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This Sustainability Report, together with our Annual Report, trading statements, news releases presentations, and previous CR Reports, are available online at [www.wpp.com](http://www.wpp.com)



Throughout this report this icon denotes that case study campaign footage can be viewed in the Sustainability Report online at [www.wpp.com/sustainability](http://www.wpp.com/sustainability)

# Introduction – from our CEO

It used to be that great corporations grew and prospered through a simple relationship with society. They met market demands, complied with the law and gave a small slice of profits to good causes at the end of the year.

 Watch online [www.wpp.com/sustainability](http://www.wpp.com/sustainability)

**Awards and recognition 2012**



Today the opinions of people outside the company are often as important as decisions made within. Social media and instant communication can make or break a company in weeks or even days.

A teenager in Mississippi can launch an online campaign that persuades a major brand to change its formulation. Companies are being held to account by people with nothing more than a smartphone and a sense of justice. This is unsettling for brand managers who are used to having complete control of their public image. They are right to be fearful. Once a reputation is tarnished, it can take years and millions of dollars to put it right.

In this new reality, it is no surprise we are seeing an upsurge in investment in brand environmental credentials and social benefits. But when virtually every product is promoted as sustainable and every other purchase benefits a good cause, scepticism and accusations of greenwash are bound to follow.

We know that credible, long-lived brands are established on the sound foundations of quality and effectiveness.

So when it comes to sustainability, how can we tell these companies from their peers?

They are the ones embarking on challenging programs to reformulate products towards significantly lower environmental impact, dramatically reducing or even eliminating the carbon

footprint of each use of their products.

They make green claims for their products that are based on an objective assessment of real environmental impacts across the whole product life-cycle. They understand that there is no such thing as a 'sustainable brand' – just those with fewer environmental impacts and those with more.

They are the companies who take responsibility for standards in their supply chain, knowing that with the rapid growth of mobile internet in developing countries, every factory or mine is a tweet away from their customers. To do otherwise is foolhardy in the extreme, as the recent row over food processing and the use of horsemeat in Europe demonstrates.

Such companies use corporate advocacy to promote environmental and social change in regulation, aligning lobbying to their brand promises.

They target social spending strategically, selecting causes where the giving of money, product and employee time makes a social difference while building brand equity.

And increasingly they involve their customers – as participants in their campaigns and through the products they buy.

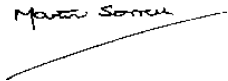
In this, our 11th sustainability report, we review our own progress in the work we do for clients, in the time we donate to causes and in the way we run our company.

Data protection is a significant issue for us and in 2012 we reviewed all WPP's data protection, data security and privacy policies, and introduced new policies covering social media and IT and security. We developed a Data Code of Conduct – a one-page set of principles on how WPP uses and protects data. Next, management teams in every WPP unit worldwide will complete a WPP Data Health Checker to help them understand how to manage this complex set of considerations.

Investing in the future supply of talented people for our business is important for our long-term prospects. I have said previously that our industry is too inclined to poach talent and not willing enough to create it. The establishment of the WPP School of Communications and Marketing in Shanghai is an example of how we should be leading in training new talent where it is in short supply.


We continue with our own target to cut the carbon footprint of each employee by more than 60 per cent to 1.2 tonnes by 2020. This is challenging, despite a sustained policy that demands energy-efficient offices and IT, and creating a global network of more than 500 videoconferencing suites. We will continue to increase energy efficiency while investigating the role of green energy purchasing in our overall carbon strategy.

I expect to be discussing sustainability topics many times during 2013 and genuinely welcome your thoughts on how we can do better.



**Sir Martin Sorrell**  
Group chief executive  
[msorrell@wpp.com](mailto:msorrell@wpp.com)

GRI indicators covered in this section:  
1.1, 2.1, 2.10



# Fast read

→	Impact of our work	Marketing standards	Employment	Environment	Social investment
	We believe that marketing and communications services can play an important role in progress towards a more sustainable society. Our agencies work with clients on many aspects of sustainability.	It is important that the work we create balances commercial objectives with the need to represent products and services honestly and accurately and to protect consumer privacy. Clear policies, training and communication reinforce our commitment to ethical behaviour.	We seek to recruit and retain the best, developing our people's skills so we can continue to deliver the service our clients expect, wherever they are in the world. Our commitment to diversity and inclusion helps us to recruit and retain talented people from all backgrounds.	We aim for WPP to be a low-carbon and resource-efficient Group. Our environmental strategy covers energy and climate change, resource efficiency and waste management.	Creative teams in our companies provide communications services to charities for little or no fee, and negotiate free media space to run their campaigns. This pro bono work offers exciting creative opportunities to our people and supports their development.

 Progress in 2012

<ul style="list-style-type: none"> <li>Our network of agencies with specialist sustainability offerings continued to grow</li> <li>Clients who engaged with WPP on sustainability were worth at least <b>\$1.2 billion (£0.8 billion)</b> in revenue</li> <li>Research by WPP companies is shedding new light on sustainability issues and attitudes</li> </ul>	<ul style="list-style-type: none"> <li>We refreshed our business ethics training, which has now been completed by over <b>100,000 employees</b></li> <li>We published the <b>WPP Data Code of Conduct</b> to inform our people of their responsibilities</li> <li>WPP companies worked with industry partners to improve practices and communication around use of consumer data</li> </ul>	<ul style="list-style-type: none"> <li>WPP companies invested <b>£57.8 million</b> in training and wellbeing</li> <li>Introduced a leadership training program in Johannesburg for our Africa agency leaders</li> <li><b>47%</b> of senior managers were women, as were <b>32%</b> of executive leaders</li> </ul>	<ul style="list-style-type: none"> <li>Our carbon footprint per person was <b>2.45 tonnes, 28%</b> lower than 2006, but missing our 2012 interim target</li> <li>Vide Conferencing usage increased by <b>58%</b> from 2011</li> <li>We were ranked by the Carbon Disclosure Project in the B band for performance and received a disclosure score of <b>81/100</b></li> <li>We underwent external assurance of our carbon data by Bureau Veritas</li> </ul>	<ul style="list-style-type: none"> <li>WPP companies undertook pro bono work worth <b>£11.1 million</b> and made cash donations to charities worth <b>£5.1 million</b></li> <li>Our social investment was <b>£16.2 million</b>, equivalent to <b>1.5%</b> of reported profit before tax</li> <li>WPP media agencies negotiated free media space worth <b>£14.3 million</b> on behalf of pro bono clients</li> <li>Our total social contribution was <b>£30.5 million</b>, equivalent to <b>2.8%</b> of reported profit before tax</li> </ul>
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 In our companies

<p>Read how Ogilvy &amp; Mather's Ad Makeover campaign for Dove is displacing negative ads with positive messages.</p> <p><b>See page 20</b></p>	<p>Read how Sudler &amp; Hennessey, a WPP healthcare agency, has implemented a compliance program to make sure its client work meets the highest ethical standards.</p> <p><b>See page 35</b></p>	<p>Read how MediaCom London's apprenticeship scheme is helping diverse young people begin a career in marketing services.</p> <p><b>See page 49</b></p>	<p>Read how WPP's Team Detroit cut electricity use in its Dearborn office by 33%.</p> <p><b>See page 64</b></p>	<p>Read how Rapid Rescue, a pro bono app from JWT Singapore, is enabling people facing a medical emergency to get help from trained first aiders.</p> <p><b>See page 85</b></p>
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# Who we are





# Our companies & associates

## Advertising

ADK<sup>1</sup>  
www.adk.jp

Bates CHI&Partners  
www.bateschi.com

CHI&Partners<sup>1</sup>  
www.chiandpartners.com

Dentsu Y&R<sup>1,2</sup>  
www.yr.com

Grey  
www.grey.com

HS Ad<sup>1</sup>  
www.hsad.co.kr

John St.  
www.johnst.com

JWT  
www.jwt.com

Ogilvy & Mather Advertising  
www.ogilvy.com

Santo  
www.santo.net

Scangroup<sup>1</sup>  
www.scangroup.biz

Scholz & Friends  
www.s-f.com

Soho Square  
www.sohosq.com

TAXI<sup>1</sup>  
www.taxi.ca

Team Detroit  
www.teamdetroit.com

The Jupiter Drawing Room<sup>1</sup>  
www.jupiter.co.za

United Network  
www.group-united.com

Y&R<sup>1</sup>  
www.yr.com

## Media Investment Management

**GroupM:**  
www.groupm.com

KR Media  
www.krmedia-france.com

Maxus  
www.maxusglobal.com

MediaCom  
www.mediacom.com

MEC  
www.mecglobal.com

Mindshare  
www.mindshareworld.com

Outrider  
www.outrider.com

Catalyst  
www.catalystsearchmarketing.com

Xaxis  
www.xaxis.com

Quisma  
www.quisma.com

**Other media agencies**  
M/Six<sup>2</sup>  
www.msixagency.com

**tenthavenue:**  
www.tenthavenue.com

Forward  
www.theforwardgroup.com

Joule  
www.jouleww.com

Kinetic Worldwide  
www.kineticww.com

Spafax  
www.spafax.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.kantar.jp

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**  
ohal  
www.ohal-group.com

## Public Relations & Public Affairs

Blanc & Otus<sup>1</sup>  
www.blancandotus.com

Buchanan Communications  
www.buchanan.uk.com

Burson-Marsteller<sup>1</sup>  
www.burson-marsteller.com

Chime Communications PLC<sup>1</sup>  
www.chimeplc.com

Clarion Communications  
www.clarioncomms.net

Cohn & Wolfe<sup>1</sup>  
www.cohnwolfe.com

Dewey Square Group  
www.deweysquare.com

Glover Park Group  
www.gloverparkgroup.com

Hering Schuppener  
www.heringeschuppener.com

Hill+Knowlton Strategies  
www.hkstrategies.com

Ogilvy Government Relations  
www.ogilvygr.com

Ogilvy Public Relations Worldwide  
www.ogilvypr.com

PBN Hill+Knowlton Strategies  
www.pbn-hkstrategies.com

Penn Schoen Berland<sup>1</sup>  
www.psbresearch.com

Prime Policy Group  
www.prime-policy.com

QGA  
www.quingillespie.com

RLM Finsbury  
www.rlmfinsbury.com

Wexler & Walker Public Policy Associates<sup>1</sup>  
www.wexlergroup.com

## Branding & Identity

Addison<sup>1</sup>  
www.addison.co.uk

BDG architecture + design  
www.bdg-a-d.com

Coley Porter Bell  
www.cpb.co.uk

Dovetail  
www.dovetailfurniture.com

FITCH<sup>1</sup>  
www.fitich.com

Lambie-Naim<sup>1</sup>  
www.lambie-naim.com

Landor Associates<sup>1,2</sup>  
www.landor.com

PeclersParis<sup>1</sup>  
www.peclersparis.com

The Brand Union<sup>1</sup>  
www.thebrandunion.com

The Partners<sup>1</sup>  
www.the-partners.com

VBAT<sup>1</sup>  
www.vbat.nl

## Healthcare Communications

Feinstein Kean Healthcare<sup>1</sup>  
www.fkhealth.com

GCI Health  
www.gcihealth.com

ghg  
www.ghgroup.com

Ogilvy CommonHealth Worldwide  
www.ogilvychw.com

Sudler & Hennessey<sup>1</sup>  
www.sudler.com

## Direct, Digital, Promotion & Relationship Marketing

A. Eicoff & Co  
www.eicoff.com

Actis Wunderman<sup>1</sup>  
www.actis.ru

AGENDA<sup>1</sup>  
www.agenda-asia.com

AKQA  
www.akqa.com

Aqua<sup>1</sup>  
www.aquaonline.com

Barrows<sup>1</sup>  
www.barrowsonline.com

Blast Radius<sup>1</sup>  
www.blastradius.com

Brierley & Partners<sup>1</sup>  
www.brierley.com

DesignKitchen<sup>1</sup>  
www.designkitchen.com

Dialogue  
www.dialoguelondon.com

Digit  
www.digitlondon.com

EWA  
www.ewa.ltd.uk

FullSix<sup>3</sup>  
www.group.fullsix.com

Grass Roots<sup>1</sup>  
www.grg.com

G2<sup>1</sup>  
www.g2.com

- G2 Branding & Design

- G2 Interactive

- G2 Direct & Digital

- G2 Promotional Marketing

High Co<sup>1</sup>  
www.highco.fr

Iconmobile<sup>1</sup>  
www.iconmobile-group.com

Kassius<sup>1</sup>  
www.kassius.fr

KBM Group<sup>1</sup>  
www.kbmg.com

Mando  
www.mando.co.uk

Maxx Marketing  
www.maxx-marketing.com

OgilvyAction  
www.ogilvyaction.com

OgilvyOne Worldwide  
www.ogilvy.com

OOT<sup>2</sup>  
www.oot.it

RTC<sup>1</sup>  
www.rtcagency.com

Smollan Group<sup>1</sup>  
www.smollan.co.za

Smollan/Headcount  
www.smollan.co.uk

Studiocom<sup>1</sup>  
www.studiocom.com

These Days<sup>1</sup>  
www.thesedays.com

VML<sup>1</sup>  
www.vml.com

Wunderman<sup>1</sup>  
www.wunderman.com

## Specialist Communications

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

**Demographic marketing**  
Bravo<sup>1</sup>  
www.bebravo.com

K&L<sup>1</sup>  
www.kanglee.com

MosaicMD  
www.mosaicamd.com

UniWorld<sup>1</sup>  
www.uniworldgroup.com

Wing<sup>1</sup>  
www.insidewing.com

**Employer branding/recruitment**  
JWT Inside  
www.jwtinside.com

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

Metro  
www.metrobroadcast.com

**Foodservice marketing**  
The Food Group  
www.thefoodgroup.com

**Sports marketing**  
9ine Sports & Entertainment  
www.9ine.com.br

JMI<sup>1</sup>  
www.justmarketing.com

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<sup>1</sup>  
www.bl.com

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

Imagina<sup>3</sup>  
www.mediaapro.es

MRC<sup>3</sup>  
www.mrcstudios.com

United Visions  
www.united-visions.de

The Weinstein Company<sup>3</sup>  
www.weinsteinco.com

## WPP Digital

24/7 Media  
www.247media.com

Acceleration  
www.acceleration.biz

Blue State Digital  
www.bluestatedigital.com

The Data Alliance  
www.thedataalliance.com

Fabric Worldwide<sup>1</sup>  
www.fabricww.com

F.biz  
www.fbiz.com.br

Hogarth Worldwide  
www.hogarthww.com

Johannes Leonardo<sup>1</sup>  
www.johannesleonardo.com

POSSIBLE  
www.possible.com

Rockfish  
www.rockfishinteractive.com

Salmon  
www.salmon.com

Szygy<sup>1</sup>  
www.szygy.net

The Media Innovation Group  
www.themig.com

## WPP Digital partner companies

Ace Metrix<sup>3</sup>  
www.acemetrix.com

eCommera<sup>2</sup>  
www.ecommera.com

Globant<sup>1</sup>  
www.globant.com

HDT Holdings Technology<sup>3</sup>  
www.hdtmedia.com

In Game Ad Interactive<sup>3</sup>  
www.ingamead.cn

Invidi<sup>1</sup>  
www.invidi.com

JumpTap<sup>3</sup>  
www.jumptap.com

mySupermarket<sup>3</sup>  
www.mysupermarket.co.uk

Moment Systems<sup>3</sup>  
www.miaozhen.com

nPario<sup>1</sup>  
www.npario.com

Proclivity Systems<sup>3</sup>  
www.proclivitysystems.com

Say Media<sup>3</sup>  
www.saymedia.com

SFX Entertainment<sup>3</sup>  
www.sfxi.com

Vice Media<sup>2</sup>  
www.vice.com

Visible<sup>1</sup>  
www.visibletechnologies.com

WildTangent<sup>3</sup>  
www.wildtangent.com

## WPP knowledge community

The Store  
www.wpp.com/store

GRI indicators covered in this section:  
2.2, 2.3



### Key

- <sup>1</sup> Associate
- <sup>2</sup> Joint venture
- <sup>3</sup> Investment
- ▼ A Grey Group company
- ▲ A Hill+Knowlton Strategies company
- ◆ An Ogilvy company
- A Young & Rubicam Group company
- A member of B to D Group
- Part of the Wunderman network
- As at April 2013.

