chief privacy officer, Kantar
- Mat Zucker, executive creative director, OgilvyOne Worldwide



We communicate regularly with clients on privacy issues to explain our approach and help them to keep abreast of current thinking and best practice. We also collaborate with others in our industry to improve privacy standards and ensure that information is accessible to consumers. We are members of the online Behavioural Advertising Self Regulation Coalition (BASRC) and many of our people are active participants in organisations such as the Interactive Advertising Bureau (IAB), Network Advertising Initiative (NAI), and Association of National Advertisers (ANA). For example, David Moore, chairman of 24/7 Real Media, is currently chairman of the IAB. In 2009 we collaborated with the Future Privacy Forum and others to enhance consumer information on privacy, see page 16.

We interact with regulators and give our view on proposed regulations. This includes dialogue with EU data protection officials and policy makers, and Federal and State government in the US. We aim to ensure that proposed privacy regulations protect consumers and support a dynamic digital marketing industry. In 2009 this included dialogue with the EU on new rules governing the use of cookies.

Our plans

Our plans for 2010 include:

- To publish baseline privacy principles for all WPP companies.
- Continue to show leadership on privacy issues through our interactions with clients, industry Groups and regulators.
- To extend training and guidance to more Group companies and practice areas.
- To further enhance our understanding of data collection, storage and use in Group companies and in the competitive marketplace.



Employment

Clients choose WPP companies because we employ the best. Our people are critical to our business success.





WPP companies invest a significant proportion of revenues in developing and rewarding employees. The quality of our companies' employee training, development and reward programs differentiates us from our competitors. We aim to create an inclusive work environment that attracts the most talented people from all backgrounds.

WPP's chief talent officer, Mark Linaugh, and our talent team assist our operating companies and their talent teams' efforts to attract, develop and retain our talent. Human resources policies are agreed and implemented at the operating company level. We have profiled examples throughout this section. A cross-section of HR leaders from US businesses met in October 2009 to discuss the significance of CR in attracting new talent to their companies and to share best practice.

Our workforce

WPP employs 138,000 people (including employees at our associate companies) at 2,400 offices in 107 countries. Data in this section covers the 98,759 employees from wholly-owned WPP companies.

In 2009, like all businesses in the current economy, our companies monitored staff costs closely and reduced their workforce where necessary. The total number of people in the Group, excluding associates, at 31 December 2009 was 98,759 compared with 112,663 at the end of 2008, a decrease of 13,904, or 12.3%.



PERSPECTIVE:

On talent



Talent is everything for a professional services firm and our first priority is to attract and retain the best people in all our markets. Diversity is central to this. We can't produce the work our clients need to be successful in today's market without the benefit of diverse perspectives. Diversity can mean different things to people in different parts of the world. But at its core it is about fundamental respect for individuals. We are committed to giving everyone the opportunity to contribute their best effort at all times and to make sure that effort has meaningful impact and recognition.

Whatever their background and wherever they are based, people join us for the same reasons – the opportunity to apply their talent and develop their capabilities in a world-class environment and to be recognised for their achievements. As we expand in faster-growing markets we are recruiting and retaining talent on an ever more global level. Cultural sensitivities and local customs can be different, but what motivates people is the same – they want to do great work, and to work and learn with great people.

We also know that people want to work for an organisation they can take pride in. So our commitment to CR and the improvements we are making can give us an advantage in recruitment and retention. When potential employees see the steps we have taken it gives them assurance that they are joining a thoughtful organisation that thinks about its role in society and is taking a lead.

Mark Linaugh
 Chief talent officer,
 WPP
mlinaugh@wpp.com



Diversity and inclusion

A diverse workforce adds value to our businesses. It helps us understand consumers from all walks of life and create compelling marketing for our clients. An inclusive workplace culture helps us attract the most talented people from all backgrounds.

We introduced a non-discrimination policy in 1992. This commits all WPP companies to select, develop and promote people based on merit and regardless of race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability. Our Code of Conduct contains policies on harassment and non-discrimination. Where existing employees become disabled, our policy is to provide continuing employment and training wherever practicable.

Employees can report any concerns or suspected violations of our policies confidentially and anonymously through our Right to Speak helpline.

The CEOs of our operating companies are ultimately responsible for diversity and inclusion. We review our companies' diversity programs as part of our annual talent review process.

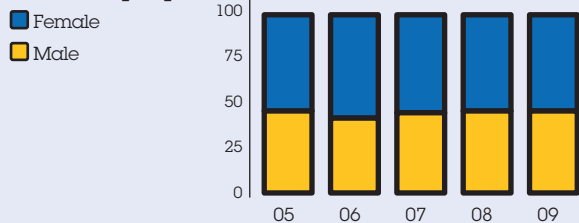
In 2009, women accounted for 32% of Board members/executive leaders, 46% of senior managers and 54% of total employees. There are currently three women on WPP's Board, Esther Dyson, Orit Gadiesh and Lubna Olayan; and a female Company Secretary, Marie Capes; Group communications director, Feona McEwan; and Group chief counsel, Andrea Harris.

Many of WPP's businesses are led by women, including:

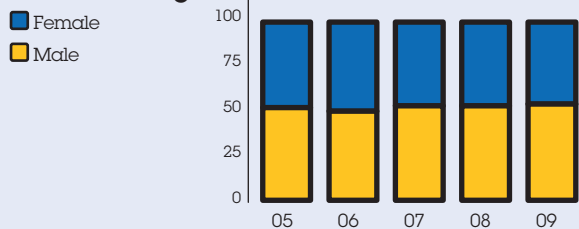
- Eileen Campbell, CEO, Millward Brown
- Kim Dedeker, chairman, Kantar Americas
- Janine Hawkins, global CEO, Added Value
- Mary Ellen Howe, COO, WPP Specialist Communications, North America
- Lois Jacobs, CEO, Fitch
- Donna Imperato, CEO, Cohn & Wolfe
- Tamara Ingram, president, Team P&G
- Shelly Lazarus, chairman, Ogilvy & Mather Worldwide

Gender diversity 2005-2009 %

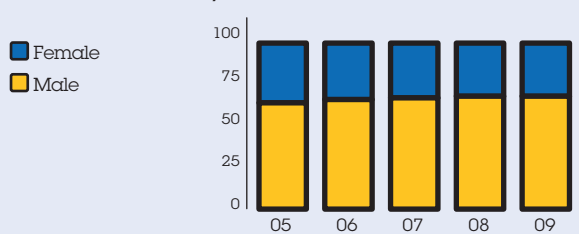
Total employees



Senior managers



Board members/executive leaders



- Bessie Lee, CEO, GroupM China
- Ann Newman, executive vice president, WPP Latin America
- Lynn O'Connor Vos, president & CEO, ghg
- Linda Robinson, chairman, RLM
- Marcia Silverman, chairman, Ogilvy Public Relations Worldwide
- Stacy Singer, CEO, Chemistry



Ethnicity in the UK and US %

Total employees

	2008	2009
White	79	77
Ethnic minority	21	23

Senior managers

	2008	2009
White	86	84
Ethnic minority	14	16

Board members/executive leaders

	2008	2009
White	88	92
Ethnic minority	12	8

There are 43 nationalities represented among WPP Leaders and Partners, the senior echelon of our business.

Promoting diversity and inclusion in the US

Our operating companies have programs in place to improve representation of diverse employees. These cover education, recruitment and training initiatives. Specific examples include:

- **Partnerships:** WPP companies work with diversity organisations and participate in initiatives to encourage diversity. These include Diversity Best Practices; The Leadership, Education and Development Program in Business; The National Black Public Relations Society; City College of New York and the American Association of Advertising Agencies’ (AAAA) Operation Success.
- **Internships:** several WPP companies participate in the AAAA’s multicultural Advertising Internship Program (MAIP) and other initiatives that allow minority students to gain experience in the marketing industry.

- **Targeted recruitment:** many of our companies use specialist recruitment agencies and publications and attend minority recruitment fairs.
- **Raising employee awareness:** our companies provide training and information to ensure that employees understand the importance of diversity and inclusion.

Helping clients with diversity

A number of WPP companies help their clients to implement diversity strategies and reach a multicultural audience. For example:

- Grass Roots
- WING
- CultureCom (an ethnic media unit at MediaCom UK)
- Uniworld.

Employee infringements

We strive to treat all our people fairly and with respect. Occasionally things do not go according to plan. We may get things wrong or the overall interests of a company or the Group may be incompatible with requirements of local employment legislation.

We monitor the number of employment cases involving WPP. In 2009 there were 671 newly-reported cases, compared to 122 cases in 2008. In difficult economic times with substantial staff reductions it is perhaps not surprising that we had a sharp increase in employment cases in 2009.

During the year, 206 cases were concluded. Of these 55 were withdrawn, 76 agreed between parties, 57 judged against WPP and 18 judged in our favour.

All cases are carefully evaluated to ensure that we have the right policies and procedures in place to reduce infringements wherever possible.

Development and training

Training and development is a key differentiator when potential recruits decide on an employer, it is central to client expectations, and a key focus area for WPP companies.

We aspire to high standards of employment progression and invest in the development of our teams. Our companies offer development opportunities that enable their people to gain new skills, progress their careers and reach their full potential. These include performance assessment, coaching and mentoring, succession planning and training. Our goal is for our people at all levels to receive regular performance appraisals. In 2009, we invested £39.9 million in training and wellbeing compared with £42.6 million in 2008.

Most training is carried out informally on-the-job. Some formal training and professional development opportunities are also provided at both the parent and operating company levels, which together reach several thousand employees in the Group. These cover all aspects of company business and creative skills.

Executive education helps our senior talent develop creative, client and personal leadership skills. Our flagship program is *Maestro: Orchestrating Client Value* – a five-day course aimed at strengthening the ability of our most senior client leaders to be valued and trusted advisors to their clients, colleagues and teams; and to orchestrate the many talents our organisation possesses so that our clients are best served. Since the program's inception in 2003, it has been held in 17 countries, has reached more than 1,600 participants and involved 77 different WPP operating companies.

WPP has its own 'Mini MBA' program, designed to build functional knowledge and abilities. It combines online tutorials and simulations with instructor-led classroom training. Business disciplines covered are: creating client value, marketing, strategy, people and organisational development, commercial acumen and working across cultures.