# Why sustainability matters

**S**ustainability issues are important to WPP in the work we do for our clients, the way we run our offices and consider our people and other stakeholders.

Our five areas of focus are:

- The impact of our work for clients
- Marketing standards
- Employment practices
- Environmental performance
- Social investment including pro bono work

From integrating high ethical standards, to reducing our impact on the environment and supporting charities through pro bono work, our commitment to sustainability supports our business strategy.

## Strategic priorities and financial targets

WPP's four core strategic priorities are to:

- Increase the geographic share of revenues from the faster-growing markets;
- Increase the share of revenues from new media;
- Increase the share of more measurable marketing services, with a focus on digital and consumer insight, data analytics and the application of new technology; and
- Achieve 'horizontalty' by ensuring our people work together for the benefit of clients.

By implementing this strategy effectively we will be well positioned to deliver on our long-term financial targets:

- Revenue and gross margin growth greater than the industry average.
- Annual improvement in operating margin of 0.5 margin points or more.
- Annual organic PBIT growth of 5-10%, and by acquisition by another 0-5%.



## How sustainability supports our strategy

Our commitment to sustainability supports these priorities and targets by creating revenue growth and minimising costs in the following ways:

### Client relationships and revenue support

Sustainability issues influence our clients' business strategies in all markets and they increasingly look to our companies for advice on these topics. Our ability to anticipate and understand the implications of social and environmental trends enables us to respond to the growing number of sustainability-related marketing briefs.

Many client tender processes now include requests for information on our sustainability policies and performance. Clients who engaged with WPP on our approach to sustainability were worth at least \$1.2 billion to the Group in 2012.

### Attracting and retaining the best people

There is fierce competition for talent in our industry. Leading employment practices help us to attract and retain the best people, while our efforts to create a diverse and inclusive culture widen our potential talent pool.

Potential recruits frequently raise questions relating to our sustainability performance, demonstrating that our commitment supports recruitment and retention. Our involvement in pro bono work also supports employee engagement.

### Meeting investor expectations

WPP share owners continue to show interest in how we manage sustainability risks and opportunities. Europe has the largest market for responsible investment, with approximately €5 trillion of assets under management. The US has \$3 trillion, and Asia is predicted to have \$4 trillion by 2015.

### Improved cost efficiency

Our climate change strategy reduces costs associated with business travel and energy use in offices.

Initiatives to improve the health and wellbeing of our people can help to improve productivity and reduce costs related to time off work due to illness.

### Access to digital marketing and insight business

Our clients require assurance that we meet best practice standards for privacy and data protection. Strong policies and procedures at Group and operating company level are essential, as is our involvement in the debate on changes to regulation governing the use of data in marketing.

### Creating the right skills base

Our investment in high-quality bespoke training helps us to develop the skills needed to grow our business in key areas such as digital marketing and managing cross-company client teams. In fast-growing markets, investment in education beyond WPP helps to widen our future talent pool.

Our focus on diversity and inclusion enables us to reflect consumers in all the markets in which we operate.

### Reputation risk management

Effectively managing social, ethical and environmental risks such as those associated with client work helps to minimise the possibility of damage to our reputation over the longer term.

The robust ethical policies and training we have implemented are essential as we expand the Group in more markets where there is a higher risk of bribery and corruption.



# The impact of our work

We believe that marketing and communications services can play an important role in progress towards a more sustainable society. Our companies work with our clients on many aspects of sustainability.

## The issue

Sustainability issues are strategically important for many of our corporate clients. As they take action to integrate sustainability into their businesses, they need great marketing, insight and advice to support their strategies, raise their profile and to promote their sustainable products and services.

Tackling challenges such as climate change, poverty and obesity requires collaboration among businesses, governments and NGOs, and for millions of people to take action. Effective and powerful communications are essential.

## Our response

We believe that marketing and communications services can play an important role in progress towards a more sustainable society. We are seeing growing demand for these services among our client base.

Our companies are investing in developing their sustainability expertise, and bringing innovative new insights to their work with clients on these issues. WPP the parent company supports their efforts and encourages collaboration among Group companies.

Many of our companies work with clients on sustainability issues, and several have specialist sustainability offerings. These include Burson-Marsteller's Global Corporate Responsibility Practice, Hill+Knowlton Strategies' CR + Sustainability Communications offering, JWT Ethos, OgilvyChange, OgilvyEarth, P&G's S-Team (including Added Value, FITCH, G2, The Futures Company, Hill+Knowlton Strategies, Landor and Penn Schoen Berland), and PSB Green.



**What we're doing**

**Sustainability in marketing**

WPP companies in all disciplines are involved in sustainability marketing. See the Applying our expertise diagram opposite.

We support our companies to develop their expertise and to encourage collaboration across the Group on sustainability. This includes:

- **Sustainability Navigator:** A handbook and online resource summarising our companies' sustainability offerings, together with contact details for experts around the Group. The *Navigator* has been distributed to CEOs, regional leaders, Global Client Leaders, communication teams and key sustainability contacts. Our people can also search an online version available on the Group intranet.

- **Webinars:** We hold regular webinars on topics relevant to our companies and our clients, where our people can hear from expert speakers and ask questions. Topics covered during 2012 included the science of climate change, human rights and business, water scarcity and product labelling and sustainability. Employees unable to attend the webinars can watch the sessions at a later date via our intranet.

- **Big Picture briefings:** Employees can access video briefings and background information on a range of sustainability topics via our intranet. Topics cover a wide range of issues relevant to sustainable business and marketing, from climate change and packaging, to workplace issues, transparency and brand and reputation.

- **Sustainability seminar:** We held a seminar for our people to hear from expert speakers and to discuss topical sustainability issues.

**Social marketing**

Our companies create social marketing campaigns, usually for government or non-governmental organisation (NGO) clients, tackling issues related to public health, safety or the environment. They are designed to raise awareness or encourage people to change their behaviour.

Several of our companies operate specialist social marketing units, including Ogilvy Outreach, Ogilvy PR's social marketing practice, JWT Ethos, Thompson Social and TNS Political and Social.

**Cause-related marketing**

We help clients to support charities while raising their brand profile through cause-related marketing campaigns. Often these involve a company making a donation to worthy cause for every product purchased.

Executed sensitively, these campaigns can successfully raise awareness and funds for charity, while increasing 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.

**Applying our expertise**



RESEARCH and INSIGHT	CONSUMER COMMUNICATIONS	EMPLOYEE COMMUNICATIONS	STAKEHOLDER COMMUNICATIONS	BRANDING and STRATEGY
Our consumer insight companies help clients to understand changing attitudes to sustainability issues and the role of business and government in society, and to test the impact of different sustainability communications approaches.	Our advertising, digital and direct communications companies help clients to communicate credibly with consumers and other customers on sustainability issues and promote the green or ethical credentials of their products and services.	Our companies help clients to engage their employees on social and environmental issues and integrate sustainability into their business.	Our PR and public affairs companies help clients to communicate with regulators, the media, NGOs and the public on sustainability issues.	Our companies help clients to develop their sustainability strategies and to embed social and environmental values into their brands and marketing.



What we're thinking



“In China, sustainability has been on the government’s agenda for a while, but from a social and environmental perspective, it is gaining in importance only now.

This is because the threat is very personal. Air quality in the big cities is deteriorating very fast. Food and water are contaminated.

This has resulted in growing demand for safe products for children, but also air purifiers, organic food and natural cosmetics. But there just aren’t many options available for consumers in the market place and they need guidance.

Small and local entrepreneurial businesses recognise this opportunity. Our research shows that consumers are often ahead of the curve, finding their own solutions. A large percentage of the population is ready to adopt green behaviour.

But many of the major international brands and the marketing community have been slow to respond.

For Ogilvy Earth, our first focus in China has been on advocacy, explaining the nature of the issue, telling clients about the consumer demand, showing why big players need to act. And how they can do it.

We are trying to show our clients that sustainability is not only a need, but also that brand’s sustainability credentials can be a tie-breaker in the store.

There is a clear opportunity for brands to mainstream sustainability into their products and services. It will give them competitive advantage in the largest consumer market in the world, and it will earn them the consumer’s trust.”

**Kunal Sinha**  
Chief knowledge officer  
Ogilvy & Mather China



Watch online [www.wpp.com/sustainability](http://www.wpp.com/sustainability)



In our companies

New insights on sustainability

As more brands seek to integrate sustainability into their strategies and plans for growth, they need to build their understanding of the issues involved and how these interact with corporate strategy and consumer perception.

WPP research companies are exploring these issues, and their insights are helping to build a clearer picture of the relationship between sustainability and brand value, and the opportunities and challenges surrounding sustainable behaviour change among consumers.

Areas being explored include the gap between people’s good intentions around environmentally-friendly products versus their willingness to purchase; their claimed behaviour around diet versus the potentially damaging contents of their shopping baskets; the genuine market opportunities for new, sustainable products; the audience segments that will prove critical to success (or vulnerable to competitors); the reaction of stakeholders and share owners towards companies that build their reputations for sustainability and the consequent impact on brand and company value; and, finally, the implications of demographic and cultural changes for brands.

In the following pages we profile some recent insights in this area.

Calculating obesity

Research by Kantar Worldpanel is shedding light on trends in food purchasing, health and obesity with implications for businesses and governments.

Over the last 25 years obesity has become a major and costly public health issue in many countries.

Kantar Worldpanel tracks the purchasing habits of 30,000 British households and monitors the nutritional content of over 100,000 food and drink products. The data can provide valuable insights for brands and government clients. The findings show there is a long way to go in tackling obesity in the UK: calories, sugar and saturates continue to rise in British shopping baskets. Lower-income households buy the least healthy baskets. But there are opportunities for progress. Key insights include:

- Reformulation is the most successful route to change: 75% of positive nutritional change is driven passively through reformulation (you continue to eat what you love but it’s better for you), which doesn’t rely on changing attitudes to health. There has been a noticeable reduction in salt consumption thanks to informed government target setting and manufacturer reformulation across many categories.
- There is a communications opportunity for manufacturers providing healthier options: the total low calorie market is worth over £2.4 billion in the UK. Consumer choice exists – for example, there is a 90-fold difference in the amount of saturated fat in the ‘healthiest chilled ready meal and the least healthy’ – yet often consumers are unaware of the true options and differences available.



ReputationAMP

Influential stakeholders are more likely to become advocates for businesses they see as behaving responsibly. This is the finding from recent research by Millward Brown which explored attitudes to FMCG (fast-moving consumer goods) businesses among the media, NGOs and academics. The findings highlighted the importance of responsible and sustainable business performance and communication in building reputation and advocacy – when opinion formers share their positive views with others. Responses from the study show that opinion formers are sensitive to claims that lack substance and look for evidence of real commitment, such as:

- responsible sourcing, including manufacturing and supply chain management
- passing on efficiencies to customers
- equitable employment terms throughout the company and in all geographies
- fair treatment across communities.

Awareness about actual company actions is still low, suggesting an opportunity for improved communication on sustainability among FMCG businesses and these types of stakeholders. The study was part of Millward Brown’s new approach to stakeholder research.

Top seven drivers of advocacy	Strength of relationship between behaviour and advocacy %
1 Is responsible towards society	70
2 Is honest, trustworthy and ethical	69
3 Deals fairly with their supply chain	65
4 Is responsible towards the environment	59
5 Provides high quality products & services	52
6 Treats employees well	51
7 Builds and maintains positive stakeholder relationships	46

\* Above 30% = significant relationship  
Above 40% = strong relationship

The Futures Company – Women 2020 research

A recent study by The Futures Company into the role of women is helping clients understand the implications of demographic and cultural changes, as well as the needs and aspirations of diverse consumers. Women represent just under half the global population and are the fastest-growing group of consumers worldwide. Yet analyses of their role in society are often one-dimensional, focusing on how social and economic conditions exert changes on women’s roles and identities – rather than how women themselves are creating change. The Futures Company’s research shows that growth in women’s economic power is creating new opportunities for brands, including new markets and new sources of talent and innovation. It explores the implications for popular and consumer culture, and considers how leading brands and organisations will behave in future to engage women as customers, employees and stakeholders. Read more: <http://thefuturescompany.com/free-thinking/women-2020>.



Sustainability in marketing

Campaign: Blue Mobility

Client: Volkswagen China  
WPP company: MediaCom China



Air pollution is a growing problem in China. As China’s biggest car manufacturer, Volkswagen aims to contribute to a sustainable future. The brand developed the Blue Mobility app to help drivers reduce fuel consumption by tracking and analysing real-time driving behaviour, and offering practical advice. Volkswagen enlisted MediaCom China’s help to raise awareness of the initiative through an integrated digital approach leveraging mobile media, social media and VW-owned media. The app was promoted via in-app ads, targeting the most popular apps to boost take up among regular app users. To increase further buzz around the initiative, MediaCom also connected the app to China’s booming microblogs and most popular social networking sites enabling users to share their achievements and tips with friends. A contest was held to identify and award the most environmentally friendly drivers in China. The app was downloaded over 1 million times and there were over 200,000 comments on social networks. Drivers who used the app travelled almost 2 million kilometres and reduced fuel consumption by 5%, the equivalent of 10,000 litres of fuel.



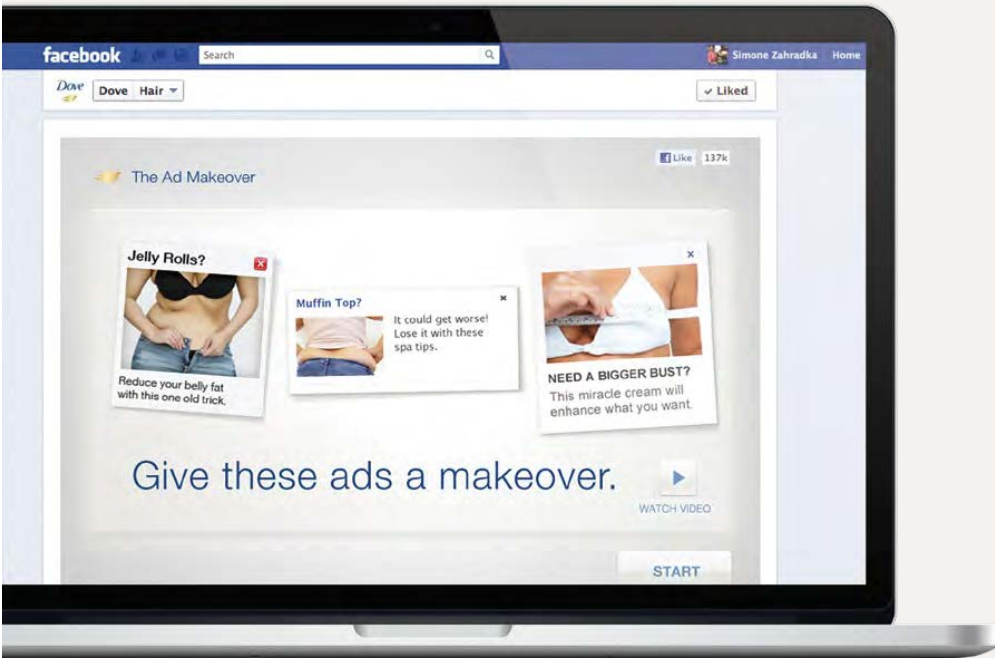
Campaign: **Ad Makeover**

**Client:** Dove  
**WPP company:** Ogilvy & Mather London 

Dove's mission is to make women feel more beautiful, but a worldwide study revealed that only 4% of women describe themselves this way. Negative banner advertisements target and reinforce insecurities.

Ogilvy & Mather London launched the **Ad Makeover** campaign that empowered women to displace negative ads with positive messages. This was achieved by using an app that outbids ads with negative keywords, ensuring that space would be won by messages that make women feel beautiful instead.

The campaign sparked an international media debate on the use of online advertising. Users displaced over 171 million banners, and there was a 41% increase in mentions of Dove on Facebook. 71% of women polled claimed to feel more beautiful after the Ad Makeover and the campaign won a string of awards, including two Silver Lions at the Cannes Lions International Festival of Creativity.



Campaign: **GOODNESS**

**Client:** Pick n Pay  
**WPP company:** Y&R Cape Town 

Y&R Cape Town was asked to create a 360 degree campaign communicating the supermarket Pick n Pay's core beliefs, that *Doing Good is Good Business*. The GOODNESS campaign shows how Pick n Pay creates value in how it interacts with its suppliers, customers, communities, entrepreneurs, small businesses and large corporations.

GOODNESS was communicated through corporate publications such as the annual and governance reports, but also on truck fleets, in store, on posters, on shopping bags, in print, and on leaflets, as well as online and through mobile media. In the first three months of the campaign the initiative received nearly R3 million of bought media and over R600,000 has been donated to affiliated charities through loyalty card points so far.

GOODNESS remains an ongoing and dynamic campaign that is continually refreshed with new stories highlighting different sustainable initiatives.





**Social marketing**

**Campaign: After the Parade**

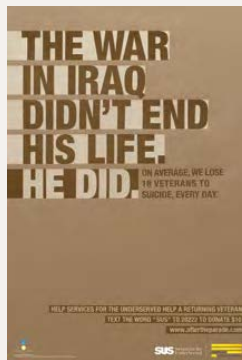
**Client:** Services for the UnderServed (SUS)  
**WPP company:** JWT New York



Many veterans can struggle to adjust to civilian life upon returning home and may experience post-traumatic stress disorder, depression, unemployment, and homelessness; many commit suicide. Towns across the US celebrate their veterans with an annual parade. But the difficulties veterans face persist over time and if anything intensify after the spotlight on their return has faded. SUS, an organisation supporting individuals facing a wide variety of challenging life situations, wanted to raise awareness of its veterans initiative.

JWT New York created the After the Parade campaign to help bring the veterans issue to the forefront of public consciousness and increase donations to SUS. The campaign featured TV and radio spots, as well as a microsite. JWT also helped to customise a Facebook app that matched each click of support with \$1 donated by corporate sponsors.

The campaign was featured in over 100 publications and in every major news outlet, website traffic more than doubled and 240 new volunteers joined the cause. The campaign also raised \$4.3 million providing 225 veterans with housing, employment services and counselling.



**Campaign: Kid Rescue**

**Client:** Telefónica Foundation  
**WPP company:** Y&R Bogota



In Colombia 1.6 million children do not attend school regularly and are forced to work instead. Y&R Bogota worked with the Telefónica Foundation, a charity run by the global mobile network provider, to create a smartphone app which lets people report child labour. By uploading the child's location and a photo to the Foundation's website, members of the public help create a real-time data system exclusively accessible to social workers who examine every case and if necessary take action.

The app went viral just a few days after its launch and has helped to identify 1,276 children, 67 of whom are now off the streets, with their schooling sponsored by the Telefónica Foundation. The campaign won a Silver and a Bronze Cannes Lion.



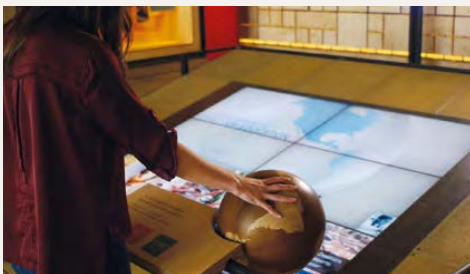
Campaign: **Bill & Melinda Gates Foundation Visitor Center**

**Client:** Bill & Melinda Gates Foundation  
**WPP company:** POSSIBLE Los Angeles

Initially a behind-the-scenes network of global aid experts, the Bill & Melinda Gates Foundation realised that developing a high-profile public presence could positively impact the good they could perform. To introduce itself and its work to the world, the foundation wished to use cutting-edge digital environments to teach people about the issues the foundation is dedicated to solving.

POSSIBLE transformed the foundation's visitor centre into an interactive landscape of adventurous experiences, from a giant Twitter-enabled kiosk to user-controlled digital screens. These had physical inputs such as a wooden globe, levers, and sliders allowing visitors to actively engage in the foundation's work.

Over 40,000 visitors experienced the exhibits in 2012 and POSSIBLE's work is currently short-listed for an IXDA Award in Connectivity.



Campaign: **QR TKS**

**Client:** Santa Casa de Misericórdia de São Paulo  
**WPP company:** Y&R São Paulo

Y&R has worked with Santa Casa de Misericórdia, a public hospital in the heart of São Paulo, for over eight years. In 2012, Y&R São Paulo created a mobile campaign to increase blood donations by encouraging sporadic donors to donate more regularly. QR codes were printed on the plasters placed on donors' arms. When scanned they open a thank you message from people in need of blood or people who had received blood, and explain how the wearer's donation would help.

In one week following the drive, the hospital saw 800 donors, up 23% on a typical week, and 71% of donors returned to donate more. The campaign won a Bronze Cannes Lion for Best Use of Ambient Media.



Campaign: **Dementia Friends**

**Client:** Alzheimer's Society  
**WPP company:** Addison London

There are currently 800,000 people with dementia in the UK and numbers are set to double by 2021. In March 2012 UK Prime Minister David Cameron launched his Prime Minister's Challenge on Dementia, a key part of which is the creation of dementia-friendly communities. The Dementia Friends initiative, which is being delivered by the Alzheimer's Society, will help turn the vision of dementia-friendly communities into a reality.

The aim of the program is to recruit 1 million volunteers, known as Dementia Friends, by 2015. Dementia Friends will give people an understanding of dementia and the small things they can do that

can make a difference to people living with the condition. Dementia Friends and Dementia Friend Champions wear a Forget-me-not flower badge after completing their training so that they can easily be identified as being able to assist those with dementia.

WPP's client development director Peter Dart and Addison worked together to develop the 'Forget-me-not' brand identity for the initiative. Within weeks of the launch of Dementia Friends in February 2013, over 5,000 people have signed up for training and many more have expressed an interest in the program.





Cause-related marketing

Campaign: The Journey of Hope

**Client:** KFC  
**WPP company:** Ogilvy & Mather Johannesburg, Ogilvy Public Relations Johannesburg, MEC Access South Africa and Mindshare South Africa



Add Hope is a KFC initiative where customers are offered the option of donating R2 to help feed a hungry child by adding a 'fictitious' side item to their meal. For the 2012 campaign, Ogilvy & Mather Johannesburg collaborated with Ogilvy Public Relations Johannesburg, MEC Access South Africa and Mindshare South Africa. The South African adventurer Riaan Manser was enlisted to cycle a 4,100km route in the shape of the word 'hope' while subsiding on just half the calories his body needed. Riaan stopped off along the route to meet the people being helped by Add Hope's partner charities. In-store and outdoor material promoted the campaign, and a website allowed people to track Riaan's progress. Twitter followers could tweet the adventurer extra calories by using the #AddHope hashtag and weekly TV episodes documented his journey.

The Journey of Hope culminated in an event in Johannesburg where the KFC staff walked the final 2km with Riaan to the finish line. Donations for the year peaked at R12.6 million, up 33% on the previous year.



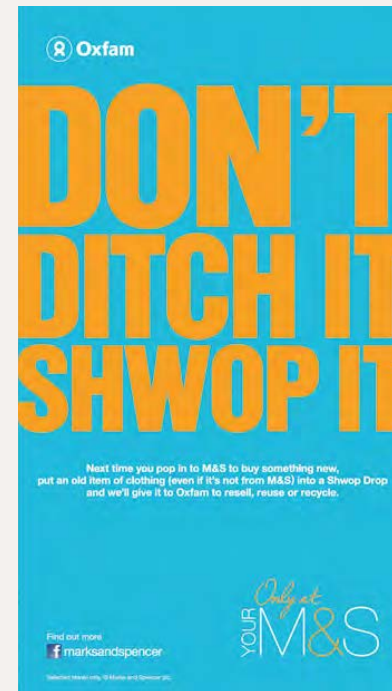
Campaign: Shwopping

**Client:** Marks & Spencer  
**WPP company:** RKCR/Y&R London



In 2012, M&S launched Shwopping, encouraging customers to swap an old item of clothing every time they bought something new. The donated clothes were given to Oxfam to resell, reuse or recycle – reducing the amount of clothes going to landfill and raising money for a good cause all in one fell swoop. Landor helped M&S come up with the name Shwopping and Joanna Lumley, famous British actress and campaigner, was chosen as the campaign

ambassador. RKCR/Y&R created the eye-catching slogan and marketing campaign which was rolled out across multiple channels to raise awareness. To increase press and social media coverage, an entire street in London was covered with almost 10,000 garments representing the amount of clothing waste sent to landfill every five minutes. Each M&S store was given a unique text and QR code geo-mapping facility that recorded the number of shwops per outlet, fuelling competition between different localities. Social badges on Facebook allowed customers to share their shwops with friends and win exclusive prizes. Since the launch of the campaign at the end of April 2012, 3.2 million items worth over £2 million to Oxfam have been shwopped.





# Marketing standards

It is important that the work we create balances commercial objectives with the need to represent products and services honestly and accurately and to protect consumer privacy. Clear policies, training and communication reinforce our commitment to ethical behaviour.

GRI indicators covered in this section:  
4.13, SO2, SO3, SO4, SO5, PR6, PR8



## The issue

Marketing, public relations and advertising influence opinion and behaviour. Clients look to our agencies for campaigns that enhance desirability and help them achieve their strategic goals. It is important that the work we create balances commercial objectives with the need to represent products and services honestly. Privacy and data protection are important to our companies that use consumer data to develop and target marketing campaigns.

## Our response

All marketing communications produced by WPP companies should be fair and accurate, comply with the relevant laws and marketing codes, and reflect changing public attitudes to questions of taste and decency. Our companies are expected to take particular care when marketing sensitive products or when marketing to children. Consumer privacy must be protected. We will not produce work for our clients that 'greenwashes' the environmental performance of their company or brands.

Our Code of Conduct and Sustainability Policy explain our standards and set out the guiding principles for all our companies (the policies are included in this report on pages 97 to 99). Issues relating to marketing standards and topics such as ethical decision-making and privacy are covered in our ethics training, compulsory for all Group people. In addition, our companies have their own ethics policies and procedures, and provide guidance and training to their people on these topics.

Our companies are involved in the debate on marketing standards. Many professionals from our companies participate in industry groups and help to develop and evolve codes of practice. For example, Julie Halpin, CEO of The Geppetto Group, is on the Board of the Children's Advertising Review Unit; Ian Brace of TNS UK is a member of the Market Research Society's standards board; and Hephzibah Pathak, president of Ogilvy & Mather India, is a member of the consumer complaints group of the Advertising Standards Council of India.

Out of the many thousands of campaigns our companies produce each year, a small number do give rise to complaints, some of which are upheld by authorities. Regulatory and complaint systems vary widely between countries and it is difficult to obtain data which provides a clear view of complaint levels across all Group locations. For this reason, although we continue to track complaints, we are no longer publishing the data in our Sustainability Report.



## What we're doing

### Ethical decision-making

The work we do and the clients we work for can raise ethical issues. Examples include work for governments or clients in sensitive countries or sectors and marketing for sensitive or controversial products. We need to identify such cases and to help our people make decisions about new commissions that reflect the standards in our Code of Conduct and Sustainability Policy.

WPP companies have a review and referral process for work that may present an ethical risk to WPP or our clients. Before accepting potentially sensitive work, 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 company in the country concerned, who will decide if further referral to a WPP executive is required.

Our ethics training includes an online module to help employees identify ethical risks associated with client work, and raise awareness about referral procedures. Depending on scope, internal audits may incorporate a review of the consideration given by management to possible impacts on the Group's reputation prior to accepting new clients.

We have a Group-level committee which meets at least quarterly to discuss cases of concern, potential compliance issues and new risk areas. Committee members include the Group chief counsel, compliance officer, Group finance director and the head of sustainability. The committee also reviews potential client-related risks such as bribery and corruption, data privacy and competition rules.

However, despite these highest of intentions, we still make mistakes. Recently, for example, 'scam' ads produced purely for advertising festival awards and never actually run, were produced in India for one of our most important clients. These were offensive and unforgivable. Appropriate action was taken in respect of those immediately responsible but it is felt by senior management and the Board that a more comprehensive

and independent cultural review needs to be taken to ensure that this does not happen again. This will be implemented shortly, subject to client approval.

### Business ethics

We take steps to instil an ethical culture across the Group and to give employees the information and guidance they need to make the right decisions.

The WPP Code of Conduct and Group Sustainability Policy help our people in dealing with a wide range of ethical, social and environmental subjects. They apply to all employees in all locations and are available on our website and intranet. Both are regularly updated. More detailed policies covering a range of issues such as gifts and entertainment and the appointment of advisors are included in the WPP Policy Book which applies to all Group companies.

Every year, the senior management of each WPP company are required to sign a statement confirming that they comply with WPP's Code of Conduct. We have a compliance officer to oversee our approach to ethics and compliance and to provide support and guidance to our companies. She reports to our Group chief counsel and director of Internal Audit.

Employees complete our compulsory ethics training, 'How we behave'. It is based on the WPP Code of Conduct, and covers topics such as diversity, privacy, responsibility to stakeholders, and avoiding misleading work. It uses scenarios to help people identify and respond appropriately to ethical issues they may encounter in their work and includes an introduction from Sir Martin Sorrell, our CEO. To reach employees across our businesses, training is provided in a variety of ways, including online and face-to-face. Employees must also complete our online training on anti-bribery and corruption, which covers the Foreign Corrupt Practices Act and UK Bribery Act and issues such as hospitality and gifts. By the end of 2012, over 100,000 employees had undertaken both sets of training. In early 2013, the

training was refreshed to ensure it stays relevant to our Group. It will be launched again with a global roll-out.

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. This is publicised through induction packs, the Group intranet, the WPP Policy Book and our ethics training. There were 42 calls made via Right to Speak during 2012, all of which were followed up.

We expect associate companies (those in which we hold a minority stake) and affiliate companies (preferred partners to whom we may refer business) to adopt ethical standards which are consistent with our own. We communicate our expectations to associates and affiliates and we are extending our ethics training and anti-bribery and corruption training to employees of WPP's associate companies.

We are a member of the Institute of Business Ethics, a not-for-profit organisation working to improve ethical standards in business.

### 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, although many of our clients are multinational companies. Our public affairs companies include:

- Burson-Marsteller, and its affiliates: Prime Policy Group; Direct Impact; and Penn Schoen Berland
- Glover Park Group
- Hill+Knowlton Strategies, and its affiliates: Dewey Square Group; and Wexler & Walker Public Policy Associates
- Ogilvy Government Relations
- QGA

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 and require lobby firms to register the names of clients on whose behalf they contact legislators or executive branch personnel. 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.

We will not undertake work which is intended or designed to mislead. We do not knowingly represent 'front groups' (organisations which purport to be independent NGOs but are controlled by another organisation for the purpose of misleading) and seek to ensure we are aware of who the underlying client is before taking on work.

### Privacy

Our companies collect consumer data on behalf of clients, and use it to study attitudes (including purchasing habits) and to create targeted digital and direct marketing campaigns.

Privacy is a high-profile topic and one that we take very seriously. Our agencies comply with privacy and data protection requirements and participate in efforts to standardise practices and provide clear information to consumers.

Some consumers and interest groups are concerned about the collection and use of personal data for marketing purposes, including practices such as behavioural targeting. We work with trade organisations and others in our industry to address these issues.

### Principles and guidance

Our approach is guided by four priorities: maintaining consumer trust; reducing legal and financial risks to WPP; educating our people and the people we work with and improving our own knowledge base; and enabling our clients to use consumer data appropriately to enhance their marketing.

The parent company provides guidance and advice to our companies on privacy and data security issues. To ensure that all our people have an understanding



of the basic issues, we have added privacy and data security to our revised ethics training which is being rolled out to all employees in 2013. We also held a training event on the EU Cookies Directive for employees in the UK during 2012.