Our *Digital Acceleration* training curriculum equips our companies and clients with the knowledge and skills

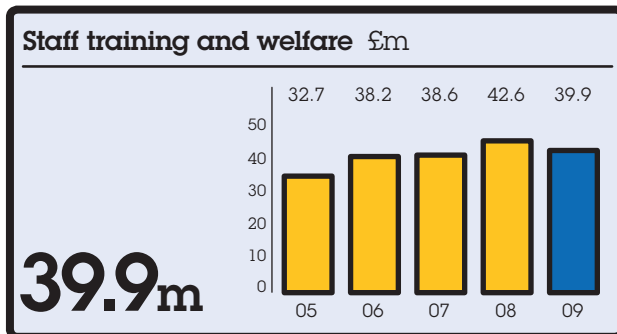
to develop and implement digital communications strategies. Created by experts across WPP, it involves interactive tasks and informs participants about the latest trends in the digital landscape.

In 2009, WPP partnered with online marketing company Omniture to deliver training sessions on analytics tools and services. Five hundred people in cities around the world took part in the training.

We have launched 'X-Factor', a senior management mentoring and development program for women executives led by Charlotte Beers, formerly global CEO of Ogilvy & Mather and chairman of JWT.

Below is a small selection of the training programs delivered by our operating companies in 2009:

- The Grey Masters is a six-week program for high-potential employees at Grey, designed to encourage strategic thinking, brand engagement, creative excellence and new business development. Participants are given a real business problem to solve and an opportunity to present their ideas to senior leaders and agency management.
- The Cohn & Wolfe University offers US employees training modules covering must-know basics and cutting-edge approaches.
- The MEC Rising Talent program identifies future leaders at account manager level and provides them with a 12-month accelerated development program, including the opportunity to respond to a strategic brief.
- JWT London runs 8- to 10-week training programs for graduate trainees, planners and account directors, to help them develop the skills for excellent client service.





PERSPECTIVE:

Achieving balance



Each year, employees tell us through our survey how much they value being able to balance work and home commitments.

In recruitment, work-life-balance is a key factor for applicants and in some cases they ask about it even before they mention remuneration.

As a market research company, we recognise the importance of listening to people. We also know that our employees are more productive, more satisfied and more committed to TNS when they have a good work-life-balance.

Through our 'Achieving the Balance' program, employees can claim back extra hours worked as time in lieu, work flexible hours and take paid parental leave, festival leave and birthday leave. We encourage managers to promote the time in lieu policy as it is really important in our industry, which is project based. Like all our policies, parental leave is available for both men and women.

The program has helped us to hold on to key talent. The majority of women who have taken maternity leave have come back, because we offer them flexible working conditions when they return. We see our work-life-balance policies as a key differentiator for TNS in the job market, both for male and female recruits. They also contributed to us achieving accreditation from the Equal Opportunities for Women Association, which helps us to stand out in pitches – particularly for government clients.

Nicole Green
Executive director of People and Culture,
TNS Australia and New Zealand
nicole.green@tns-global.com



Case study:
Performance management at JWT Asia Pacific

Shine is JWT Asia Pacific's online employee performance measurement tool. It provides a set of standard performance metrics that can be used across JWT's Asia Pacific markets and helps the company to identify and motivate its high-potential employees by evaluating current performance, sharing feedback, and setting development plans.

Shine includes annual performance evaluations, for employees and their managers to exchange feedback and agree goals for the next 12 months. Performance assessments take into account employees' behavioural, functional and leadership competencies, including communication skills, teamwork, innovativeness and creativity, and client engagement.

A confirmation evaluation process is used to assess the performance of new recruits and to determine whether they should be offered permanent positions.

Remuneration and share ownership

Competitive remuneration packages help our companies attract and retain the best people. We regularly benchmark our compensation against other companies in our sector.

We motivate our people by providing performance-related remuneration in addition to basic salaries. More senior employees are eligible for incentives based on their performance against annual or multi-year goals for the operations they lead.

Share ownership gives our people a financial stake in the Company and a share in its success. WPP's Worldwide Ownership Plan, introduced in 1997, has granted share options to approximately 84,500 of our people.

Communication

Regular communication keeps our people up to date with company news and developments across the Group. Our most important internal communications channels are:

- WPP's public website (www.wpp.com), Group intranet site and professional knowledge communities.
- WPP's annual journal of original thinking, the *Atticus Journal*; WPP's multi-award-winning global newspaper and eBook, *The WIRE*; regular *FactFiles* profiling specialist services and resources within the Group.
- WPP's public monthly online news bulletin – *e.wire*.
- The WPP *Reading Room*, an extensive online library of thinkpieces (both public and original) from WPP professionals across our companies worldwide.
- Regular communication on Group initiatives such as the Worldwide Partnership Program, BrandZ™, the Atticus Awards, The WPPED Cream awards, the WPP Marketing Fellowship Program and professional development workshops.
- Periodic reports from Sir Martin Sorrell on topics of importance.
- Formal and informal meetings at operating company level.
- Our multi-award-winning Annual Report & Accounts, financial statements and this report are widely distributed across WPP companies and are available on our websites.

Employee surveys

Our companies keep in touch with our people's views through regular opinion surveys.

These cover issues such as ethics, training, wellbeing and corporate responsibility.

In 2009, results relating to these issues from surveys covering around 5,000 employees included:

	% of employees who agreed
My performance in my job is evaluated fairly and regularly	53%
I have the opportunity for personal development and growth at this company	62%
My company takes an interest in my wellbeing	70%
My work schedule allows me sufficient flexibility to meet my personal/family needs	67%
I could discuss ethical concerns with my managers without worrying that my job would be affected	65%
Generally we are encouraged to be 'green' in our office	74%
My company supports various causes and charities, by doing free work on their behalf or through charitable donations. I think the causes supported are selected appropriately	65%

Health and wellbeing

Health in the workplace is about more than preventing accidents. Employee health can influence productivity and staff morale; while time taken off work for treatment and recovery is a cost to our business. Most of our people are office-based. We have identified two main risks to the health and wellbeing of our workforce: stress and ergonomics-related injuries.

Our companies seek to create an environment where people feel able to discuss any issues, including stress, with their manager or human resources department. The risk of work-related stress is assessed through regular staff surveys and by checking issues raised via our Right to Speak helpline, Employee Assistance Programs and during exit interviews.

Initiatives to combat workplace stress and improve wellbeing vary by company but include:

- Employee Assistance Programs – a source of confidential advice, support and counselling.
- Flexible benefit programs, including subsidised childcare.
- Flexible work arrangements enabling people to work part-time or from home.
- Medical checks and health screening.
- Training on stress and time management.
- On-site fitness centres.
- Sports tournaments.



Ensuring our workstations follow good practice design reduces problems such as repetitive strain injury or back problems.

We collect health and safety data through our financial reporting system. In 2009 there were 322,000 days lost due to sickness, including injuries and stress, equivalent to 3.3 days per employee.

Accreditations and awards

Many of our companies have received accreditation for their human resources programs. For example, Hill & Knowlton is accredited to the Investors in People standard and MEC UK became the first member of the industry group IPA to achieve Gold accreditation for its exemplary training practices.

Hill & Knowlton Canada was recognised as one of the Best Workplaces in Canada by the Great Place to Work Institute Canada.



PERSPECTIVE:

Getting a head start in the approaching war for talent



Landor's internal brand engagement team helps clients engage their employees and deliver against their brand promises.

Building a great employer brand requires the same principles as any great branding program: know your audience. Know what makes you different. Then build a brand promise and (employee) experience that reflects and delivers on your special difference. Your employees will return the favor.

Retention will be a major concern for many companies as we emerge from the recession. Yet it appears that many employers still view recruitment and retention as a buyer's market. They figure most employees are holding on to their jobs for dear life.

But they may be in for a surprise. A recent survey by Salary.com found that 65% of employees said they were passively or actively looking for new jobs, while employers estimated that number at 37%.

Here are four big steps to take to future-proof your brand as an employer so you can both retain your best employees and also recruit the best new ones when the time comes.

- **Focus on the employee experience now**
Ensure your employee experience is compelling and 'sticky' enough to retain your people when the tide turns.

Now is the time to do it, while you are not distracted with the frenzy of recruitment. The test of a good employer brand is how well you keep your recruitment promises. Does the employee experience live up to expectations? Take a page from consumer branding. Spend time mapping out the employee experience and what you can offer. Think through all the points at which the brand is delivered to your employees, and how you can deliver it better – from induction to daily working life to career development to exit interview.

- **Make your employees' experience unique**
Offer something distinctive in terms of both tangible rewards and the feel-good factor. Identify those one or two things that will set you apart from the competition. The closer your employer brand aligns with your overall brand ethos, the better off you'll be – pick up on what makes your brand special to the outside world and interpret that for employees. Know your employees, know what's important to them, and then find your unique approach.
- **Take care of your people in the tough times**
Take care of those who stay as well as those who go. If you can prove your mettle as an employer who looks after its workforce in times of trouble, you will be rewarded with loyalty when the pendulum swings and people have the chance to leave.
- **Most important, start right now**
The employers' market of today will become the employees' market of tomorrow, so you'd better pay attention to your employer brand now. Building it up takes time, and even if you're not working at it now, your competitors are.

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Landor
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Environment

Reducing our impact on the environment is a priority. We aim to make WPP a low-carbon Group, cutting our carbon emissions by 40% by 2020. We are also focusing on reducing waste and managing water use in regions of water scarcity.





Improving our environmental performance benefits the planet and our business by helping us to reduce costs and respond efficiently to new regulations, such as the UK’s Carbon Reduction Commitment (CRC). Taking action on our carbon footprint enhances our credibility with clients and prospective clients and supports our work as communications advisors on climate change. It also helps us recruit and retain environmentally-aware graduate talent.

Climate change

Our strategy

We set our first climate change target in 2007 – to cut our CO₂ emissions by 20% by 2010 from a 2006 baseline. In 2009 the WPP Board approved a tough new climate strategy taking us to 2020. Our new targets are to:

- Reduce CO₂ emissions by 40% by 2020 from 2006 levels.
- Reduce per head CO₂ emissions to 1.2 tonnes by 2020.

The first target is aligned with the advice of the Intergovernmental Panel on Climate Change which states that developed countries must cut their CO₂ emissions by 40% by 2020. Our second is a carbon intensity target, introduced to help all our people understand their personal impact at work and be motivated to try to reduce it. We also set interim targets for 2012 and 2015 so that we can monitor our progress.

Climate change targets

	2010	2012	2015	2020
Absolute CO ₂ reduction from a 2006 baseline	20%	25%	30%	40%
Carbon intensity (per head CO ₂ emissions)	2 tonnes	1.8 tonnes	1.6 tonnes	1.2 tonnes

Our climate strategy focuses on three areas:

- Improving energy efficiency in our buildings and IT.
- Reducing non-essential flights.
- Purchasing renewable electricity where available.

Since 2006 we have offset a large proportion of our remaining emissions by investing in renewable energy projects, see page 60. From 2010 we will only offset emissions from flights, so that we can focus our investment on improving energy efficiency.

We encourage our companies to take ownership of energy management. For example, we produce individual carbon footprints for every operating company. These are distributed to operating company CEOs and help our businesses to monitor their progress.

Our performance

WPP’s carbon footprint in 2009 was 252,111 tonnes of CO₂, an increase of 4% compared with 2008. This reflects changes in our business, particularly our acquisition of TNS. When our carbon footprint data is adjusted to take account of acquisitions and disposals, the underlying trend was a 3% reduction in 2009 compared with 2008.

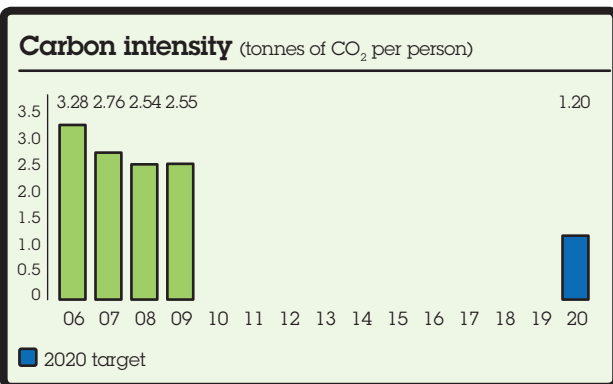
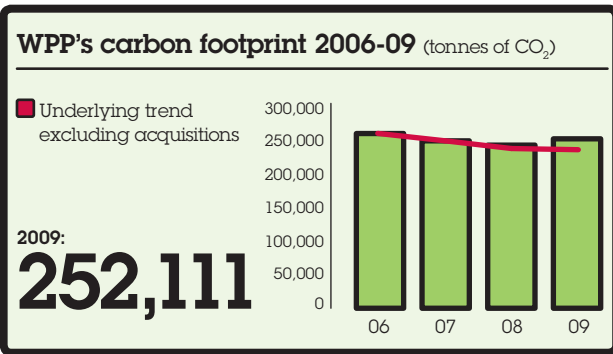
We have reduced CO₂ emissions by 10% on 2006 levels, when our baseline is adjusted to take account of acquisitions and disposals.

In 2009, CO₂ emissions per person remained constant at around 2.55 tonnes per person (2.54 tonnes in 2008). Since 2006 we have reduced emissions per person by around 21%.

Office energy use and business air travel account for the majority of our carbon footprint, representing 56% and 29% respectively. In 2009, we used 340,647 megawatt hours of energy in our offices, resulting in emissions of 143,154 tonnes of CO₂.

In 2009, we offset 130,000 tonnes of CO₂ through support for renewable energy projects (see page 60 for details).

We report our greenhouse gas emissions to the Carbon Disclosure Project (CDP), a collaboration of institutional investors, and participate in the CDP's Supply Chain Leadership Collaboration.



WPP's carbon footprint

(rating renewable energy as zero emissions)

	CO ₂ emissions (tonnes)			
	2006	2007	2008	2009
Office energy use*	144,354	124,335	121,572	143,154
Air travel	81,733	92,269	89,500	76,073
Other (includes unmeasured impacts, e.g. couriers and taxis)	33,913	32,491	31,661	32,884
Total	260,000	249,095	242,733	252,111

WPP's carbon footprint

(renewable energy rated as normal grid electricity)

	CO ₂ emissions (tonnes)			
	2006	2007	2008	2009
CO ₂ (tonnes)*	260,000	254,888	265,760	279,184

WPP's office energy use

	Energy use (megawatt hours)			
	2006	2007	2008	2009
Energy use (mWh)*	297,406	272,545	284,930	340,647

* This year, 2007 and 2008 data for office energy use and CO₂ was revised upwards as a result of improvements to our data collection system and analysis.

About our data

We calculate office energy consumption using data collected through our financial reporting system. We calculate the amount of air travel using a combination of data provided by an external provider as part of our airline procurement process and data collected through our financial reporting system. We add an additional 15% to our CO₂ footprint to account for unmeasured impacts such as couriers and taxis.

When calculating our carbon footprint we rate renewable energy as zero emissions. UK government guidelines state that emissions from renewable energy should be calculated using the same conversion factors as conventional grid energy, rather than rated as zero emissions. If the renewable energy we purchase globally is rated using the same emissions factors as conventional grid energy, our total carbon footprint in 2009 was 279,184 tonnes of CO₂.



Taking action on energy

We have Energy Action Teams in North America, Europe, Asia Pacific and Latin America. These include members of our IT, real estate and procurement functions. They identify energy-saving measures and provide technical guidance to our companies on energy reduction. The teams are supported by a network of Climate Champions who help to implement energy-saving measures and raise awareness of our climate change program in our companies. Champions are involved in a wide range of initiatives, from simple actions, such as ensuring that lights are switched off, to more complex measures like setting up recycling systems.

Several WPP offices, such as Grey New York, Y&R, Ogilvy London and JWT London have launched their own green initiatives.

Office energy efficiency

In 2009, we continued to implement our global energy-metering project to reduce energy use at key sites by around 10-15%. We are investing £600,000 to install meters in our top 100 strategic locations, representing 40% of our property portfolio by floor space. These are large sites with long leases, meaning that we can invest in facilities. Meters will also be installed when we refurbish buildings or acquire new sites.

Despite challenges with landlords, utilities suppliers and unions we have now installed meters at 55 sites. Detailed energy, carbon and cost reports are produced for these sites each month and monitored centrally. This will help us determine the most efficient and cost-effective ways of achieving energy savings.

These may include:

- Fitting timer switches to ensure lights are not left on overnight.
- Adding movement and daylight sensors to ensure lights are only on when needed.
- Installing energy-efficient lamps.
- Fitting flow restrictors to hot water taps and upgrading boiler controls.

- Fitting movement sensors to turn off equipment such as printers and copiers when offices are unoccupied.
- Improving temperature controls on heating, ventilation and air-conditioning systems.
- Installing building management systems that monitor and control ventilation and lighting.

Improved metering also ensures that we are being charged accurately by our energy suppliers. The meters have already enabled us to identify overcharging at three sites which will save us around \$260,000 each year.

Low-energy light fittings

In 2008, we identified preferred suppliers in all regions, which our operating companies can use to buy and install low-energy light fittings. In 2009 we continued with our installation program for low-energy fittings which has resulted in a 5-10% reduction in energy consumption at the completed locations. We aim to complete installation in 80% of our buildings by the end of 2011.

Sustainable IT

WPP's personal and network IT equipment accounts for a large proportion of our energy use. We aim to cut the energy used by our computers by up to 30%. We have introduced requirements to improve the energy efficiency of our IT equipment:

- All new computers must comply with our power consumption standards for desktops, laptops and servers.
- Only approved devices can be purchased.
- Power management features must be enabled on all IT equipment.

Through our server virtualisation program and the use of new energy-efficient blade-based server technology we aim to achieve up to 40% reduction in power consumption for key IT applications. We successfully piloted this approach in 2009 with the Group financial reporting IT systems and are adopting the approach as standard for future server installations and upgrades.

Managing print

In 2009, we completed pilot projects at three London companies to find ways to cut the amount of energy used by our printers and to reduce use of ink, toner and paper. The projects involved:

- Combining copiers, printers and scanners in one device.
- Removing printers from desks to a central location and minimising the number of printers in use.
- Implementing default settings to save energy, ink, toner and paper (e.g. double-sided printing and black and white settings).
- Implementing 'follow me printing'. This means that print jobs will only be delivered when people swipe a key card on the printer, reducing the number of unwanted print jobs.
- Introducing software to prevent waste through poor formatting.
- Reducing waste in procurement of ink, toner and paper.
- Negotiating recycling arrangements with manufacturers of ink and toner cartridges.

The projects have brought significant savings:

JWT London

- 65 devices reduced to 25
- 59% reduction in CO₂
- 23% reduction in paper use

Ogilvy London

- 105 devices reduced to 34
- 37% reduction in energy use
- 25% reduction in CO₂
- 25% reduction in paper use

H&K London

- 42 devices reduced to 15
- 41% reduction in energy use
- 40% reduction in CO₂
- 32% reduction in paper use

In 2010 we will expand managed print projects to key markets. We expect these measures to reduce paper, toner and energy use by between 20% and 30% at the sites where they are implemented.

Reducing travel through videoconferencing

We encourage our people to meet via video conferencing, avoiding the cost and environmental impact of travelling to meetings. We are setting up facilities in key cities around the world. By the end of 2009, we had set up 40 shared high-definition videoconferencing units around the world which can be used by any WPP company. In 2010 we will install another 35 shared units, bringing the total to 75 shared sites.

In 2009 we launched a videoconferencing search and booking system on the WPP intranet which includes a carbon calculator to show the amount of CO₂ avoided by using videoconferencing rather than flying to a meeting.

In the first four months since the service was launched in September 2009, our companies held 1,853 hours of meetings via videoconference using the shared units. We do not track data for use of videoconferencing units owned and operated by individual companies. In 2010 we will continue our communications plan to raise awareness and increase use of the facilities.



Our key environmental projects



Buying renewable energy

We purchase renewable energy where we can and regularly review energy sourcing across all markets to identify new opportunities.