In 2012 we reviewed and updated all WPP's data protection, data security and privacy policies, and introduced new policies covering social media, IT and Security. We developed a 'Data Code of Conduct' – a simple one-page set of principles for how WPP uses and protects data. This is intended to help employees understand our approach and to make decisions that reflect our principles. The Data Code of Conduct and revised policies was launched in early 2013.

We will also launch the WPP Data Health Checker, an interactive survey that will be completed by management teams in every WPP company worldwide. Results will help them assess how their current policies and practices compare to best practice, and will provide valuable information to help our Group digital, legal, IT and audit teams to target support where it is needed most.

Our key digital marketing and research companies nominate senior executives to provide leadership on privacy, and to work with other companies in the Group and clients. In addition, many of our companies have specific policies and procedures relevant to their businesses covering how data should be handled, and some have developed their own technology and tools to improve transparency. See 'In our companies' for examples.

In 2012 we established a WPP Privacy Policy Group for senior representatives from our agencies. Members meet monthly to agree Group-wide positions on key issues and to co-ordinate our engagement with policymakers and industry bodies.

In 2012, Compete, a WPP company in the US which collects consumer data, settled a case with the Federal Trade Commission. This related to Compete software downloaded by consumers prior to 1 February 2010 which may not have sufficiently prevented the transmission to Compete of personally-identifiable and sensitive information. Compete

did not knowingly use any of this information in its services and has since removed it from its databases and made significant improvements to its software privacy filters.

#### Working with others

We continue to review our contractual arrangements with suppliers and clients, to clarify respective roles and responsibilities for privacy, to make sure these are appropriate and consistent and to ensure that they continue to meet the requirements of evolving laws and regulations.

Our companies work closely with trade associations and industry partners to develop constructive positions on data protection and privacy. One example of this is the development and roll-out of the Digital Advertising Alliance 'icon', which aims to give consumers clear information about how their personal data is used online and to update their tracking preferences. A number of our companies are also involved in updating the Network Advertising Initiatives code of best practices for online behavioural advertising, and are taking part in discussions on policies regarding online tracking.

WPP people are active members of a host of organisations working on privacy issues. Examples include:

- Brooks Dobbs, chief privacy officer of KBM Group, is an invited expert member of the W3C (Worldwide Web Consortium) Tracking Protection Working Group;
- Ruud Wanck, head of Interaction EMEA, is on the Board of IAB (Interactive Advertising Bureau) Europe.

## WPP Data Code of Conduct



### Our principles

WPP, its companies and its people are committed to responsible collection, management, use and protection of data.

WPP recognises its obligations to all its stakeholders including share owners, clients, its own people, suppliers and consumers.

WPP works with many categories of data and uses the term data in its broadest sense. We include within this definition client data, consumer data and all information and data related to the operation of our businesses.

### Our practices

- We will be transparent with consumers.
- We will treat data in accordance with all applicable laws, regulations and treaties.
- We will implement fair and reasonable data policies and procedures.
- We will treat data as confidential.
- We will understand not only what data we hold but also its relevance to stakeholders.
- We will secure, collect, process, use and store data appropriately.
- We will ensure that data is retained appropriately.
- We will implement necessary and appropriate technical measures to secure data.
- We will delete data when required to do so.
- We will ensure our people understand their role in upholding these principles and practices.



## What we're thinking



“Our business is built on responsible handling of information and data. Trust has to be absolutely maintained. This is central to our relationship with our data sources, usually consumers, and our clients, who trust us to manage services for them. Privacy is fundamental.

Today more people understand that data has value, that data can be collected more quickly, and that they need to be vigilant about how they project their image via the data they reveal to the world. But they don't necessarily understand all the components of how data empowers decisions surrounding their lives.

There is debate and attitudes are changing. What are consumer expectations around passive collection of data? What do consumers consider to be personal data? There's not necessarily one answer.

The volume of data and information is growing exponentially year to year. There are new tools and technologies, and the speed with which decisions are made is increasing. With the advent of the digital age, there's a careful balance to be struck between expanding the information we collect and use for the benefit of clients, and making sure we return a benefit back to the consumer. The core principle is that everyone involved understands what is collected and how it is used and benefits from their involvement.

Data has always been part of our work, and we've always focused on getting the right permissions, classifying information and keeping it secure. Quality research is based on this integrity factor. Now we see privacy as a market differentiator. Of course, standards have to be observed across the industry, and all players need to meet a baseline that users can rely on. But at Kantar we invest in initiatives beyond this baseline that distinguish us from competitors with consumers, clients and others. Being transparent, taking a lead, is to our advantage.”

**George Pappachen**  
Chief privacy officer  
Kantar



Watch online [www.wpp.com/sustainability](http://www.wpp.com/sustainability)



## In our companies

### Privacy practices at Kantar

Kantar, our global insights and market research group, has a chief privacy officer and a Privacy Network of experts from across its businesses. It meets every two months to discuss external and internal developments and identify any actions required and best practices to adopt. It has launched a series of standards and frameworks governing privacy and data practices. These include its Survey Data Sharing Framework, for companies working with data from survey responses, and its Passive Collection Framework, for companies managing behavioural data.

In addition to WPP training on privacy, all units within Kantar provide specific modules relevant to the privacy issues in their business. For example, a module is run on client sample data for employees handling research data that comes from the client rather than being collected by the agency.

Several parts of Kantar have achieved external accreditation for their market research and information security management systems. For example, Kantar Operations, which provides centralised market research and data services for the Kantar group, has been accredited with ISO 20252 in its UK and North American offices and ISO 27001 in its UK and India offices. George Pappachen, Kantar's chief privacy officer, is a member of the privacy and legal affairs committees of the industry associations ESOMAR, MRA and CASRO and serves on the Public Policy Council of IAB, which guides the interactive industry.

Kantar works with a number of organisations to improve privacy practices. In 2012, this included work with TRUSTe on uniform data storage and retention protocols, to improve transparency for consumers over how their data will be used and how long it will be retained; with ESOMAR to launch an online platform that covers the entire industry and improves transparency around the use of data in research; and with W3C and others on issues around online tracking.

### Ethics in pharmaceutical marketing

Pharmaceutical companies operate in a highly-regulated environment and their sales and marketing practices are subject to a high level of scrutiny. Sudler & Hennessey, a WPP agency providing pharmaceutical advertising, promotional and medical education services, has implemented a full compliance program to make sure its client work meets the highest ethical standards and to provide guidance to clients on regulatory compliance.

A full-time compliance officer works to embed high ethical standards, oversees training and policy implementation, and collaborates with clients on ethical issues. A Regulatory Ethical Monitoring Board, made up of senior leaders, oversees compliance efforts and reviews any cases of concern.

All employees must understand relevant regulations and comply with the agency's healthcare compliance guidelines. New hires complete compliance training within the first 45 days of employment, and receive regular communications on ethics and compliance. These include examples of ethical dilemmas and scenarios employees may encounter in their work, to help promote discussion on these topics.



# Employment

We seek to recruit and retain the best, developing our people's skills so we can continue to deliver the service our clients expect, wherever they are in the world.

GRI indicators covered in this section:  
2.8, 2.10, 3.9, 4.8, 4.17, EC7, LA1, LA7, LA8, LA10, LA11, LA12, LA13, HR3, HR11



## The issue

Ours is a people business, with clients coming to our companies to benefit from the creativity and insights of our teams. There is fierce competition for talent in our sector, and high turnover can be a challenge. As our business evolves, with an ever-greater emphasis on digital marketing and expansion into new areas and geographies, we need to recruit and retain the people with the right skills in the right locations.

## Our response

We seek to recruit and retain the best, developing our people's skills so we can continue to deliver the service our clients expect, wherever they are in the world.

To do this, we invest in high-quality training, competitive remuneration and employee development and wellbeing. Our commitment to diversity and inclusion helps us to recruit and retain talented people from all backgrounds. Being an inclusive employer enhances creativity by bringing together different experiences and perspectives and enables us to better understand the interests and expectations of consumers in the many different countries where we operate.

To build a wider skills base, we support education and skills development beyond WPP in the countries where we operate or plan to grow.

Our Code of Conduct and Sustainability Policy set out the basic principles which guide us. Our companies use these as the basis for more detailed employment policies which are agreed and implemented at operating company level. WPP's chief talent officer, Mark Linaugh, and our talent team assist our companies to attract and develop our talent.

WPP employs over 165,000 people (including employees in our associate companies) in almost 3,000 offices in 110 countries.

**165,000**

WPP employees (including associates)  
(2011: 158,000)

**3,000**

offices in 110 countries worldwide





What we're thinking



“ We work every day to attract the very best talent – and then give them compelling reasons to stay with us. Competitive remuneration is essential, but what really differentiates us are the professional opportunities available across Young & Rubicam Group and WPP. Some may have joined us through the ZED Academy, an innovative digital apprenticeship within Y&R and Wunderman. People further along in their career may have participated in Rubicam University and worked collaboratively with colleagues from across our companies on a challenge given to us by a client.

It's an exciting time in the world of marketing communications. Our clients have such complex business challenges. So much is changing in our disciplines. We have to keep learning. We have to encourage new ways of thinking, create a culture of innovation, and ensure our teams understand the global and local dimensions of doing business ethically. We emphasise diversity in the broadest sense – diversity of background, experience, culture – and conduct targeted recruitment through organisations and schools that give us access to diverse candidates.

Sustainability is a topic of critical importance not only to investors, but to the new generation of marketing professionals who want to work for companies aligned with their values. We take special pride in the progress our company has made in this area. Several of our companies have joined together to form a practice area that is creating awareness around sustainable businesses; leveraging their best marketing minds to provide thought leadership; and working to make operations around the globe more sustainable. We provide our people with the opportunity to work not only on the leading business issues of the day, but also to support the communities in which we and our clients work and live through pro bono projects and community service. All our companies offer benefits that support health and wellness, and many provide opportunities for flexible work arrangements.

Many of our largest client relationships are also WPP's largest client relationships. So we're particularly proud of Spectrum, an industry-leading initiative which has been created in partnership with WPP to develop the next generation of Global Client Leaders. They have to work across disciplines and cultures. They have to be trusted advisors. And they create teams whose diversity of thought and experience and perspective lead to powerful ideas that have a real commercial impact.”

**Celia Berk**  
Chief talent officer  
Young & Rubicam Group



Watch online [www.wpp.com/sustainability](http://www.wpp.com/sustainability)



What we're doing

Training and development

Group-wide training programs support our companies in developing their people and securing the skills needed to flourish in today's challenging business environment. With sessions open to all WPP companies, training encourages collaboration across disciplines and regions. Our companies also have their own schemes to develop business and creative skills and monitor their effectiveness through follow-up surveys and assessments; see 'In our Companies'.

Tens of thousands take part in training and professional development opportunities each year at the parent and operating company levels. In 2012, WPP companies invested £57.8 million in training and wellbeing, albeit a 1% drop over the previous year.

**£57.8m**

investment in training & wellbeing in 2012  
(2011: £58.3m)

Our goal is for our people at all levels to receive regular performance appraisals. In 2012, 95% of employees were included in a regular appraisal process (at least once every two years) and 76% of companies ran 360 degree appraisals for some employees.

- Group-wide training programs include:
  - **Maestro: Orchestrating Client Value** is our flagship executive education program. This five-day course is aimed at strengthening the ability of our most senior client leaders to be valued and trusted advisors to their clients, colleagues and teams. Since the program's inception in 2003 it has been held in 24 countries, reached more than 2,700 participants and involved executives from 99 WPP companies.
  - **The WPP 'Mini MBA'** curriculum is designed to build functional knowledge and abilities. It combines online tutorials and simulations with instructor-led

classroom training. Business disciplines covered are marketing, strategy, people and organisational development, working across cultures, commercial acumen and growing and winning business. Some 1,600 people have participated in the program.

- **'The X Factor'** is a senior mentoring and development initiative led by Charlotte Beers, formerly chairman and CEO of Ogilvy & Mather and chairman of JWT. The program takes place over several months and prepares senior WPP female leaders for the next level of leadership. 58 women have completed The X Factor.

- **WPP Spectrum**, developed in partnership with Young & Rubicam Group, is designed to develop current and future multidisciplinary Global Client Leaders. Over the course of a year, participants explore the skills, knowledge and expertise needed for roles of this size and complexity. It supports our strategy of developing multi-company, multidisciplinary teams differentiated by their ability to navigate changing market conditions, translate insights into powerful ideas, mobilise resources across the Group and deliver exceptional work. Spectrum's tools and insights will be available to all global client teams in 2013.

- **Africa Leadership Training** was introduced in Johannesburg for our Africa agency leaders in 2012. This reflects growth in our business in sub-Saharan Africa. Developed in conjunction with the China Europe International Business School, the four-day curriculum covers skills for agency leadership, business acumen and entrepreneurship, marketing strategy and discussions around the impact of globalisation.

Diversity and inclusion

Workplace diversity adds value to WPP by helping our companies to attract and retain the best talent from all backgrounds. Diverse teams and an inclusive environment help to enhance our understanding of consumers and clients.

Our Code of Conduct and Sustainability Policy set out our policies on non-discrimination and harassment. WPP's online ethics training covers diversity and inclusion and is completed by all employees.

Many WPP companies have appointed chief diversity officers or senior managers to lead their efforts, and 64% of them have initiatives in place to encourage recruitment of a diverse workforce. In addition to having the right policies in place, priorities include:

- **Awareness and engagement:** Training and awareness campaigns help our people understand the importance and business benefits of diversity and inclusion. A number of companies have diversity councils that promote diversity awareness. For example, Ogilvy & Mather North America's Diversity Council and JWT New York & Chicago's Differenter Committee champion inclusion and hold regular events to recognise and celebrate different communities. Professional networks support employees of different backgrounds and promote networking. Examples include Kantar India's Women's Inspiration Forum, an employee network launched in 2012, and OgilvyPride, Ogilvy's lesbian, gay, bisexual and transgender (LGBT) network.
- **Targeted recruitment:** To help diversify their recruitment pools, many of our companies use specialist recruitment agencies and publications and attend minority recruitment fairs such as the MAIP Diversity Career Fair, Advertising Week's Veterans Job Fair, and Reaching Out MBA (targeting the LGBT MBA community). Many of our US-based offices conduct on-campus recruitment at universities and colleges known to have a diverse population, such as Howard University, and attend career fairs, conferences and events hosted by professional organisations such as the National Black Public Relations Society.

■ **Internships:** In the US, several companies participate in the 4As Multicultural Advertising Internship Program (MAIP) which provides 10-week paid internships, the NY CCIP, Ladders for Leaders and other initiatives that allow minority students to gain experience in the marketing industry. In many countries our companies have developed partnerships

with local schools and other partners to encourage students from a wider range of backgrounds to consider a career in marketing services. For example, in South Africa JWT works with local organisations such as the AAA School of Advertising and The Red & Yellow School of Advertising to recruit interns from diverse backgrounds. In South Africa, Kantar's Black Graduate Program recruits six top local graduates a year. They spend two years on assignments at each Kantar company – TNS, Added Value and Millward Brown – and are mentored by a senior Kantar employee. The program aims to identify and foster top diverse talent. So far, 24 graduates have completed the two-year course, with 17 participants now employed in Kantar companies. See also 'Education and social mobility' on page 49.

■ **Partnerships:** WPP companies work with a large number of diversity organisations – for example, in the US: 4As Diversity Programs; AAF Most Promising Minority Student; Ad Color; Asian Women in Business; the LAGRANT Foundation; the National Association of Black Journalists; the National Association of Hispanic Journalists; the National Black Public Relations Society; and the National Gay & Lesbian Chamber of Commerce of NY, Women in Advertising and Communication (WACL). The SVP of human resources at Cohn & Wolfe USA is on the board of the LAGRANT Foundation, whose goal is to increase ethnic minority representation in advertising, PR and marketing. Cohn & Wolfe hosts career development workshops in partnership with LAGRANT several times a year.

At a Group level we are also a member of many organisations working to improve diversity, such as the Business Disability Forum and Stonewall, the lesbian, gay and bisexual charity.

**Women in management**

As part of our ongoing commitment to promoting women in the workplace, and to ensure they reach the upper echelon of management across the Group, we have a number of initiatives in place throughout the pipeline.