We estimate that around 15% of the total energy we purchase is from renewable sources. The table right shows the main countries in which we source green electricity and the percentage purchased. When rated at zero emissions, our renewable electricity purchases reduce our total carbon footprint by 27,073 tonnes of CO₂.

Green electricity contracts are usually for a fixed period and may not be available at competitive prices in future.

Green electricity sourcing by country

Country	% renewable
Brazil	21%
Israel	55%
Italy	33%
Norway	27%
Peru	21%
Portugal	25%
Thailand	39%
UK	57%

Case study:
Damao Wind Power Project in China

One of the offset projects we supported in 2009 is the Damao Wind Power Project in China, which is helping to meet the country's growing energy demand and reduce reliance on fossil fuels. The project consists of 40 new wind turbines with a total capacity of 50 MW. The project met the Gold Standard after it demonstrated extensive community support and high standards of environmental protection. Around 20 local people have been employed long-term at the project.



Carbon offset

After reducing our CO₂ emissions as much as possible, we have offset the majority of the rest. This means paying someone else to reduce their carbon emissions by an amount equal to our own footprint – saving one tonne of CO₂ elsewhere in the world for every tonne that WPP creates. We purchased 585,000 tonnes of CO₂ offset to be used between 2007 and 2009. Over the three years we emitted 743,939 tonnes of CO₂.

From 2010, we will offset only the equivalent of our emission from flights, concentrating our investment in making energy-efficiency savings in buildings and IT. Our operating companies will continue to meet the cost of offset.

All carbon offset projects supported by WPP are renewable energy projects (e.g. wind, hydro and solar). We do not support forestry offset. Through the CarbonNeutral Company, an offset provider, we currently fund six projects, including wind farms and hydroelectric projects in China, wind power generation in India and hydro generation in Guatemala. All of the projects are certified to the Voluntary Carbon Standard, a global standard for voluntary offset projects.

Environmental building standards

We are integrating consideration of environmental standards into our property acquisition process so that where possible any property we purchase or lease meets advanced standards such as Leadership in Energy and Environmental Design (LEED) and BRE Environment Assessment Method (BREEAM).

For example, a new purpose-built facility for nine of our companies in Singapore is being designed to the Green Mark Scheme Gold Standard, which is equivalent to LEED. George Patterson Y&R in Brisbane relocated to a new building rated 5 Star under the Australia Green Buildings Rated System and O&M implemented LEED initiatives in design and construction of five new buildings. O&M's



Worldwide headquarters in New York, designed and built for LEED certification, has been selected for the Green Building of America Award-winning Project, from 2,500 buildings nominated as part of the *Real Estate & Construction Review* magazine's 2009 Green Success Stories. Grey New York moved to a LEED-Certified building in late 2009.

Sustainable fittings

We have set up procurement contracts with furniture and carpet suppliers to ensure the products we purchase come from sustainable sources and can be disposed of in a responsible manner.

We have chosen carpet suppliers that meet or exceed the stringent requirements of the Carpet and Rug Institute's Green Label program and focus on reducing the amount of carpet sent to landfill by:

- Recycling old carpet materials back into carpet production.
- Recycling old carpet into alternative uses such as building materials.
- Refurbishing old carpet into new carpet tiles.

We have chosen furniture suppliers that provide products:

- With a high recyclable content.
- That are manufactured from recycled products.
- That use timber sourced from a sustainable forest (FSC certified).
- That opt for low VOC-emitting paint and adhesives.
- That come from environmentally-responsible manufacturers.

In 2009, we launched APAC/EMEA sustainable furniture contracts for our Asia Pacific and Europe, Middle East and Africa regions.

Dovetail Contract Furniture, a WPP company, has teamed up with a recycling company to offer environmentally-friendly furnishing services. Dovetail sources from furniture manufacturers with established environmental credentials and can achieve recycling rates of up to 90% for used furniture.

Case study:

Wunderman UK: inspiring green behaviour in shared offices

Greater London House in London, has been converted into offices for a number of companies and over 2,000 employees. In 2009, Wunderman, one of the tenants, worked pro bono for the building management company to inspire the office workers to make small changes to their behaviour to bring big environmental savings.

The agency created posters on recycled paper which used items of everyday office rubbish to dramatise a variety of surprising green facts. The posters invited people to subscribe to a series of emails which gave updates on the buildings energy saving and recycling progress, offered suggestions of ways to be greener and announced events and competitions.

The campaign was effective because instead of lecturing people, it engaged them with imagery and ideas. In just seven months the quantity of paper recycled increased from 42% to 87%, the building recycled 130,400kg of rubbish and saved 177,950kg of CO₂.



Environmental building standards – case studies

Fitch Columbus, Ohio



From interior layout to furniture selection, the Fitch office in Columbus, Ohio, is a showcase for effective green design. Four main principles guided the refurbishment:

- 1. Maximise natural light in the building.** As many solid walls as possible were replaced by glass fronts, and paints and furniture were carefully selected to reflect light.
- 2. Minimise indoor air pollution.** The office was fitted out with low VOC materials including carpet, paint and floor tiles; copy machines were moved to a room with its own air filtration system.
- 3. Cut energy waste.** Motion sensors and timers ensure lights are only on when needed, and heating and cooling is closely controlled to be as efficient as possible. The office was fitted out with low-energy lighting throughout.
- 4. Reduce resource use.** The office was fitted with carpets with high recycled content and polyester tiles made from recycled drinks bottles. In the main lobby the existing concrete floors were diamond polished and ground with low VOC hardeners, avoiding the need for new vinyl tiles. The refurb team reused furniture where possible and selected suppliers with solid sustainability credentials for new pieces.

Grey New York



In 2009, Grey moved its New York headquarters to a 100-year-old landmark building, completely renovated and soon-to-be LEED certified.

The building makes good use of natural light with large windows to the north, east and south and a 15-storey west-facing glass wall. Sustainable materials were used throughout the renovation and the design focused on energy efficiency. In the first quarter since moving into the building, Grey used 33% less electricity than in the same quarter in 2009. G2 and Cohn & Wolfe also share this building.



Read more about the building in *Metropolis* design and architecture magazine: http://specialsites.grey.com/metropolis_2009fifthave.pdf.



Ogilvy New York



In May 2009, Ogilvy & Mather relocated its worldwide headquarters to a former chocolate factory in Manhattan's far West Side. The 11-story office building, built in 1913, received a radical green makeover that has reduced its annual energy use and greenhouse gas emissions.

A key environmental feature is a state-of-the-art lighting system that uses sensors to automatically adjust lighting, based on levels of daylight and the number of people in the building. The building was renovated using where possible environmentally-friendly materials, most of which were sourced regionally, it uses 100% renewable energy and is fitted with plumbing fixtures designed to conserve water, at least 30% over conventional plumbing.

Ogilvy is in the process of certifying its new HQ to the environmental standard LEED Gold Certification for Commercial Interiors.

JWT São Paulo



JWT São Paulo has renovated its offices to bring big environmental savings. The office was redesigned to make better use of natural light, energy-efficient lighting was fitted throughout the building and motion sensors were added so that lights switch off when rooms are unoccupied.

JWT makes use of natural ventilation in autumn and winter rather than using air conditioning. Energy reductions were also achieved by reducing the number of printers to one per floor, consolidating servers and adjusting the temperature in server rooms.

Environmental building standards – case studies

WPP Singapore

The new purpose-built location in Singapore will initially bring 12 WPP companies from eight separate locations and up to 1,300 employees into one self-contained building. It was designed with sustainability and environmental efficiency in mind and is accredited under the LEED equivalent Singapore Green Mark Scheme Gold Standard.

The open plan interior, designed to maximise natural light on all sides, is fitted with low-energy lighting that uses timers and light sensors to regulate use. Smart meters monitor water and energy use throughout the day to target high use areas and the building was fitted with furniture made from at least 30% recycled content.

The building houses state-of-the-art high-definition videoconferencing facilities which can be used by employees in any of the companies to meet clients and colleagues without needing to travel. The site also benefits from excellent public transport connections, being immediately adjacent to bus stops and Singapore's metro system, thus reducing the need to commute by car. To top it off, a 30,000 sq ft roof garden planted with grass, shrubs and semi-mature trees will provide an environmentally-friendly method of keeping the building cooler in this tropical location, while providing a city oasis for staff and visitors.





Environmental management

We manage energy use centrally as part of our climate change reduction program. In 2009 we also developed Group strategies for managing water use and waste.

Other environmental issues are managed by our operating companies, although we offer support and provide guidance on the Group intranet to help companies to reduce their impacts. For example, in 2009 we created guidelines for catering suppliers to ensure the food at events organised by WPP and our companies is healthy and from sustainable sources and we introduced a policy that encourages employees to only attend training sessions within their region to reduce costs and emissions from travel.

Some of our companies operate accredited environmental management systems. For example, BDGworkfutures has achieved certification to international standard ISO 14001.

In addition, we have selected preferred suppliers which our operating companies can use to recycle waste paper and equipment. WPP Commercial & Procurement Services has also identified preferred paper suppliers in our larger markets which our companies are encouraged to use. Many of these preferred suppliers now provide paper and paper products with recycled content.

WPP companies use mobile technology extensively which is frequently upgraded. We have introduced Vodafone's Fonebak Freepost recycling scheme to our offices across Europe. Employees can send their used mobile equipment to Fonebak for re-use and recycling.

Our goal is for our obsolete IT equipment to be refurbished and sold for reuse; if this is not possible to be broken down for recycling and, as a last resort, disposed of in an environmentally-sensitive way. We are currently reviewing our arrangements for disposal of IT equipment.

Waste and recycling

Our waste strategy

In 2009 we developed a strategy to reduce waste and increase reuse and recycling at our top 100 strategic locations (representing 40% of our property portfolio by floor space). The strategy will be launched in 2010 and we will track reuse and recycling rates at participating sites quarterly.

Key commitments include:

Paper

- Use post-consumer recycled office paper.
- Set printers to double sided as default.

Electronic waste (e.g. IT and mobile phones)

- Establish electronic equipment recycling contracts.
- Encourage local arrangements for computer re-use.

Office consumables (e.g. paper, card, cans, plastic bottles, toner cartridges)

- Establish recycling contracts at all locations for standard office consumable items.

Kitchen waste

- Phase out disposable crockery and drinking cups.

Progress in 2009

On average, in 2009, 36% of the paper purchased by WPP companies from our preferred paper suppliers contained recycled content. In the UK the total was 30%, in the US 50%, in Australia 23% and Hong Kong 14%.

In 2009, one more UK operating company signed a contract with our preferred recycling supplier, bringing the total to 15. Through this supplier, the companies recycled 708,750kg of paper, cardboard, cans, plastic and glass, a 228% increase from 2008.

Recycling data for 2009:

Waste	(kg)
Mobile/cellphones	5,479
Computer equipment	120,183
Paper and cardboard	3,428,383
Printer cartridges	67,362
Other waste recycled	973,141
Total recycled	4,594,548

Case study: Championing waste reduction

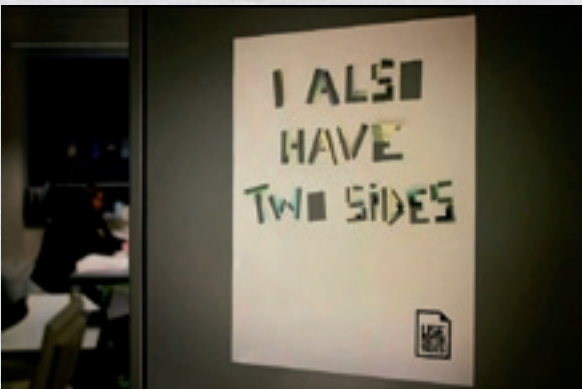
In 2009, JWT's Climate Champions launched a campaign to increase recycling and to reduce paper use by encouraging double-sided printing.

Using paper that had been printed on one side and then disposed of, the Climate Champions created posters with messages such as 'give me a second chance' and 'have you used the other side?'. The team also introduced trays to collect unwanted single-sided printouts which they bound into free notepads.

The JWT Champions took the campaign global, raising awareness using the intranet and creating a dedicated Facebook page which was visited by people in 80 countries.



View the video at www.wpp.com/cr2009/waste.



Water use

As an office-based company, WPP is not a major water user. However, we recognise the importance of water conservation, particularly in water-stressed areas. We have endorsed the UN CEO Water Mandate, an initiative designed to assist companies in the development, implementation and disclosure of water sustainability policies and practices.

Our water strategy

In 2009 we launched a water conservation strategy that targets our largest locations in water-stressed regions. This will ensure that our investment in water management produces the most environmental benefit. At these locations we will:

- Measure and report water consumption in 2009/10.
- Establish a program for water conservation in 2010/11.

We identified target sites by mapping our top 100 strategic locations against the water-stressed regions in the world. Through this process we selected 11 offices:

- IMRB, Mumbai, India
- Team Y&R, Dubai, UAE
- JWT, Mexico City, Mexico
- JWT Gurgaon, Delhi, India
- KnowledgeBase Marketing, Richardson, US
- Mindshare, Mexico City, Mexico
- Ogilvy, Bangalore, India
- Ogilvy, Beijing, China
- Ogilvy, Gurgaon, India
- Ogilvy, Mumbai, India
- Y&R, Mexico City, Mexico.

Pro bono work

WPP companies also make a positive contribution to protecting the environment through their pro bono work. There are a number of examples in the Pro bono showcase on pages 75 to 89.



Supply chain

WPP spends around £1.9 billion (\$3 billion) with suppliers each year. We want to do business with suppliers that meet high standards on the environment and employment practices. We are committed to managing CR risks in our supply chain, both for ourselves and for our clients.

Our approach

We focus our CR efforts on preferred suppliers that provide centrally purchased goods and services such as IT, travel, telecommunications, professional services (e.g. consultancy and recruitment) and facilities management. We spend around \$1.5 billion with these suppliers each year and contracts are negotiated by WPP Commercial & Procurement Services. The size of these contracts, and the fact that they are negotiated centrally, means that we can use our commercial influence to bring improvements.

We also spend around \$1.5 billion on goods and services for use in client work, such as film and print production, post production and market research services. These contracts are usually negotiated by individual operating companies. Suppliers of these goods and services are currently not included in our Group CR program, although individual operating companies may engage these companies on CR.

Selecting preferred suppliers

WPP's Global Procurement Policy contains ethical and environmental criteria which our Group procurement teams use in supplier selection and management.

We thoroughly evaluate companies against a set of business requirements before they can become a preferred supplier. These include assurance of supply, quality, service, cost, innovation and CR. We do not have a standard weighting for each criteria and they may vary from project to project.

As part of this process we ask potential suppliers to complete a simple five-point CR questionnaire to raise awareness and make our requirements clear:

Policy

Does your company have a CR policy?

Responsibility

Is a senior executive (or executives) responsible for CR performance?

Does your company have a CR manager or equivalent?

Key issues

Please identify the environmental issues most relevant to your company.

Please identify the social issues most relevant to your company (social issues include employment, health & safety and community).

Reporting

Does your company publish a CR report?

Supply chain

Does your company have a process for implementing CR standards in its supply chain?

In 2009, all existing and new preferred suppliers in Asia Pacific, France, Spain, the UK and US completed our CR questionnaire. In the US we also incorporate CR criteria into our standard Group supply contract terms and conditions.

Monitoring and awareness

CR is included in the personal objectives for our regional heads of procurement and purchasing managers in our major markets. Objectives are aligned with our two main themes of supplier selection and managing supply chain risk.

They also cover green electricity purchasing in line with our climate change strategy, see page 59.

We raise awareness of CR through our regular cross-Group sourcing team activities and *Buy-in* newsletter, and review progress through our procurement reporting process. This includes quarterly updates from regional procurement teams to the head of Commercial & Procurement Services, and reviews by WPP's procurement leadership team (our global and regional heads of procurement). Regular updates are also provided to the WPP Board of Directors.



Social investment

Pro bono work – providing creative services to charities for little or no fee – is a valued tradition at our agencies. This work can be invaluable to the charities we work with, helping raise money and awareness for hundreds of good causes every year.

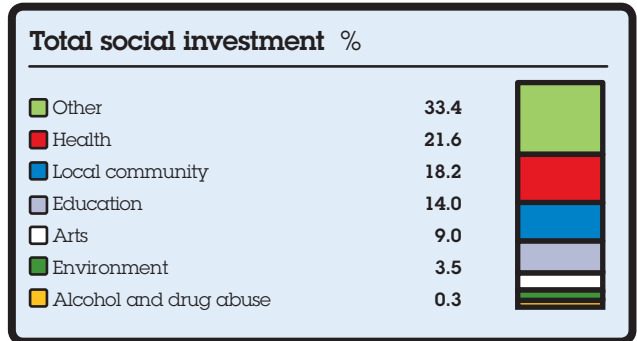




Pro bono work also benefits us – by showcasing our agencies’ creative skills and ability to create compelling communications on a wide range of social and environmental issues. Our people gain a breadth of experience and the chance to contribute to their communities.

We also support charities through cash donations and employee volunteering.

Examples of recent visual pro bono work by our agencies are included in the pro bono showcase.



Performance

We are pleased to have maintained the value of our social investment despite difficult economic conditions.

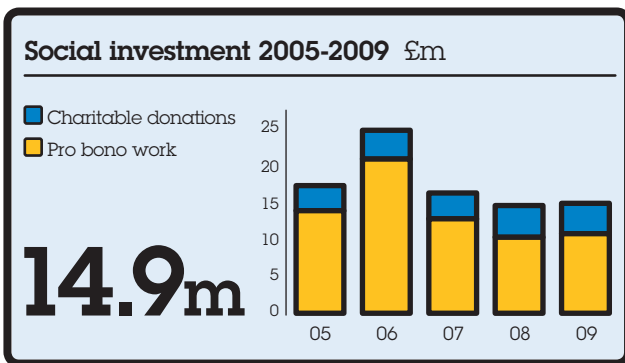
In 2009, the total value of our social investment was £14.9 million, compared with £14.6 million in 2008 and £16.3 million in 2007. This is equivalent to 1.8% of reported profit before tax and includes direct cash donations to charities of £4.1 million and £10.8 million worth of pro bono work. These figures are based on fees the organisations would have paid for our work.

In addition, WPP media agencies negotiated £27.3 million of free media space on behalf of pro bono clients.

WPP: Parent company activities

WPP, the parent company, supports a range of charities and non-profit organisations, with a particular focus on education, the arts and young people. These include:

- Gambian Education Development Trust
- INSEAD Trust for European Management Education
- NABS (a charity which offers financial, practical and emotional support to those in the advertising industry)
- The London Business School
- The National Portrait Gallery
- The Paley Center for Media
- The Roundhouse Trust
- University of Oxford



Employee volunteering

Many WPP and company executives give pro bono advice and support and serve as charity trustees and advisors. For example, Sir Martin Sorrell is an active participant in programs at the following international business schools: London Business School; IESE, Spain; Indian Business School; Harvard Business School and Boston University School of Management.

Our people volunteer in their local community, organise fundraising events or use their skills to benefit charitable causes. This can help increase job satisfaction and skills and contribute to job satisfaction. Many of our companies give employees paid time off to volunteer or organise team volunteering events. Recent examples are summarised here.

Case study: Support for Haiti

In the aftermath of the devastating earthquake on Haiti, WPP companies and employees organised fundraising events, volunteered and made donations to support humanitarian relief efforts.

Many WPP companies provided valuable marketing and creative expertise pro bono. For example, Grey Canada developed a fundraising poster for the Salvation Army in just 24 hours. Entertainment and sports marketing agency Alliance used its relationship with Western Union and music artist Wyclef Jean to raise awareness and support for the Yele Haiti Foundation.

Peter Tortorici of GroupM Entertainment became executive producer on the new recording 'We are the World 25 for Haiti' which featured major stars and premiered at the Winter Olympics.

Case study: My First Book

Using an idea that began in the Cape Town office, 20 JWT locations around the world are using their creative skills to turn stockpiles of photography and illustration catalogues into teaching resources. So far more than 2,000 employees have used the materials, made redundant by online libraries, to create books that have helped 70,000 children in disadvantaged communities to learn to read.