Many companies offer generous parental leave packages and support for employees returning to work after becoming parents.

In 2012, women comprised 32% of Board members/executive leaders, 47% of senior managers and 54% of total employees (see page 44). WPP's Board currently has two women, a female Company Secretary, Group communications director and Group chief counsel. Several of our businesses are run by women.

There are 47 nationalities represented among WPP Leaders and Partners, the senior echelon of our business.



**Disability**

We support disabled employees, and where appropriate, we provide additional training and services for existing employees who become disabled. In 2012, we launched new guidance for our UK businesses to help them understand relevant legislation and make reasonable adjustments for employees with disabilities. Some of our companies work with local disability organisations to improve accessibility.

**Employee infringements**

We strive to treat all employees fairly but occasionally we get things wrong or problems occur due to circumstances beyond our control. Because these issues are important to us, we monitor all employee cases involving WPP Group subsidiaries. In 2012, there were 114 newly-reported cases, compared to 177 cases in 2011. Throughout the year, 208 cases were finalised. Of these, 23 were withdrawn, 135 agreed between parties, 49 judged against Group subsidiaries and 19 judged in favour. We carefully review all cases to ensure that we have

the correct policies and procedures in place to meet best practice standards in all the countries where our subsidiaries operate.

**Remuneration and share ownership**

WPP's compensation packages are designed to attract and retain the top talent in our highly competitive industry. We ensure employees receive a competitive remuneration package by benchmarking what we provide against other companies in the relevant market and in our sector.

Many employees, in addition to their base pay, participate in performance-related incentive plans, while more senior employees may participate in share-based compensation plans. Incentive plans are designed so that they encourage and reward excellent performance in either their operational business area or in the share price performance of the company. The Company also provides a range of other benefits such as retirement provision and wellbeing benefits in accordance with local practice.

Since 1997, we have operated a Worldwide Ownership Plan that has granted share awards to more than 118,000 employees. In 2012 approximately 48,000 eligible employees received awards in over 67 countries. Read about our approach to executive remuneration in WPP's Annual Report.



Communication

We use opinion surveys to monitor employee views and identify opportunities for improvement. Surveys are managed at operating company level but we aim to include a consistent set of questions in all surveys. In 2012, these were included in surveys covering 41% of Group employees.

	% employees who agreed
Attracting and retaining people with a diverse background is encouraged at my location	68
My performance in my job is evaluated fairly and regularly	64
I have the opportunity for personal development and growth at this company	59
My company takes an interest in my wellbeing	59
My work schedule allows me sufficient flexibility to meet my personal/family needs	62
I could discuss ethical concerns with my managers without worrying that my job would be affected	75
My company is trying to cut its carbon footprint	51
Generally we are encouraged to be 'green' in our office (e.g. recycling, switching off equipment when not in use, etc.)	63
The support my company gives to charities and good causes is appropriate	62

Our companies use exit interviews as a route to get formal feedback from employees leaving the company. 92% of our companies conducted exit interviews in 2012.

With 165,000 people in 110 countries, robust internal communications are crucial. We engage with our people through a variety of Group-wide communication channels, including:

- WPP's multi-award winning public website (www.wpp.com), Group intranet site, social media channels and professional knowledge communities.
- WPP's multi-award winning global newspaper and eBook, *The WIRE*.

- WPP's public monthly online news bulletin, *e.wire*, and fortnightly digital update, *Digital Loop*.
  - WPP's annual journal of original thinking, the *Atticus Journal*.
  - The WPP Reading Room, an extensive online library of think-pieces (both public and original) from WPP professionals worldwide.
  - Our multi-award winning Annual Report & Accounts, financial statements and Sustainability Report, which are distributed across the Group and are available on our websites.
  - Regular *FactFiles* profiling specialist services and resources within the Group.
  - 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.
  - Our series of *Navigator* handbooks, which provide a directory of specialist expertise and individual experts within Group companies, such as sustainability, healthcare, sports marketing and retail.
  - Periodic reports from the Group chief executive on topics of importance.
- Our companies support employees who give their time to good causes as volunteers, and many companies provide team volunteering opportunities. Volunteering can support employee engagement, team building and professional development. See pages 74 to 77.

Safety, health and wellbeing

We invest in initiatives to improve staff wellbeing and to reduce exposure to any health and safety risks. This contributes to a healthier, more productive workforce, while decreasing the number of days lost due to illness.

As most of our employees are office-based, the main health and safety risks are related ergonomics and work-related stress. Following best practice design at our workstations ensures the reduction of difficulties such as repetitive strain injury or back problems.

We assess the risk of work-related stress across our companies through regular staff surveys and by monitoring issues raised through our Right to Speak helpline, Employee Assistance Programs and during exit interviews.

Each company develops its own health, safety and wellness initiatives which include:

- Health and safety training.
- Employee Assistance Programs – a source of confidential advice, support and counselling on topics such as health and parenting skills.
- Flexible benefit programs, including subsidised childcare.
- Flexible work arrangements enabling people to work part-time or from home, as well as career breaks and sabbaticals.
- Medical checks and health screening, often through on-site doctors and nurses.
- Training on stress and time management.
- On-site gyms and exercise classes.

Over 75% of our companies have nominated someone with specific responsibility for health and safety. Programs vary according to location. For example, Mindshare South Africa offers free HIV testing, alongside regular blood pressure and cholesterol tests, counselling services and an annual wellness day. In Denmark, AdPeople provides special strong lighting during the winter to employees suffering from Seasonal Affective Disorder (SAD). Ogilvy & Mather employees in London can access a wellbeing website with information on topics such as stress management, exercise, health and time management. Regular seminars are held where employees can hear from outside experts on topics such as parenting, work-life balance, caring for elderly relatives and generational differences.

In 2012, there were on average 3.4 days per employee lost to due to sickness compared to 3.3 in 2011.

3.4

days lost due to sickness per employee in 2012 (2011: 3.3)

Awards

Many WPP companies received awards for their employment practices. This is a small selection:

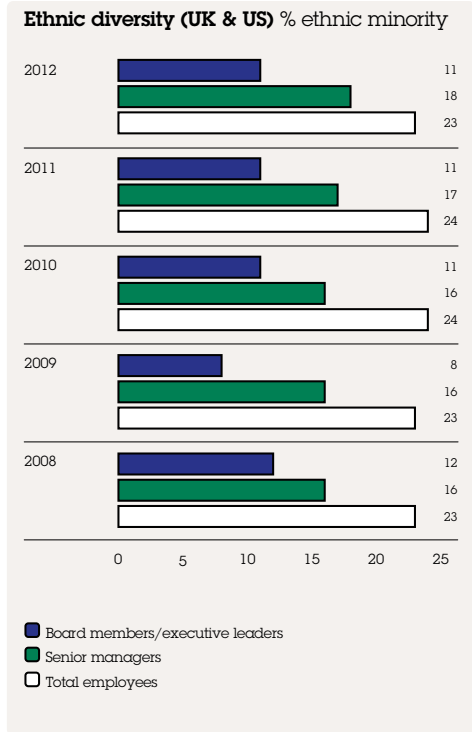
- Burson-Marsteller London: Investors in People accredited.
- GroupM: Aspire training program received three awards at the Asian Learning & Development Leadership Awards 2012.
- H+K Strategies Canada: included in the Best Workplaces in Canada by the Great Place to Work Institute.
- H+K Strategies London: Investors in People Silver accreditation.
- JWT and Millward Brown Mexico: included in Great Places to Work Mexico.
- Kantar Worldpanel and MediaCom London: *Sunday Times* Best 100 Companies to Work For.
- MEC UK: 21st in *Sunday Times* Best 100 Companies to Work For and IPA CPD Gold accreditation.
- Mindshare Canada & USA: *Adweek* Media All-Star 2012.
- Ogilvy & Mather North America: A rating in the Human Rights Campaign Report on Best Places to Work for LGBT Employees.
- Ogilvy & Mather: rated the best agency for career advancement of multicultural professionals in research by minority recruitment specialist Tangerine Watson Inc.
- Ogilvy & Mather and Cohn & Wolfe US: *Advertising Age* Best Place to Work.



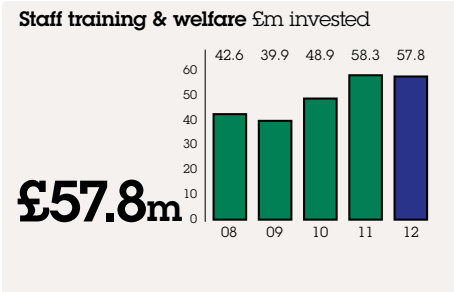
**Key numbers**



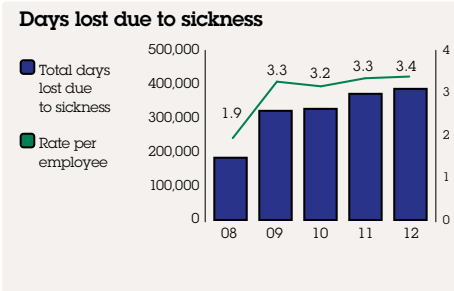
In 2012, women accounted for 32% of Board members/executive leaders, 47% of senior managers and 54% of total employees. There are currently two women on WPP's Board and a female Company Secretary, Group communications director and Group chief counsel. Several of our businesses are run by women.



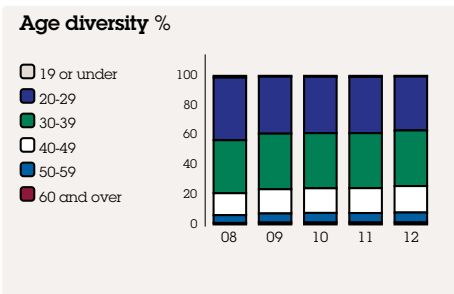
We measure ethnic diversity in our offices in the US and UK using national definitions of ethnic/racial minorities, such as those determined by the Commission for Racial Equality in the UK and the Equal Opportunity Commission in the US. In 2012, 23% of employees in these countries were from ethnic minorities.



Tens of thousands of people take part in training and professional development opportunities each year at both the parent and operating company levels. In 2012, WPP companies invested £57.8 million in training and wellbeing. See page 39.



In 2012, there were on average 3.4 days lost due to sickness (including injuries and stress) per employee, up from 3.3 in 2011. We believe the increase in our sickness rate may be due at least in part to improvements in the way we collect our data in this area. We estimate that the cost to the business from absences due to sickness in 2012 was £55.2 million.



Over 70% of employees in the Group are under 40. The industry has traditionally employed a young workforce and this trend is reinforced by our growth in fast-growing economies where the communications services sector is relatively new and has a higher proportion of entry-level employees.

**In our companies**

**GroupM Asia Pacific – Aspire**

Aspire is GroupM Asia Pacific’s award-winning learning and development division, helping the group develop the talents of its people and attract the best employees.

Four full-time regional trainers work across APAC to create and deliver training to address business needs. The regional team are senior industry leaders and have additional qualifications in areas such as facilitation, neuro-linguistic programming and coaching. Training takes place across all levels with an emphasis on developing role model leaders. In 2012, there were 19 new training modules launched and the team conducted over 200 days of training which resulted in delivering the business over \$1.5 million in value for the year.

The regional team work with a network of over 120 dedicated and part-time trainers (those who have taken the responsibility for training their office on top of their day job). This enables 95% of all training to be conducted internally, reducing the need for external providers.

In 2012, Aspire won the Employer Branding Awards – Award for Excellence in Training, Asian L&D Leadership Award – Best Leadership Training Programme, Asian L&D Leadership Award – Best Workplace Trainer Training Programme and Asian HR Leadership Award – Best in Training and Organisational Development.

“The training programs I have experienced have been great... We can never have enough so please keep the options coming through... They are massively appreciated by the local teams and extremely beneficial in keeping morale up and reducing attrition... as well as clearly bringing the skill levels up.”

**Ed Thesiger**  
CEO  
GroupM Indonesia

**Kantar France – Disability**

Kantar Worldpanel and Kantar Media France have made the recruitment and retention of disabled employees a priority. This reflects legislation in France and the companies’ recognition of the contribution made by disabled people in the workplace. The company board, line managers, HR team and other employees complete mandatory training on the company’s policies for disabled staff and regulation in this area. Awareness campaigns and events highlight the contribution of people with disabilities, and inform staff how to get advice and help. The companies work in partnership with specialists to provide support to disabled employees, for example by making physical adjustments to work stations. Targeted recruitment has enabled the company to recruit seven people with disabilities to join its teams. As a result of its focus on creating an inclusive environment, a further 10 existing employees have registered their disability and accessed support services.

**MEC London – My Perks**

MEC London gives employees access to health and wellbeing initiatives and promotes engagement and loyalty through their award-winning benefits package, My Perks. This includes free benefits such as advice workshops on everything from securing a mortgage or quitting smoking, to subsidised cancer screenings and beauty treatments. To keep staff inspired and foster creativity they are given £200 a year to spend on experiences such as theatre trips, dance lessons or cake making, and loyalty to the company is rewarded financially through reimbursements and additional paid holidays. Spontaneous ‘freebie’ perks and events happen throughout the year. In 2012 employees were given winter and summer wellbeing packs to help fend off germs and protect them from the sun, as well as free physio consultations for those keen to get into sports.

**Burson-Marsteller USA – Diversity & Inclusion Council**

Burson-Marsteller US has a Diversity & Inclusion Council which works to create a culture that mirrors and understands different communities. The council focuses on initiatives to raise awareness, develop careers and source diverse talent. Seminars are held for senior leadership to raise their awareness of the growing diversity of the market place and the implications for the agency and its clients. It helps leaders create an environment where employees feel comfortable and respected, irrespective of their background. For all other staff, diversity training was rolled out in early 2012.

Affinity groups help bring together employees of similar backgrounds to provide them with a forum for discussion and to ensure they have a voice in the business. Employees can also participate in *Project Telescope* – a mentoring scheme where colleagues meet monthly in small groups with the local managing director to discuss their career challenges and support each other’s professional development.

As well as attending diverse recruitment fairs and recruiting at universities with diverse student populations, training is provided to ensure those who are sourcing talent know how to communicate consistently and compellingly on Burson-Marsteller’s inclusive environment and commitment to diversity. Burson-Marsteller’s work on diversity and inclusion was recognised with the SABRE Award for Best Employee Program of the Year. SABRE is one of the largest and best recognised awards programs for the PR industry.

**Ogilvy & Mather New York – h<sub>2</sub>o**

Ogilvy & Mather New York’s office is not just a stimulating and creative workplace, but its facilities have also been designed with employee fitness and wellbeing in mind. Through Happy Healthy Ogilvy (h<sub>2</sub>o), the site’s wellness program, employees have access to a medical centre where nurses carry out physical and well-woman exams, write prescriptions and help to manage health conditions. Employees can make use of on-site immunisations and screening programs such as skin cancer and podiatry. They can also visit a counsellor to help deal with any issues including stress at work. To support new mothers returning to the workplace, there are two private lactation rooms with storage fridges.

The site also includes a fitness centre with a fully-equipped gym, rooftop yoga classes and a massage therapist who visits twice a week. During 2012 a new awareness campaign was launched called ‘A Quarter is Change’ to educate staff on how to maintain good health through exercise, diet and preventative healthcare. The garage holds 50 bikes for employees to use for errands, meetings or just to take a spin by the Hudson River.



Y&R Italy – Progetto Itaca



Progetto Itaca is a mental health charity offering support to individuals and families. Y&R Italy has supported the charity since 2007 working on a number of communication campaigns on a pro bono basis.

In early 2008, Y&R Italy decided to employ an individual through the organisation. They hired Renato Rovelli, someone who had suffered from mental health issues including depression, for over 20 years. Renato, who still works at Y&R today, was employed in the HR department and was initially supported by a tutor from Progetto Itaca to help his integration within the company. The experience has been hugely positive for everyone involved. Not only has the job helped Renato tackle his psychiatric issues, but he has become a valued team member at Y&R Italy.