View the video at www.wpp.com/cr2009/firstbook.





Case study: A new school for China

16 December 2009 was a special day for people in the remote mountain village of Hongqicun, Sichuan Province, as children returned to school after more than a year in temporary classrooms in villagers' homes.

Heavily damaged in the May 2008 earthquake, the elementary school was rebuilt with money raised by Bates141, Ogilvy and WPP and in partnership with the Education Bureau of Lizhou District, Guangyuan City. The donations funded new school buildings with places for 150 pupils, a dormitory for 45 students and four teachers, and a new playground.

Matthew Fan, chairman and general manager of BatesApex, who led the companies' involvement

said, "After the earthquake, staff from Bates141 and Ogilvy immediately became involved in relief work – they donated money and goods, purchased and delivered medicine and children's supplies to affected areas. Our staff also put their professional talents to use, creating earthquake relief appeals to help raise funds and encourage people's support. Sichuan is my hometown so I especially felt the responsibility."

Bates141, Ogilvy and WPP have continued to support the school. In March 2010, two Hongqicun teachers attended training programs organised through HSBC and the China Charity Federation. Other training initiatives and student scholarships are among various projects under consideration for the school.



Case study:
Many Ogilvy Hands project

In 2009, Ogilvy UK built a secondary school in Buikwe, Uganda with space for 138 students, who previously had nowhere to go when they graduated from the primary school in the village. A second schoolhouse is under construction and by the end of the five-year project the school will have places for 600 students.

Ogilvy is funding the project and three groups of volunteers visit the site each year to help with construction, forge links with the teachers and schoolchildren and gain new skills and experiences. The Many Ogilvy Hands project has ignited a passion for inventive fundraising at Ogilvy, and many employees are personally sponsoring a child's schooling and medical care.



For more information visit www.manyogilvyhands.com.





Case study: Children's Corner Malawi

TNS has had a long-standing partnership with UNICEF. In 2008 the company committed to a three-year UNICEF project called Children's Corner Malawi which sets up community centres for children orphaned by HIV/AIDS. The centres offer a safe place for the children to play, get some basic education, eat a nutritious meal and come to terms with their loss. Approximately 125 children attend the centre each day.

The partnership with UNICEF was extended to all of Kantar, after the acquisition of TNS. At the end of January 2010, six Kantar employees flew to Malawi to see at first-hand the work UNICEF carries out using money donated by Kantar companies.

To date TNS and Kantar have raised more than £310,000 through their partnership with UNICEF.



For further details visit www.unicef.org/kantar.





Pro bono showcase

WPP companies produce hundreds of pro bono campaigns for good causes every year – tackling a wide range of social and environmental issues.

For the charities we work with, this is worth more than a cash donation. Pro bono campaigns help charities recruit new members, raise awareness of their work and progress their campaign objectives. Many of our companies have long-standing pro bono relationships with their charity partners, supporting their campaigns over several years.

On the following pages we highlight examples of our pro bono work from 2009 and spring 2010. More examples are available online at www.wpp.com.



Campaign: The Digital Divide

Client: Digital Links

WPP company: The Partners UK

In developed countries, consumers and businesses frequently upgrade their computers creating millions of tonnes of electronic waste. In the UK alone, more than three million PCs are disposed of each year, many of them still fully functioning. By sharp contrast, 95% of people in Africa do not have access to IT, and only 2% of African students have ever used a computer.

Digital Links is helping to tackle this waste mountain, while enabling thousands of Africans to get online. The charity collects unwanted PCs, refurbishes them and gives them a new life in schools and small business throughout Africa and the developing world.

In 2009, The Partners worked pro bono to create a new logo, identity and marketing campaign for Digital Links. The online and print campaign, worth £9,000, used bold images to communicate both sides of the 'digital divide': the negative aspect of excessive waste, and the positive opportunity for impoverished communities to benefit from technology.

It is estimated that over 1.5 million people have benefited from IT for the first time through Digital Links.



View the video at www.wpp.com/cr2009/digitallinks.



Pro bono case studies 2009-2010

Campaign: Graphology

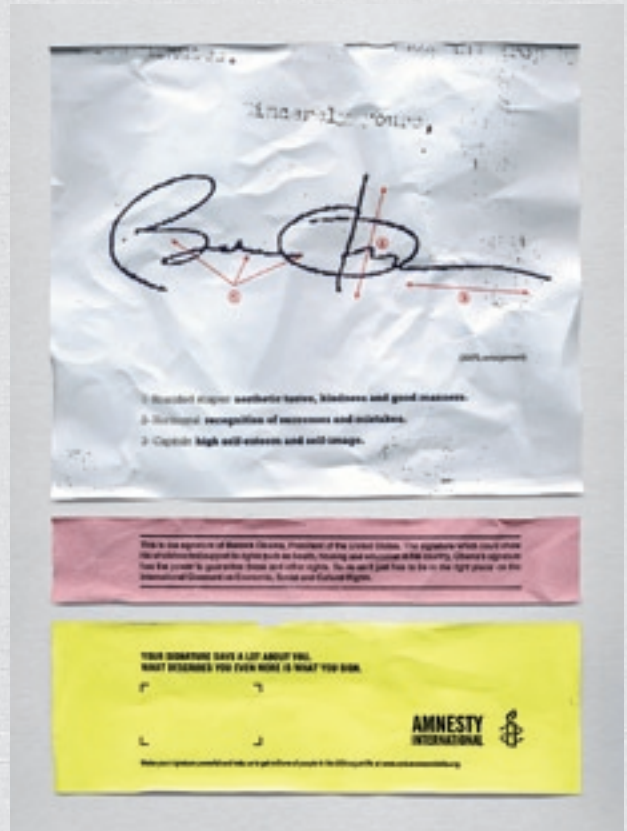
Client: Amnesty International
WPP company: JWT Barcelona

To mark International Human Rights Day on 10 December 2009, Amnesty International asked JWT Barcelona to create an event to petition the presidents of China and the US to support international treaties protecting human rights. The agency created a compelling campaign that focused on the power of the signature.

In the run-up to 10 December, JWT created print ads and viral videos to encourage people to gather in one of Barcelona's most popular squares to send a message to the leaders. The ads highlighted that a signature is more than just a scrawl on a page, it reveals a lot about a person both when it is analysed by a graphologist, but more importantly when you look at how people choose to use it.

Amnesty set up two giant canvases with the outlines of the signatures of presidents Barack Obama and Hu Jintao. People were encouraged to sign their names to fill the signatures of the two leaders on the canvases, which were then sent to the United Nations headquarters, home of the Declaration of Human Rights. Participants also signed postcards which were sent directly to the American and Chinese leaders. Several graphologists attended the event to analyse people's signatures.

The pro bono campaign collected almost 15,000 signatures.





Campaign: Beat the Odds Casino Night

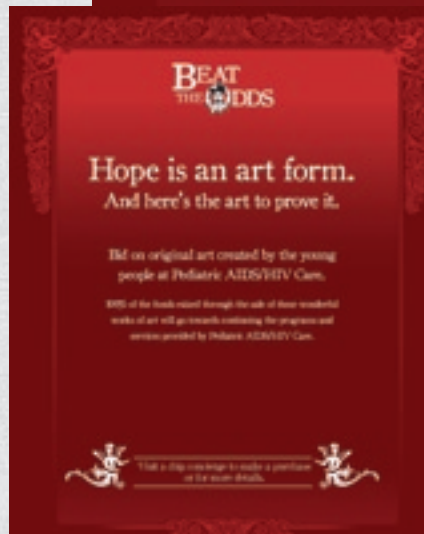
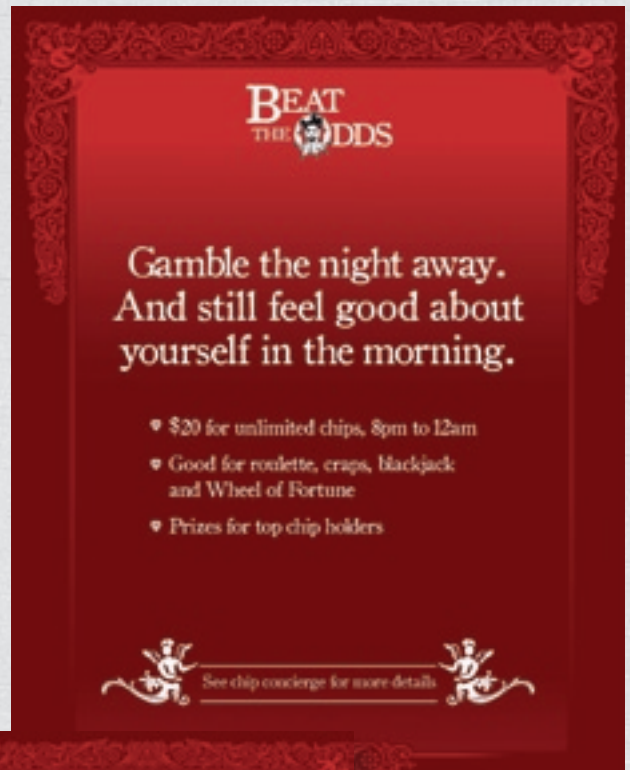
Client: PAHC

WPP company: RTCRM Washington DC

Pediatric AIDS/HIV Care (PAHC) supports children affected by HIV/AIDS through education, therapy and youth programs. In 2009, RTCRM supported the organisation's Beat the Odds Casino Night fundraiser with a promotion to encourage attendance and charity involvement.

RTCRM developed a special website allowing participants to register for the event and make donations. It used flyers, targeted emails, Facebook, and even hired a comedy team to generate awareness by staging a fake poker match in the middle of a busy location in Washington DC.

RTCRM donated approximately \$10,000 in resources to support the event which raised thousands of dollars for the charity. Equally important, armed with a more robust list of potential donors that resulted from the outreach, PAHC now has the opportunity to keep the conversation going with additional initiatives.



Pro bono case studies 2009-2010

Campaign: You can't afford to be slow in an emergency

Client: WWF

WPP company: Ogilvy Paris

In France, there is high awareness of climate change but many people feel powerless to do anything about the problem or have shut off from the issue due to negative campaigning.

Leading environmental charity WWF asked Ogilvy Paris to develop a pro bono campaign to overcome climate change fatigue and inspire governments, businesses and individuals to take action.

The agency developed a series of posters depicting emergency service personnel, such as paramedics and firemen, taking their time to respond to an urgent situation. The campaign was called 'you can't afford to be slow in an emergency' and aimed to remind people, in a humorous and light-hearted way, that we need to act now if we want to protect our planet from climate change.

The pro bono campaign was worth \$70,000 of agency time.





YOU CAN'T AFFORD TO BE SLOW IN AN EMERGENCY
ACT NOW FOR THE PLANET



Pro bono case studies 2009-2010

Campaign: Contemporary Beauty Ideal

Client: ANAD

WPP company: O&M Frankfurt

ANAD provides support for people with eating disorders, raises public awareness and conducts research into the illnesses.

In 2009, O&M Frankfurt created a campaign to raise the profile of the charity and to challenge modern images of beauty that encourage people to strive for unattainable, unhealthy body shapes.

O&M commissioned an artist to copy world-famous paintings, but to modify the pictures to depict the body shapes of today's fashion models. The paintings were hung in museums of fine art alongside genuine paintings, providing a surprise encounter for thousands of visitors and encouraging them to question that notion of a fixed 'ideal' of beauty.

Several local and national newspapers ran articles about the campaign and traffic to ANAD's website increased by 16%. The charity also received substantial donations during the campaign.

The pro bono campaign, worth €15,115, won the 2009 Gold Eurobest advertising award.



View the video at www.wpp.com/cr2009/anad.



Pro bono case studies 2009-2010

Campaign: Child Labour Free zone

Client: Stop Child Labour

WPP company: G2 Amsterdam

There are 218 million child workers around the world, who grow up without an education and into a life of poverty. Stop Child Labour is a partnership of non-governmental organisations that aims to raise awareness of the issue and get child workers back into full-time education.

In preparation for the International Day of the Rights of the Child on 20 November 2009, Stop Child Labour created the CLF brand, which stands for Child Labour Free zone. The partnership encouraged retailers and companies to use the brand to commit to only sell products, or do business with companies, that are free of child labour.

The CLF brand was launched at the opening of a pop-up shop in Amsterdam and G2 worked pro bono to advertise the event. The agency created print ads that were designed to attract attention but did not reveal the real story behind CLF. The store was opened on 19 November by Caroline de Bruijn, a famous Dutch actress, and only then was it revealed that CLF displayed only fashion items made from Child Labour Free zones, emphasising that fashion does not have to be built on exploitation.

The value of G2's pro bono work was €150,000. To date 739 retailers and businesses have signed up to CLF.



CHILD LABOUR FREE ZONE



Campaign: No happy ending

Client: Dakshta

WPP company: Y&R Mumbai

India's cities and towns are growing rapidly, as people move from rural areas in search of jobs. The most dramatic example of the country's urbanisation is Guragon which in just 10 years has been transformed from a small farming village near Delhi to one of the biggest urban centres in India. This transformation means vast areas of forest are being sacrificed for commercial and residential development.

In 2009, Y&R Mumbai was asked to generate a pro bono campaign for Dakshta, an Indian NGO educating people about the need to secure green areas in or near cities. The campaign, worth approximately \$3,000, was launched in March. The posters depict dark, grey images of urban life alongside colourful, familiar cartoon characters, reminding people about the importance of protecting urban green spaces.

The campaign helped the NGO obtain 1,720 new members who helped to plant 3,021 trees across the city.



Pro bono case studies 2009-2010

Campaign: Turn soldiers back into children

Client: UNICEF

WPP company: Y&R Johannesburg

There are thousands of child soldiers in Africa, fighting in wars they don't believe in, for causes they don't understand. 'Turn soldiers back into children' is a UNICEF program aimed at rescuing these children and reintegrating them into society.

In 2009, UNICEF asked Y&R Johannesburg to help raise awareness of the initiative. The agency came up with a startling direct mail idea targeted at UNICEF supporters and potential corporate sponsors. The agency sent packets that at first glance appeared to be toy soldiers, but when opened contained figures of children doing normal childhood activities such as reading books, playing football and riding bikes.

The campaign appeared on over 15,000 websites in over 50 countries. It successfully increased donations and the number of people volunteering to support the initiative.



View the video at www.wpp.com/cr2009/unicef.





Campaign: Nothing Special

Client: Special Olympics

WPP company: Grey Canada

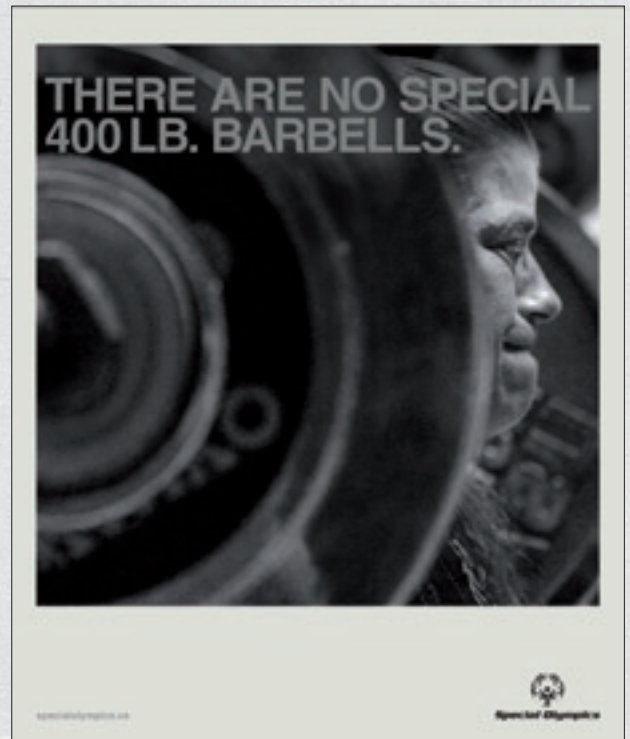
The Special Olympics is a global non-profit organisation working to empower people with intellectual disabilities through sport and to educate people about diversity and tolerance. The charity organises sports training and events year-round and national competitions every two years.

In 2009, Grey Canada worked pro bono to create a marketing campaign to raise awareness of the organisation and to help bring in donations. The agency created print, outdoor and ambient ads that highlighted the incredible achievements of the Special Olympic athletes.

The pro bono campaign, worth around CAN\$150,000, began with national newspaper and outdoor ads asking for donations with lines like “There are no special 400 lb barbells.” This was followed by street-level stunts that demonstrated what Special Olympic athletes are capable of. In one case a sign was placed on a five-foot fence that read, “Special Olympian Richard Gillis jumped this high at the 2007 Shanghai Games.”

Overall, Grey Canada helped increase the membership of Special Olympic athletes to over 32,000 as well as 10,000 volunteers coaches. The level of awareness of the organisation was heightened and the creative recognised at many local and international award shows.

WPP Board director Timothy Shriver is chairman and CEO of the Special Olympics.



Pro bono case studies 2009-2010

Campaign: San Patrignano Rehab Centre Fund Raising Campaign

Client: San Patrignano

WPP company: Sudler & Hennessey Milan

San Patrignano is one of Europe's largest rehabilitation centres which has helped 20,000 young people overcome drug addiction and rebuild their lives since 1978. As well as treating addiction, the centre provides professional training to give residents the skills they need to reintegrate into society.

San Patrignano is funded by donations and through the sale of products created by residents, including handmade furniture, wine, olive oil and cheese. WPP agency Sudler & Hennessey Milan has worked with San Patrignano for almost 10 years, donating over €100,000 of pro bono work, including:

- A print campaign to raise money for the centre's rehabilitation programs.
- Branding and packaging for the products made by residents, as well as brochures and catalogues to boost sales.
- Training courses in graphic design offered to residents as part of the rehabilitation programs.

In 2009, S&H Milan designed a CD cover for the San Patrignano community gospel choir.





Campaign: Set me free

Client: Wildlife SOS

WPP company: JWT Contract Delhi

For over 400 years Indian sloth bear cubs have been captured from the wild and trained by bear handlers called Kalanders to 'dance' for entertainment. The cubs endure great cruelty, including having their teeth wrenched out and their muzzles punctured. Despite a ban in place since 1972 the practice continued until 2009, leaving thousands of bears in need of rehabilitation.

In 2009, animal welfare charity Wildlife SOS (which rescued the last dancing bear in 2009) asked JWT Contract Delhi to create a pro bono campaign to raise awareness and funds for their rescue centres.

The agency developed a sustainable fundraising model where they commissioned a vocational trainer to teach 117 Kalanders and their families how to make stuffed replicas of the sloth bear. The agency then planned an event in an upmarket department store in New Delhi where the bears were displayed with a noose around their muzzle and a placard reading "Set me free". People could then buy one of the toys, remove the chains and set it free.

The department store has now given Wildlife SOS a permanent space to sell products made by the Kalanders, providing an alternative living for 177 Kalandar families and helping to protect the sloth bear.



View the video at www.wpp.com/cr2009/wildlifesos.

Pro bono case studies 2009-2010

Campaign: Women for Poland, Poland for Women

Client: The Women's Congress

WPP company: H&K Poland

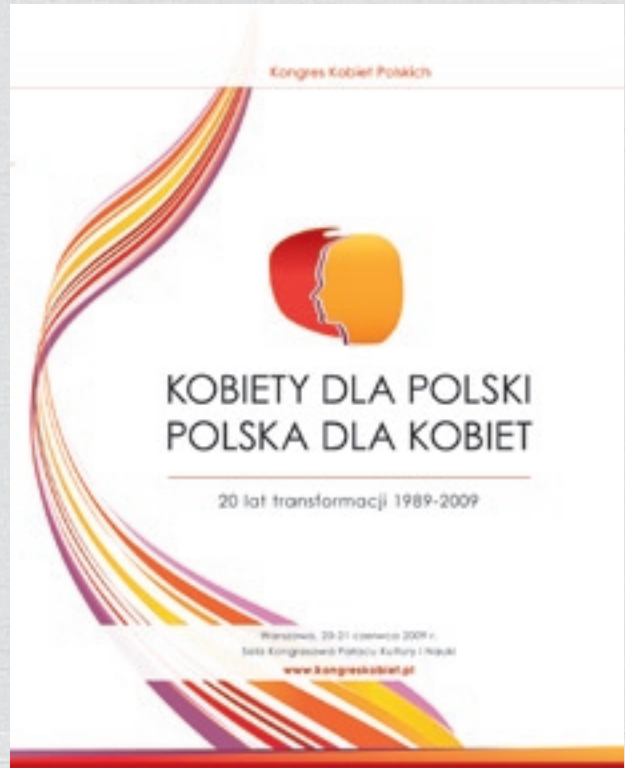
The Women's Congress is a Polish social movement founded by influential women to campaign for gender equality in government and the public sector.