In 2012, Y&R Italy worked pro bono for Progetto Itaca to raise awareness of World Mental Health Day and encourage people to speak out about mental health conditions. Working with MEC, Y&R created a press, outdoor and TV campaign inviting people to make a minute of noise, instead of a minute of silence. The campaign succeeded in increasing the number of calls to the Progetto Itaca helpline by 400% and increased the number of visits to the Progetto Itaca website by 63%. In February 2013, Y&R Italy launched its latest pro bono ad for Progetto Itaca called Silent Movie. The clip was screened at a charity event attended by over 500 business leaders and public figures and subsequently put on air. Silent Movie helped to further boost calls to the Progetto Itaca hotline.

“I would like to thank Y&R for its support and enthusiasm... Your professionalism has allowed us to explain to the world how important schemes like Progetto Itaca are in just a few minutes, which is a feat in itself.”

**Beatrice Bergamasco**  
President  
Progetto Itaca



Education and social mobility

Our business needs to continually acquire new skills, keep abreast of changes in communications, and reflect the increasingly diverse nature of the clients we work with and the consumers we need to reach. It is vital we invest in people, help to grow our future talent pool and encourage more young people from all backgrounds to take up careers in marketing services.

Our establishment of the WPP School of Communications and Marketing in Shanghai is an example of how we are leading in training new talent. The School is a breakthrough model of undergraduate education in China and is a co-operation between the Shanghai Art and Design Academy (SADA) and WPP. SADA provides all facilities and financial resources, whilst WPP is responsible for management and oversight of teaching, faculty and content development. The three-year undergraduate program provides four areas of study: Strategic Planning, Copywriting, Art and Digital Design. Now in its second year of operation and with over 130 students, the WPP School will graduate its first class in June 2014.

In the UK the WPP Micro-fellowship, a joint initiative between WPP and Rare Recruitment, brings in new minority candidates who might not have considered a career in marketing. Micro-fellows spend a week in three different London-based WPP companies, working on briefs set by a WPP client and mentored by senior employees.

Many of our senior people are involved in supporting education outside WPP. For example, Peter Dart, WPP’s client development director, and Roland Rudd, senior partner of RLM Finsbury, are trustees of The Education and Employers Taskforce, a UK organisation linking schools with employers to provide young people with inspiration, motivation, knowledge, skills and opportunities. Peter Dart is also on the Board of iCould, a website providing inspirational videos for young people, which is now running at over 100,000 users.

In our companies, support for education includes apprenticeships and mentoring.

Apprenticeship programs

Many WPP companies in the UK operate formal apprenticeship schemes. Cohn & Wolfe is hosting two apprentices in partnership with the PRCA, the professional body for UK PR firms. The Futures Company takes on one apprentice a year from City Gateway, a charity that provides training and employment opportunities for disadvantaged youngsters.

In 2013, MEC, Mindshare and JWT are taking on two apprenticeships via the IPA creative pioneers scheme. The scheme is endorsed by UK Government and offers successful applicants a 12 month apprenticeships in the creative, digital, advertising and PR sectors, leading to an industry-recognised qualification and the opportunity for permanent employment.

MediaCom London’s government-backed apprenticeship scheme launched in 2012, enables 10 apprentices aged 18-24 to work at MediaCom for a year whilst studying for an NVQ in Marketing and Communications. At the end of the apprenticeship, the candidates are encouraged to apply for a permanent job at the agency. MediaCom is working with charities involved with youth in underprivileged areas to encourage diverse applicants. The training program sees each candidate rotate around agency departments three times during the course of the year. Through the scheme, MediaCom hopes to identify new sources of talent for the agency and diversify its workforce to ensure they are able to effectively engage with all sectors of society.

MediaCom CEO, Karen Blackett, featured in a radio ad campaign for the National Apprenticeship Service to help other employers understand the many benefits to taking on apprentices.



# Environment

We aim for WPP to be a low-carbon and resource-efficient Group. Our environmental strategy covers energy and climate change, resource efficiency and waste management.

GRI indicators covered in this section: 3.6, 3.7, 3.8, 3.9, 3.11, 4.12, EC2, EN1, EN2, EN3, EN4, EN5, EN7, EN8, EN16, EN17, EN18, EN22, EN26, EN29



## The issue

Environmental issues are important to a growing number of clients, investors and employees. Improving our own performance enhances our credibility as communications advisors on climate change, supports our reputation and helps us to meet client procurement requirements. Using energy and other resources more efficiently reduces costs and helps us comply with new regulations. Cutting our impact on the environment as our business grows is important but challenging.

## Our response

We aim for WPP to be a low-carbon and resource-efficient Group. We set strategy at a Group level, covering energy and climate change, resource efficiency and waste management.

To implement our strategy, we have Environmental Action Teams in North America, Europe, Asia Pacific and Latin America. These include members of key Group functions, such as IT, real estate and procurement. They work closely with our companies, identifying environmental best practices and providing support and technical guidance, such as our carbon reduction toolkit. Our network of Climate Champions, together with local IT, facilities and purchasing managers, help to implement strategy in our companies.

Some of our companies operate accredited environmental management systems. For example, BDG architecture + design, EWA Bespoke Communications, Millward Brown Norway, Ogilvy & Mather London, Smollan Headcount UK and RKCR/Y&R London have achieved certification to international standard ISO 14001. Given WPP's diversified and decentralised structure we do not operate a certified Group-wide environmental management system.

We participate in the CDP Climate Change program, a collaboration of institutional investors, and were ranked in the B band for performance and received a disclosure score of 81 out of 100. We also take part, as a responding company, in the CDP Supply Chain program.



What we're thinking



Sustainability has become part of the way we work at Team Detroit. We set up our internal Team Green to improve the environmental performance of our building at Dearborn. It is a small group of employees, but its members are really passionate and motivated to create change. With support from senior management, they looked at all our practices, from the energy we use, to the plates in the canteen and the bottled water we sell. The landlord, Ford Land, was very willing to work with us, and together we've been able to achieve a lot. We significantly cut energy use among other things, and we achieved LEED certification for the building (see page 64).

Sustainability is also integral to our work with clients. Take Ford, a key client for Team Detroit. They are a real leader on sustainability, and as their advisors we help them embed it into their brand and marketing and to keep their focus. The work we're doing internally to be greener in our own organisation supports and reinforces that. When you get used to thinking about which bin to put your paper in and all the other sustainability issues in an office, you keep it top of mind and you bring it to your client work too. We all need to exercise the 'sustainability muscle' as much as possible, and create an environment where sustainability is the rule not the exception.

When Team Green started, I was a bit sceptical as to how enthusiastically people would react, and whether they'd embrace the changes. In fact I've been really encouraged by the response. It has been a great morale builder and we've received very positive feedback from right around the organisation – from the cafeteria to the board room. It shows people they are working for a company that is aware and responsible, that is concerned about the same things they are. That's a great motivator.

Our Team Green is very ambitious and has a lot of plans and proposals for what it wants to achieve next, which is great because there's still a lot more that we can do. Sustainability doesn't mean much unless we all do it together. I'm incredibly proud to be a part of a community like Team Detroit, to see the ideas and creativity, and know that people are willing to really work to make it happen."

Toby Barlow
Executive creative director
Team Detroit



Watch online www.wpp.com/sustainability



What we're doing

Building a low-carbon Group

Climate change is the main environmental issue for WPP. Our strategy is to reduce our carbon emissions by:

- Improving the energy efficiency of our buildings and IT.
Reducing nonessential flights by promoting videoconferencing and collaboration tools.
Purchasing renewable electricity where available.
Offsetting a portion of our unavoidable carbon emissions, equivalent to those from business air travel.

Our ambitious target is to reduce our carbon emissions to 1.2 tonnes per person by 2020, a 65% reduction from our 2006 baseline.

We believe a carbon intensity target is most appropriate for WPP, as Group headcount is closely linked to levels of business activity. Our business evolves continually through acquisitions and disposals. The intensity measure allows us to reflect this without needing to adjust our baseline.

Our carbon footprint in 2012

In 2012, our carbon footprint per person was 2.45 tonnes, up 0.3% on 2011 and 28% lower than 2006. We are disappointed we did not meet our interim target of 1.8 tonnes per person in 2012. We are reviewing our strategy and are adjusting our approach as necessary to work towards our 2015 and 2020 targets.

2.45

tonnes of CO2e emitted per person in 2012
(2011: 2.44)

During 2012 we identified a number of business units which were not reporting emissions from office energy use correctly. This means our absolute carbon footprint data for 2011 was understated. Data from

these units is now included and accounts for roughly 3% of our absolute carbon footprint.

Our absolute carbon footprint in 2012 was 283,334 tonnes of CO2e (rating renewable electricity as zero emissions), an increase of 2% over 2011 which reflects a 2% growth in headcount. If the renewable electricity we purchase globally is rated using the same emissions factors as standard grid electricity, our total carbon footprint in 2012 was 307,102 tonnes of CO2e.

283,334

tonnes of CO2e emitted in 2012
(2011: 277,231)

We have had some success in decoupling business growth from an increase in our absolute carbon footprint. However, this remains extremely challenging. Since 2006, our absolute carbon footprint has increased by 5%, compared to a growth in reported headcount of 46%.

During 2012 our carbon data was reviewed by Bureau Veritas, an independent assurance provider, who made a number of recommendations for improving our approach. We will implement these in our 2013 reporting. The assurance statement is available on pages 102 and 103.

Our main areas of focus up to 2015 will be:

- Buildings: Acquiring new buildings that meet high environmental standards; and retrofitting our existing buildings to improve their performance, with a focus on our largest locations in major cities.
IT: Consolidating and reducing physical IT infrastructure in major cities and moving key applications to the cloud.
Videoconferencing: Focusing on increasing usage of our extensive videoconferencing network.
Renewable energy: Increasing electricity use from renewable sources from 16% to 20% by adjusting

our contracts with landlords to give us greater control over electricity supply.

In 2012, we focused on reducing our carbon footprint through the following activities:

**Information**

We aim to empower our companies with better information and tools for managing their energy use and carbon emissions.

We operate advanced metering at 30 key locations, accounting for around 10% of our total floor space. These meters provide detailed monthly energy-use reports which allow our companies to spot inefficiencies and improve their performance, typically by around 5%. When acquiring or retrofitting buildings, access to energy data is one of the factors considered, and we aim to integrate it into lease agreements with landlords and/or to install sub-metering.

We produce an individual carbon footprint for every company annually, which is distributed to the company CEO. In 2012, we issued 360 energy-use reports and 40 carbon reports to 200 key stakeholders. We have invested in a web-based carbon management software tool to provide our companies with easy access to reliable data. We also held a number of workshops with facilities managers on sustainability issues.

**Buildings**

We are integrating energy efficiency and other environmental considerations into our property acquisition and capital expenditure processes so that, where possible, any property we lease, purchase, fit out or renovate meets advanced energy and environmental standards, such as Leadership in Energy and Environmental Design (LEED) and Building Research Establishment Environmental Assessment Method (BREEAM). We estimate that 8% of our total floor space is currently certified to such standards (2 million square feet).

We have our own scorecard which is used to assess the environmental performance of new offices over 25,000 square feet which have not

been certified to standards such as LEED or BREEAM. The scorecard covers five criteria: energy and carbon; water; materials and waste; travel; and health and safety.

We aim to make efficient use of office space and encourage flexible working where appropriate, enabling us to reduce overall space requirements and improving the energy and environmental performance of our workspace.

**8%**

global floor space certified to advanced green building standards (2011: 7%)

**Information technology**

We have requirements in place to improve the energy efficiency of our IT equipment. This means that only approved devices can be purchased, that they must comply with our energy consumption standards, and that power management features must be enabled.

We aim to reduce the energy consumption of key IT applications by up to 40%. To achieve this, we are implementing server, storage and network virtualisation solutions to reduce the number of devices in use. Currently 50% of our servers are virtualised.

We are also looking at new ways of sourcing our IT needs, including the transition to cloud-based solutions, and aim to work with energy-efficient suppliers. For example, in 2012, we moved 42% of our email services (by headcount) to externally-managed data centres with an average PUE (power usage effectiveness) of 1.27, compared to an industry average of 1.8-1.9. PUE is a measure of efficiency, showing how much power is used for cooling, lighting and other factors in addition to power used for computing equipment. The closer the score is to 1, the more efficient the data centre.

Our managed print program, which includes reducing the number of printers in use, is helping

us to reduce energy used for printing by up to 30% in each location. It covers approximately 10% of employees, but we are aiming to increase this substantially by 2015, adopting a city-by-city approach.

We plan to conduct a strategic review of our IT infrastructure in 2013. This will include environmental targets to ensure we continue to identify new energy and carbon reduction opportunities.

**Renewable electricity**

We purchase renewable electricity where we can and regularly review electricity sourcing across all markets to identify new opportunities. We have established preferred suppliers of renewable electricity contracts in all major markets, where this was appropriate. Around 16% of the total electricity we purchase is generated from renewable sources. Purchasing renewable electricity reduces our carbon footprint by 23,768 tonnes of CO<sub>2</sub>e.

Renewable electricity contracts are usually for a fixed period and may not be available at competitive prices in the future. However, it is our intention to increase the percentage of electricity purchased from renewable sources to 20% by 2015.

Energy supply is often included in our contracts with landlords. We are exploring opportunities to 'de-bundle' energy contracts to give us greater control over the suppliers we use and the type of electricity we buy.

**16%**

electricity purchased from renewable sources (2011: 16%)

**Travel and videoconferencing**

WPP is a global business built on relationships. Face-to-face meetings are often essential, making business air travel a necessary part of the way we work. However, we recognise that extensive air travel has an impact on the environment and can affect the wellbeing of our people. Striking the right balance is important but challenging.

We aim to reduce nonessential flights – especially between our own offices – by encouraging both internal and client-facing teams to make better use of videoconferencing and other collaboration tools. We now support 542 videoconferencing (VC) units in over 150 cities in 50 countries (see map on page 62). We introduced a 24-hour, five-day-a-week helpdesk to support the increased number of employees using the system, and to help organise complex calls involving multiple systems, users and content types. We also launched a web portal which enables desktop, laptop, tablet and smartphone users to access our videoconferencing network from wherever they are.

In 2012, usage increased by 58% (from 2011), with half of all calls involving external links to clients and suppliers and 30% of all calls involving tablet and smartphone users.

**542**

VC units supported by WPP's videoconferencing program (2011: 400)



Carbon offsetting

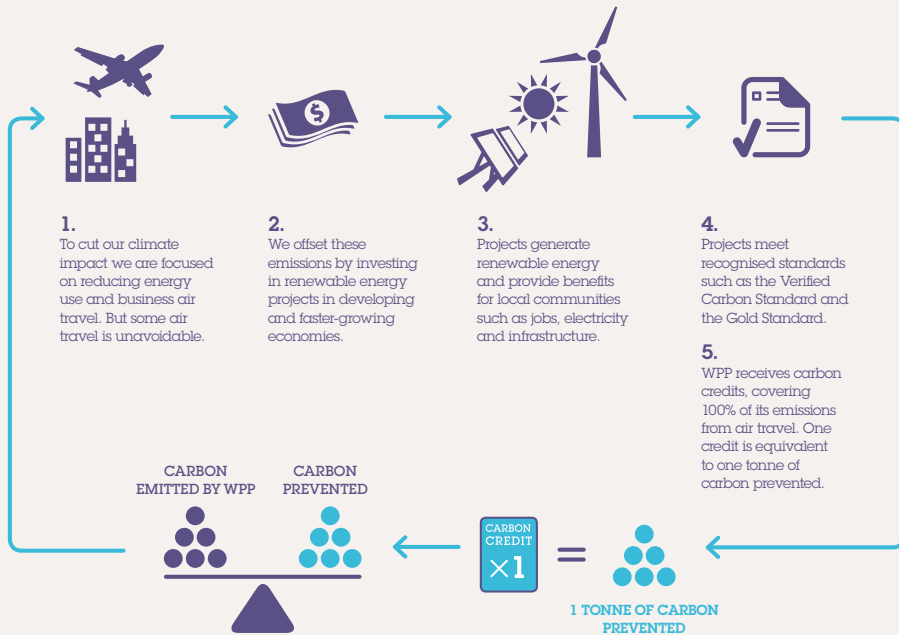
We offset our unavoidable emissions from air travel via our offset provider, South Pole Carbon Asset Management. Our companies cover the cost of offset equivalent to their annual air travel emissions, providing an incentive to reduce flights. Since 2011, we have purchased 197,041 carbon credits supporting four renewable energy projects in faster-growing economies.

**197,041**

carbon credits bought offsetting 100% of carbon emissions from air travel in 2011 and 2012

How offsetting works

Climate change is a global issue, and by reducing or avoiding emissions anywhere in the world we can support efforts to tackle it. By purchasing carbon offsets, we prevent emissions equivalent to those we produce.



China



Hydropower



**128,391**  
tonnes of CO<sub>2</sub>e offset

This project consists of a group of small and micro run-of-river hydropower plants in rural southwest China. The plants have contributed to local development including roads and community infrastructure, increased availability of electricity for local communities and created employment among ethnic minorities. The projects are compliant with the Verified Carbon Standard (VCS), the leading quality standard for the voluntary carbon offset industry, as well as Social Carbon, a standard recognising projects for their contribution to sustainable development. Watch the video on YouTube: [goo.gl/w2vqC](http://goo.gl/w2vqC).

Turkey



Hydropower



**40,000**  
tonnes of CO<sub>2</sub>e offset

Located in Turkey's Kahramanmaraş province, a run-of-river 24MW hydropower plant supports local communities by providing cheap renewable energy and supporting reforestation efforts.

Taiwan



Wind



**28,350**  
tonnes of CO<sub>2</sub>e offset

These two wind parks on the west coast of the island have received the Geneva-based Gold Standard, the strictest project standard in the carbon world. As well as wind energy, the project generates jobs and scholarships for the local community. At full capacity the 65 turbines provide clean electricity to more than 130,000 households.

New Caledonia



Wind



**300**  
tonnes of CO<sub>2</sub>e offset

In the Pacific islands of New Caledonia over 100 small wind turbines are supporting a more sustainable national grid. The wind project has provided training and employment for over 50 people as well as supporting youth and community activities. It is the first ever Gold Standard Verified Emission Reduction (VER) project in the Pacific.

**Resource use and waste**

As an office-based company, our resource use and waste generation are relatively low. However, we spend over \$9 billion with suppliers of goods and services each year, so using fewer resources and producing less waste provides an opportunity to reduce costs, both for ourselves and for our clients.

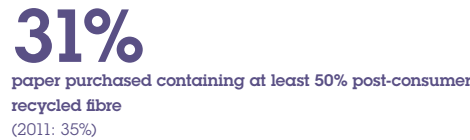
Our strategy to reduce our resource and waste footprints is to:

- Reduce unnecessary consumption.
- Promote the use of sustainable and renewable resources by encouraging our companies to use preferred suppliers selected by WPP.
- Reduce the amount of waste sent to landfill by encouraging local arrangements for computer and furniture re-use and establishing recycling contracts for electronic waste and standard office consumables.

In 2012, we focused our efforts on the following areas:

**Paper sourcing and use**

Our target is to source 50% of the paper we use for copying and printing from recycled sources by 2015. In 2012, 31% of the paper purchased by WPP companies contained at least 50% post-consumer recycled fibre. We have established preferred paper suppliers in all major markets, where appropriate. All of these suppliers provide paper and paper products with recycled content. Our managed print program (see pages 54 and 55) helps us to reduce paper use by up to 30% per location. It is challenging to collect data on paper usage, but we estimate that in 2012, our total paper usage was 5,879 tonnes.



**Waste and recycling**

Our key waste streams are electronic waste and office consumables (e.g. paper, card, cans, plastic bottles and toner cartridges).

We have established preferred suppliers of recycling services for waste paper and standard office consumables in all major markets, where appropriate. We have also set up procurement contracts with furniture and carpet suppliers to ensure the products we purchase can be disposed of in a responsible manner. We have chosen carpet suppliers that focus on reducing the amount of carpet sent to landfill by recycling or refurbishing old carpet, and furniture suppliers that provide products containing high levels of recycled or recyclable content or timber sourced from certified sustainable forests.

Our goal is for obsolete IT equipment to be refurbished and sold for reuse, or if this is not possible, to be broken down for recycling. Disposal is a last resort, and must be done in compliance with local environmental regulations and data security best practice (see pages 32 to 34 for information on privacy). In 2012, after reviewing our IT waste policies and practices, we appointed several global providers of IT waste disposal services. In 2013, we will work in partnership with these providers to reuse, recycle and safely dispose of our IT equipment.

WPP companies use mobile technology extensively and handsets are frequently upgraded. We have established preferred suppliers of recycling services for mobile phones in all major markets, where appropriate.



**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-scarce areas where 20% of our operations are located (see page 63).

Our water conservation strategy focuses on our 11 largest locations in areas of water scarcity (which account for around 20% of floor space in these areas). Our target, at these locations, is to reduce water use per head by 20% by 2015 by:

- Identifying and repairing leaks;
- Upgrading water fixtures and fittings during renovations; and
- Reusing rainwater and wastewater where feasible.

In 2012, water use per head was 13.4 cubic metres, down by 3% on 2011 and 8% lower than our 2010 baseline. Despite this progress, we narrowly missed our 2012 interim target of 13.2 cubic meters per head. In 2013, we will review our approach, working closely with local facilities and purchasing managers to identify further water-saving opportunities.

Total water use was 79,715 cubic metres, an increase of 4% over 2011 compared to a 7% growth in headcount at these locations.



 Key numbers

**WPP's carbon emissions statement 2012**

This data covers the year ended 31 December 2012 in line with the Group's financial reporting period.

**CO<sub>2</sub>e emission breakdown (in tonnes)**

Emission source	2012	2011	2010	Base year	
				2009	2006
<b>Scope 1</b>					
Natural gas combustion	7,584	7,486	7,666	5,211	1,947
Heating oil combustion	2,276	2,229	2,301	1,470	682
<b>Total scope 1 emissions</b>	<b>9,859</b>	<b>9,714</b>	<b>9,967</b>	<b>6,681</b>	<b>2,628</b>
<b>Scope 2</b>					
Total purchased electricity at grid average intensity (gross)	164,206	152,970	149,056	155,143	149,728
Less purchases of renewable electricity (see note 6)	(23,768)	(22,575)	(23,030)	(22,391)	-
<b>Total scope 2 emissions (net)</b>	<b>140,439</b>	<b>130,396</b>	<b>126,025</b>	<b>132,752</b>	<b>149,728</b>
<b>Combined scope 1 and scope 2 emissions (net)</b>	<b>150,298</b>	<b>140,110</b>	<b>135,992</b>	<b>139,433</b>	<b>152,357</b>
<b>Scope 3</b>					
Business air travel	96,080	100,961	86,340	76,517	81,714
Other estimated scope 3 emissions (see note 4)	36,957	36,161	33,350	32,392	35,111
<b>Total scope 3 emissions</b>	<b>133,036</b>	<b>137,121</b>	<b>119,690</b>	<b>108,910</b>	<b>116,825</b>
<b>Total CO<sub>2</sub>e emissions (net)</b>	<b>283,334</b>	<b>277,231</b>	<b>255,682</b>	<b>248,342</b>	<b>269,182</b>

**CO<sub>2</sub>e emissions intensity breakdown (in tonnes per employee)**

Emission source	2012	2011	2010	Base year	
				2009	2006
Scope 1	0.09	0.08	0.10	0.07	0.03
Scope 2 (net)	1.21	1.15	1.21	1.34	1.89
Scope 3	1.15	1.21	1.15	1.10	1.47
<b>Total (net)</b>	<b>2.45</b>	<b>2.44</b>	<b>2.46</b>	<b>2.51</b>	<b>3.39</b>
<b>Percentage change from base year (net)</b>	<b>-28%</b>	<b>-28%</b>	<b>-28%</b>	<b>-26%</b>	

**Office energy use (in megawatt hours)**

Energy type	2012	2011	2010	Base year	
				2009	2006
Direct energy use (natural gas and heating oil)	45,745	45,090	46,244	31,090	12,099
Indirect energy use (purchased electricity)	323,582	307,245	303,456	309,558	295,396
<b>Total energy use</b>	<b>369,327</b>	<b>352,335</b>	<b>349,700</b>	<b>340,647</b>	<b>307,495</b>
<b>% of electricity from renewable sources</b>	<b>16%</b>	<b>16%</b>	<b>16%</b>	<b>16%</b>	<b>0%</b>

**Notes to WPP's carbon emissions statement 2012**
**1. Reporting standard**

Our carbon emissions statement 2012 has been prepared in accordance with the World Resource Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol).

**2. Greenhouse gases**

All greenhouse gases emissions figures are in tonnes of carbon dioxide equivalents (CO<sub>2</sub>e). They include three of the six greenhouse gases covered by the Kyoto Protocol – carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O). Perfluorocarbons (PFCs), hydrofluorocarbons (HFCs) and sulphur hexafluoride (SF<sub>6</sub>) emissions have been omitted from our reporting as they are not a material source of greenhouse gases for WPP.

**3. Organisational boundary**

Emissions data is included for all operations for which WPP and its subsidiaries have operational control. This covers 115,711 employees. Associate companies are excluded.

**4. Operational boundary**

We include the following emissions in our reporting:

- Direct emissions (scope 1):
  - Fuel used to heat WPP premises (combustion of natural gas and heating oil).
- Indirect emissions (scope 2):
  - All purchased electricity, including electricity purchased at grid average carbon intensity and renewable electricity purchased under specific green-tariff contracts.
- Other indirect emissions (scope 3):
  - Employee business air travel.
  - An estimate for other scope 3 emissions that we do not currently measure, including emissions from leased cars, taxis and couriers; this estimate is an additional 15% that we add to our carbon footprint and is shown under 'Other estimated scope 3 emissions'.

**5. Geographic scope**

Our CO<sub>2</sub>e emissions data covers our worldwide operations.

**6. Emission factors**

CO<sub>2</sub>e emissions have been calculated on the basis of measured or estimated electricity use, fuel use and miles travelled, multiplied by the relevant carbon emission factors. In 2012, we updated our emission factors for scope 1 and scope 2 emissions, and our data is now based on the following:

Emission scope	Emission factors used
<b>Scope 1</b> (fuel used to heat WPP premises)	IPCC 2006 Guidelines for National Greenhouse Gas Inventories (using global warming potentials from the 2007 IPCC Fourth Assessment Report)
<b>Scope 2</b> (purchased electricity)	International Energy Agency, CO <sub>2</sub> Emissions from Fuel Combustion, 2012 edition
<b>Scope 3</b> (business air travel)	Defra Guidelines for Company Reporting on Greenhouse Gas Emissions Annexes, July 2005

When calculating our carbon footprint, we rate purchased renewable electricity as zero emissions. If the renewable electricity we purchase globally is rated using the same emissions factors as standard grid electricity, our total carbon footprint in 2012 was 307,102 tonnes of CO<sub>2</sub>e.

**7. Data collection methodology**

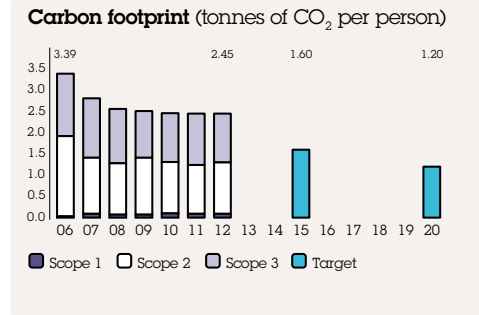
Data used to calculate CO<sub>2</sub>e emissions is collected quarterly through WPP's financial reporting system, and includes some estimated data (e.g. in some locations electricity usage is estimated based on headcount or floor space). In 2012, our data covered 99% of our operations by employee headcount. The remaining 1% was extrapolated based on the Group's total headcount at year end.

**8. External assurance**

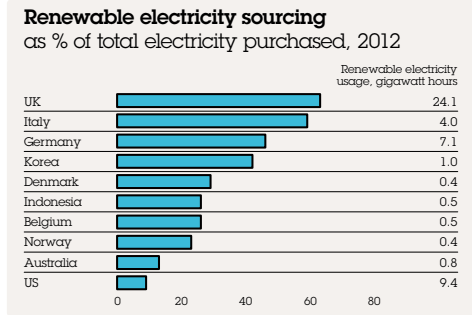
We commissioned Bureau Veritas to undertake independent external assurance of our data (see pages 102 and 103). Bureau Veritas made a number of recommendations for improving our approach, which we will implement in our 2013 reporting.



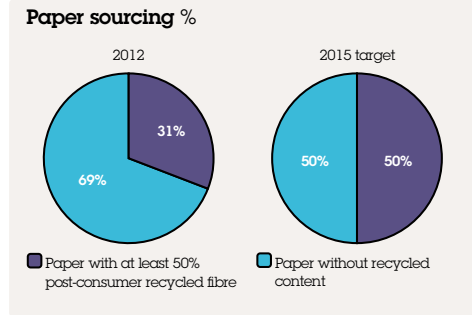
**Key numbers**



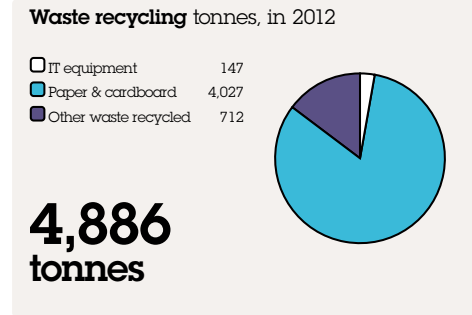
Our target is to reduce our carbon emissions to 1.2 tonnes per person by 2020, a 65% reduction from our 2006 baseline. In 2012, our carbon footprint per person was 2.45 tonnes, which is consistent with 2011 and 28% lower than 2006. See page 53.



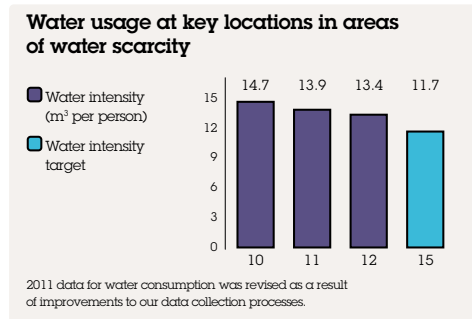
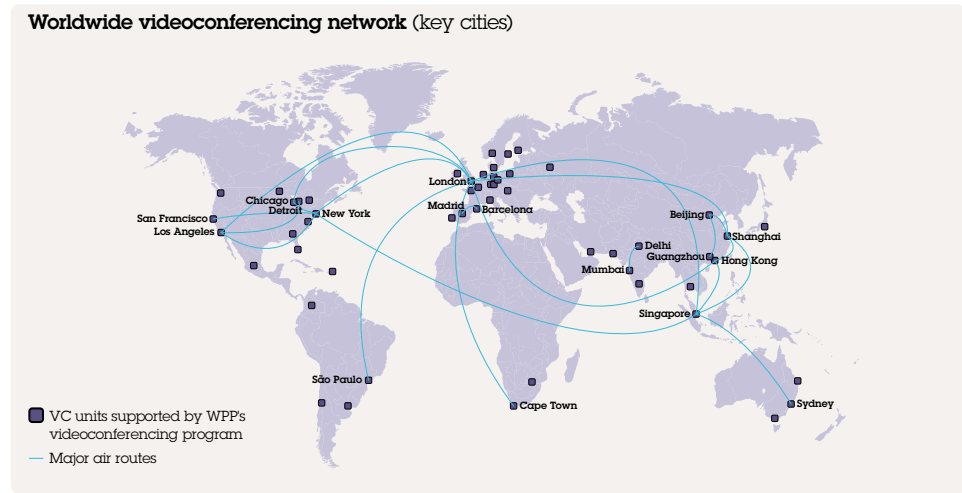
Approximately 16% of the total electricity we purchase is generated from renewable sources. It is our intention to increase electricity use from these sources to 20% by 2015. See page 55.