In Poland only 20% of the members of Parliament and 7% of the Senate are women. Research shows that women often earn less than men and are under-represented in the boards of many important institutions.

H&K Poland, working pro bono, established a press office to look for story angles, disseminate press bulletins, set up interviews, organise press events and coordinate communications with the media. This helped to attract over 100 top women influencers and set up a Congress Policy Council, which drafted the program for the Polish Women's Congress in Warsaw. The agency also organised regional meetings and a two-day event to stimulate debate about gender equality. The event in the capital – endorsed by the top authorities, politicians, and leading intellectuals – called for gender parity to be guaranteed by law. It was attended by over 3,000 participants from different political and social backgrounds.

After the event, the Women's Congress movement launched a campaign of civic support for a bill to increase gender equality in electoral lists. H&K organised three press events which involved politicians, celebrities and other renowned persons who collected citizens' signatures inside shopping malls and on the streets of Warsaw. Over 150,000 citizens endorsed the bill which was eventually presented for debate before Parliament and proceeded to a second reading in a parliamentary committee.

The pro bono campaign, worth £32,000, generated almost 2,600 press hits within six months. The idea of election gender parity was endorsed by Poland's late president and prime minister, top politicians, the Catholic Church and leading intellectuals.





Campaign: Stand for the dead

Client: STAND Canada

WPP company: JWT Ethos Toronto

STAND Canada was founded in 2005 as a student advocacy group with the objective of raising awareness of the humanitarian crisis in Darfur.

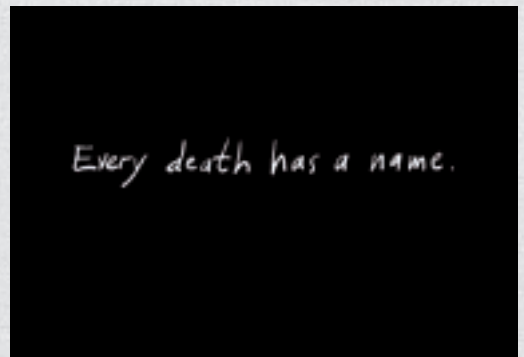
In 2009, JWT Ethos Toronto worked pro bono to help it engage Canadians to intensify the pressure on the Canadian government to end the crisis in Darfur, and prevent future genocides.

For many, the sheer scale of the conflict in Darfur makes it hard to grasp and take action, so the agency created a campaign that made the issue more personal by telling individual stories of true victims of the conflict.

The print work showed haunting images of men, women and children from Darfur who appear to be looking back at us from the grave. Newspaper ads told the story from the point of view of the victims. Both invited people to visit the website, www.standforthedeath.com to purchase a sponsor package. Each package contains a t-shirt with the name of a person killed in Darfur. The user can then go back to the website where they can find out more about that individual and continue their involvement with the cause.

The pro bono campaign, worth \$100,000, triggered support across Canada with thousands of people wearing the t-shirts, writing articles, posting blogs online, and even organising a benefit concert. In 2009, a team led by STAND Canada travelled to Darfur with a group of aid workers and two members of Canada's Parliament to meet the displaced people of Western Sudan.

Kayla Simms, deputy director of STAND Canada, said the campaign "forced us to face the crisis of genocide on a personal level and approach the situation with a different perspective".



View the video at www.wpp.com/cr2009/stand.

CR performance summary

Here we outline our progress in 2009 on our key corporate responsibility issues and our plans for the future.



Issue and goals

The impact of our work

The social and environmental impact of our work for clients is a key CR issue for WPP. We aim to be a centre of excellence for environmental and social communication.

Marketing ethics

We expect all work by WPP companies to comply with marketing codes and regulations, and for our companies to identify and manage any ethical risks associated with client work.

Privacy

Privacy and data protection are priority issues for all our companies and we aim to meet best practice standards.

Employment

We aim to attract and retain the most talented employees from all backgrounds.

Environment

We are committed to reducing our impact on the environment. Climate change is our priority and our goal is to make WPP a low-carbon Group.

Social investment

Our companies are encouraged to undertake pro bono work for not-for-profit organisations involved in tackling social and environmental issues and to support good causes through donations and employee volunteering.



Summary of progress in 2009	Our plans
<p>Our companies advised numerous clients on corporate responsibility issues during the year and published a wide range of research on CR-related topics. Our companies continue to develop bespoke services in this area.</p>	<p>Create an internal cross-functional network of sustainability expertise.</p>
<p>Our Code of Conduct was updated and strengthened to address risks associated with client work. In 2009 we prepared a training module on assessing risks associated with client work. Broad cross-company training on the revised Code of Conduct will be rolled out during 2010. The internal audit program of work now incorporates a review of the considerations given by management to possible impacts on the Group's reputation prior to accepting new clients.</p>	<p>Continue to comply with all laws and industry codes governing marketing material. Improve standards and measurement in marketing practices.</p>
<p>Our internal audit function included privacy in its reviews of Group companies. Our key digital marketing and research companies nominated senior executives to provide leadership on privacy and to work with other companies in the Group. We continued to communicate regularly with clients on privacy issues to explain our approach and help them to keep abreast of current thinking and best practice. We collaborated with NGOs and others in our industry to improve privacy standards and ensure that information is accessible to consumers.</p>	<p>We will publish baseline privacy principles for all WPP companies and extend training and guidance to more Group companies and practice areas.</p>
<p>Women accounted for 32% of Board members/executive leaders, 46% of senior managers and 54% of total employees. 43 nationalities are represented among WPP Leaders and Partners (employees receiving the top level incentive from the parent company). We invested £39.9 million in training and wellbeing compared with £42.6 million in 2007.</p>	<p>Continue to assist our companies and their talent teams' efforts to attract, develop and retain our talent.</p>
<p>We have achieved a 10% reduction in our CO₂ emissions since 2006. We have established more than 40 shared high-definition videoconferencing units around the world which can be used by any WPP company to reduce air travel. We have established strategies for reducing our impacts relating to waste and water use.</p>	<p>Reduce absolute CO₂ emission by 40% by 2020 (from 2006 levels). Reduce per head carbon intensity to 1.2 tonnes by 2020 (from 3.3 tonnes in 2006).</p>
<p>Our social investment was worth £14.9 million, compared with £14.6 million in 2008 and equivalent to 1.8% of reported profit before tax. This includes direct cash donations to charities of £4.1 million and £10.8 million worth of pro bono work. WPP media agencies negotiated £27.3 million of free media space on behalf of pro bono clients.</p>	<p>To continue making a significant contribution to good causes through pro bono application of our marketing skills and direct donations to charity.</p>

Key data

	2009	2008	2007	2006	2005
Financial overview					
Revenue (£m)	8,684	7,477	6,128	5,908	5,374
Headline PBIT (£m)	1,017	1,118	928	859	755
Market capitalisation at year-end (£m)	7,658	5,052	7,709	8,566	7,881
Number of employees (including associates)	138,000	135,000	110,000	100,000	97,000
Employment					
Gender diversity – Employees (% female)	54	54	55	58	54
Gender diversity – Senior managers (% female)	46	47	47	50	52
Gender diversity – Board members/executive leaders (% female)	32	32	33	34	33
Ethnic diversity in the UK and US – Employees (% ethnic minority)	23	21	21.6	–	–
Ethnic diversity in the UK and US – Senior managers (% ethnic minority)	16	14	13.2	–	–
Ethnic diversity in the UK and US – Board members/executive leaders (% ethnic minority)	8	12	11.1	–	–
Staff training and welfare (£m)	39.9	42.6	38.6	38.2	32.7
Environment					
Office energy use (tonnes CO ₂)	143,154	121,572	124,335	144,354	–
Air travel (tonnes CO ₂)	76,073	89,500	92,269	81,733	–
Other (tonnes CO ₂)	32,884	31,661	32,491	33,913	–
Total carbon footprint (tonnes CO ₂)	252,111	242,733	249,095	260,000	–
Total energy use (MWh)	340,647	284,930	272,545	297,406	–
Social investment					
Total social investment (£m)	14.9	14.6	16.3	24.9	17.3
% of total revenue	0.17	0.19	0.3	0.42	0.32
% of profit before tax	1.8	2	2	3.7	2.9
Value of pro bono work (£m)	10.8	10.3	12.8	21	13.9
Charitable donations (£m)	4.1	4.3	3.5	3.9	3.4

About this report



This report describes WPP's corporate responsibility activities in the calendar year 2009 and the first quarter of 2010. It is our eighth report.

Data

Data relates to the calendar year 2009. Most CR data is collected quarterly through our financial reporting system. This includes data on energy and CO₂ from our buildings, social investment, employment infringements, employee diversity, training and wellbeing, recycling and paper use. The data covers 98,759 employees from wholly-owned WPP companies. This year, 2007 and 2008 data for office energy use and CO₂ were revised upwards as a result of improvements to our data collection system and analysis.

CO₂ emissions from air travel are calculated using data from an external provider, as part of our airline procurement process, and data collected through our financial reporting system.

We identify marketing infringements involving WPP companies from public reports by regulatory authorities and directly from WPP businesses through our financial reporting system.

Case studies

Case studies for this report are collected through an annual survey of our companies. Each WPP company has nominated a CR representative who is responsible for completing this survey of CR activity. Completed surveys are signed off by the company CEO before submission to WPP.

Contacts

We welcome your views on any of the information in this report or CR at WPP. Send us an email at: cr@wpp.com.

Further information

For further information about WPP's CR activities, please contact Vanessa Edwards, Head of Corporate Responsibility: vedwards@wpp.com.

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