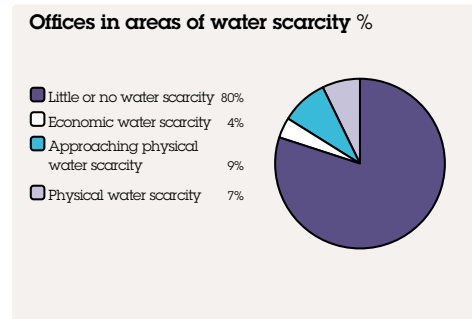
In 2012, our total paper usage was 5,879 tonnes. Of this 31% contained at least 50% post-consumer recycled fibre. Our target is to source 50% of the paper we use for copying and printing from recycled sources by 2015. See page 58.



In 2012, WPP companies recycled 4,886 tonnes of waste. Most of this (82%) was paper and cardboard. See page 59.



Our water conservation strategy targets our 11 largest locations in areas of water scarcity. In 2012, water use per head was 13.4 cubic metres, down 3% on 2011 and 8% lower than our 2010 baseline. We aim to reduce water use per head at these locations by 20% by 2015. See page 59.



We estimate that 20% of our operations by floor space are located in areas of water scarcity. Physical water scarcity is used to define areas where there is not enough water to meet all demands. Economic water scarcity is used to describe areas where it is difficult for populations to access water, for example due to lack of investment in infrastructure. See page 59.

**In our companies**

**Green building: Team Detroit  
Corporate Crossings, Dearborn, Michigan**

Team Detroit, a joint venture of WPP's Detroit-based agencies, including JWT, Y&R, Wunderman, Ogilvy & Mather and Mindshare, takes sustainability seriously (see page 52).

It has sponsored Team Green, an internal group of employees dedicated to making their workplace more sustainable and efficient, since 2008. Now their efforts have been recognised with a 'Smooth Operator' EBie award from the U.S. Green Building Council (USGBC) for most improved building.

Initiatives by Team Green at the Dearborn offices have achieved a significant reduction on the building's energy consumption by adjusting temperature settings, installing motion sensors for lights, and setting equipment to automatically power down at the end of every day. From 2009 to 2012, electricity consumption decreased by 33%, saving 2,150 tonnes of CO<sub>2</sub>e. Over the same period, headcount increased by 30%.

The building now uses recycled paper, USGBC-certified cleaning supplies and has a carpooling scheme. More accessible recycling bins have resulted in an additional 230,000 kg of paper being recycled.

The Corporate Crossings building in Dearborn that houses Team Detroit has also received LEED Silver and Energy Star certification in recognition of its sustainable features.



**Green building: JWT, GroupM & H+K Strategies  
160 Bloor Street East, Toronto**

In Toronto, JWT, GroupM companies and H+K Strategies partnered with their building management company, Colliers International, to create a more efficient office space with the latest green technology.

The new space is designed with sustainability in mind, using recycled content, regional materials and FSC-certified wood. The heating and cooling system was upgraded with high-efficiency boilers and chillers and infrared scanning technology was used to identify and repair air leaks in the building's outer shell. Motion and daylight sensors, as well as energy-efficient, low-mercury lamps were installed to limit the amount of energy wasted from lighting.

The building emits 25% less carbon dioxide than similar locations. To reduce water use, fixtures were upgraded and low-flow toilets introduced, saving 2 million litres annually compared with similar buildings. The building is LEED Gold certified.



**Greening Hill+Knowlton Strategies**

In 2012, to recognise the company's new name and brand, Hill+Knowlton Strategies decided to take a fresh look at its environmental policy, goals and performance. The result was a renewed commitment to operate more efficiently as a company and to establish specific benchmarks in each of its 90 offices across five themes: procurement, energy, resource management, awareness and accountability.

Green champions in each office set goals and implement measures on energy use, business travel, paper use, e-waste and recycling. To date, energy-efficient lighting and water-efficient toilets and sinks have been installed in most offices. Account teams have started rethinking business travel, making better use of technology for internal and client meetings.

Paper use has been reduced significantly, especially in larger offices where monthly billing reports are now distributed electronically. Recycling bins have been upgraded to ensure paper, glass, plastic and cardboard are all recycled appropriately, and e-waste recycling efforts are in place in each major city to ensure computer equipment, phones and old batteries are disposed of safely and responsibly.

Internally, H+K has hosted dozens of workshops, contests and events to raise awareness and share ideas. In addition, many H+K employees have volunteered for organised community clean-up events and environment-themed educational outreach to local schools.

**Reducing the environmental impact of billboard campaigns**



WPP companies are finding creative ways to reduce the environmental impacts of campaign materials, and to raise consumer awareness.

In Belgium, LDV United created a 100% recycled outdoor campaign (below) for Lampiris, a 100% green electricity provider. The agency screen-printed the ads on other brands' surplus posters, which otherwise would have gone to waste.

In India over 150,000 tonnes of vinyl flex, a material used in advertising billboards, is disposed of every day. Typically this waste is burnt in landfills, contributing to air pollution. Star Jalsha, India's leading Bengali general entertainment channel, wanted to tackle this problem by changing the way it disposed of its advertising billboards. Ogilvy & Mather Kolkata created a campaign in the spirit of Star Jalsha's brand philosophy *Chalo Paltai*, which means *Let's change*. Instead of sending old billboards to landfill, the vinyl flex was extracted and recycled into reusable objects like shopping bags and table mats (right). O&M designed the items and distributed them for free around Kolkata. Radio spots, a micro-website and Facebook were used to promote the campaign. Several prominent figures from the Bengali film industry joined the initiative. To date, Star Jalsha has recycled almost 1,700 tonnes of vinyl flex.

In 2013, Star Jalsha won the Sustainable Marketing Excellence award at the Bloomberg Brand Leadership Awards for its *Chalo Paltai* initiative.



**Campaign: Plugged In**

**Client:** Ford Motor Company  
**WPP company:** Team Detroit, Dearborn



Ford has been developing electric vehicle technology for more than a decade and strives to continuously position their electric vehicles as a 'real car' alternative for their customers. In 2012, Ford was preparing to launch the Focus Electric, a 100% electric version of its new Focus hatchback. Team Detroit decided to take a unique approach by avoiding a traditional launch and partnering with Yahoo! to create a web series called *Plugged In*.

Ten teams of two were recruited to explore their home city with a Focus Electric in a scavenger hunt challenge, allowing them to learn about the advantages of electric vehicles in an entertaining, real-world environment. Celebrities were enlisted

to assist the teams and motivate the contestants. A branded online hub hosted the episodes and provided more information on Ford's electric vehicle options and technology. The content was also distributed across the entire Yahoo! network.

The campaign reached a wide net of consumers who were interested in learning more about the Focus Electric and other electric vehicle options for more sustainable living.





# Social investment

Our companies provide communications services to charities for little or no fee, and negotiate free media space to run their campaigns. This pro bono work offers exciting creative opportunities to our people and supports their development.

GRI indicators covered in this section: 2.10, 3.9, EC8, EC9



## The issue

Charities, NGOs and voluntary groups do valuable work tackling challenging issues from health, poverty and human rights, to road safety and the environment. They need the best communications services to help them raise awareness, generate funds and motivate support, but many have very limited resources to invest.

## Our response

Our companies provide communications services to charities for little or no fee, and negotiate free media space to run their campaigns.

We encourage pro bono work because these assignments offer exciting creative opportunities to our people and support their development. Not only are these campaigns effective, many of them go on to win awards, helping to promote the creative talents of our companies.

We also contribute to a strong voluntary/non-profit sector, and support causes that are important to our people through cash donations and employee volunteering.

**£16.2m**

total value of cash donations and pro bono work  
(2011: £15.2m)

**£14.3m**

free media space negotiated on behalf of pro bono clients  
(2011: £12.4m)

**£30.5m**

total social contribution  
(2011: £27.7m)



## What we're thinking



Pro bono is an important part of the culture here at JWT London and we run a number of initiatives through which people are able to lend their time and talent to charities and causes.

One of these is called 'Campaigns for Good', our partnership with the Media Trust. JWT London employees are given an opportunity to work with small to mid-size UK charities to solve a pressing communications challenge. These are typically charities with very limited resources and we identify projects where we can make the most difference.

Last year we worked with a charity called Aspire which helps people living with spinal cord injuries by providing them with life-changing wheelchairs (see page 84). We wanted to generate new funding for Aspire by partnering with other brands and so developed a direct campaign targeting leading brand and marketing directors in the UK.

The experience has been hugely rewarding – both personally and professionally.

When working with small charities that don't have many resources of their own, it's really 'all hands on deck' and brings out people's entrepreneurialism. In the case of Aspire, we made use of new technologies and techniques we hadn't before, to great effect.

These kind of projects also bring out a real sense of personal stake and ownership. We visit the charities, meet the people we're helping and feel moved to pull out all the stops.

Projects like these also bring together people from across the agency and disciplines who may not usually work together. There's a real sense of everyone being in it together.

Working with charities has been a really positive experience for us at JWT. It stirs passions, creates new connections, sparks entrepreneurial spirit and creates great work."

### Claire Jackson

Board planning director  
JWT London



Watch online [www.wpp.com/sustainability](http://www.wpp.com/sustainability)



## What we're doing

### Pro bono work and donations

Most pro bono relationships are managed by our companies, and many are long-standing partnerships. For example, Ogilvy & Mather has been supporting WWF, the conservation charity, as a pro bono partner since 1977. Often our pro bono partners are selected by employees, reflecting their interests and priorities. In some cases, WPP the parent company helps to co-ordinate pro bono assignments involving multiple Group companies.

A few examples of the many hundreds of pro bono campaigns undertaken in 2012 are featured on pages 78 to 85.

### Volunteering

In many of our companies, employees are given paid time off to volunteer, recognising the benefits this brings to charities and the contribution it can make to employee development and job satisfaction.

Many of our executives support charities by providing advice and support or by serving as trustees. For example, Sir Martin Sorrell is an active participant in programs at many international business schools. He is chairman of the Executive Committee and of the International Business Council (which includes 112 global CEOs) of the World Economic Forum and a member of the Business Council in the US. He is a trustee of the British Museum, a member of the Corporate Advisory Group of the Tate and on the International Advisory Board of The Russian Museum in St. Petersburg. He is also vice chairman of the Mayor of Shanghai's International Business Leaders Advisory Council, and chairman of the Mayor of Rome's IBAC and of the Mayor of London's IBAC.

Other examples include:

- Owen Dougherty, chief communications officer at Grey New York, is a board member for the Advertising Educational Foundation.
- James Greet, CEO of Mindshare Australia, is a board member for the Sydney Children's Hospital.
- Prema Sagar, principal at Cohn & Wolfe India, is a founding trustee of the Genesis Foundation, working with underprivileged children.
- Hans Mueller, executive creative director at JWT Thailand, is a communications advisor to the Greenpeace Foundation, the conservation organisation.

**What we're doing**

**WPP and TIE**

The International Exchange (TIE) brings together individuals and organisations from the communications and development sectors to achieve social change. Through placements with NGOs in developing countries, TIE enables communications professionals to use their skills for the benefit of the community, while also experiencing life-changing personal and professional development.

WPP began its relationship with TIE in 2008. Graduates of WPP's Marketing Fellowship program (a three-year leadership program) are invited to submit an application, and WPP pays the travel and living costs for successful candidates, while their Group company allows them to take a month away from work.

Over the last five years, eight senior WPP Fellows have gone to Brazil and worked on a variety of projects and NGOs addressing rainforest and environmental conservation, human rights, education and literacy, poverty and homelessness.

In 2012, TIE sent two of our senior Fellows to work with the United Nations and Plan International in New York on a project to champion the rights of young women in the developing world and to Ghana to work with the Golden Baobab Prize, a literacy program.

These Fellows have learned a great deal about themselves, while making substantive contributions to the work of the NGOs. We are very proud of what has been accomplished, and hope to continue the relationship.

**Jon Steel**  
WPP Fellowship Director

**The parent company**

The parent company supports charities and non-profit organisations, with a particular focus on education, the arts and young people.

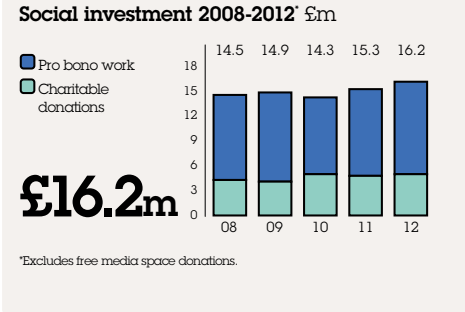
Over the past year we have helped the following organisations with advice on strategy and communications, including:

- The British Museum
- The City UK
- Education and Employers Task Force
- FIA Road Safety campaign.
- Gates Cambridge, the scholarship organisation
- Henry Jackson Initiative
- IESE Business School
- National Citizen Service
- National Equality Standard
- The Prime Minister's Dementia Challenge
- The Prince's Foundation
- The Queen Elizabeth Diamond Jubilee Trust
- Royal College of Music
- The Royal Foundation
- World Economic Forum Sustainability Board

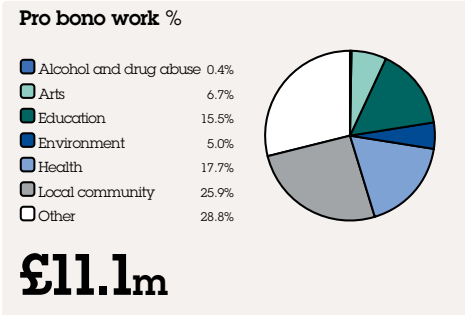
In addition 2012, we also made donations to support a number of organisations, including:

- Central Saint Martins College of Art and Design
- Coram, the UK children's charity
- NABS, a charity which offers financial, practical and emotional support to those in the advertising industry
- The National History Museum
- The National Portrait Gallery
- Place2Be, a school-based counselling service, dedicated to improving the emotional wellbeing of children
- St Gabriel College

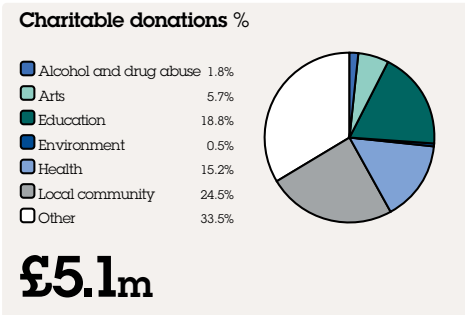
**Key numbers**



In 2012, our social investment was worth £16.2 million compared with £15.3 million in 2011. This is equivalent to 1.5% of reported profit before tax. This figure includes cash donations to charities of £5.1 million and £11.1 million worth of pro bono work based on fees the organisations would have paid for our work. In addition, WPP media agencies negotiated free media space worth £14.3 million on behalf of pro bono clients, making the total social contribution £30.5 million, or 2.8% of reported profit before tax.



WPP companies undertook pro bono work worth £11.1 million. This is a 6% increase on the previous year. Examples of some of the pro bono work done by our companies in 2011 can be found in 'In our companies'.



The Group and its companies made cash donations to charities worth £5.1 million, up 5% on the previous year. Almost a third of all contributions went to charities that fall under the 'other' category which includes organisations working in areas such as human rights, domestic violence and poverty.



**In our companies**

WPP companies support hundreds of charities each year by producing pro bono campaigns and volunteering. Here we feature a small selection of such work from 2012.

Go online to see more examples  
[www.wpp.com/sustainability](http://www.wpp.com/sustainability)

**Volunteering**

**Many Ogilvy Hands**

Now in its third year, the Many Ogilvy Hands project has sent over 100 volunteers from Ogilvy & Mather's UK offices and raised nearly £200,000 to help aid the growth of secondary education in Uganda by building a secondary school in the rural village of Buikwe. So far, two secondary school buildings and a support facility have been constructed and currently 390 children now attend classes. Whilst helping with the construction, volunteers also prepare lesson plans and teach classes. Ogilvy employees personally sponsor 85 of the school's children which provides their fees, uniforms and food, helping to nurture a new generation of Ugandans to learn and achieve. A third school block is currently under construction and by the end of the five-year project the school will have places for 600 students. O&M is currently working to encourage a number of O&M offices in Europe and North America to also lend their hands to the project.



**Engaging employees for a Brighter Future Kantar**

Since 2010, Kantar, WPP's consumer insight group, has focused its corporate and community giving activities on the Brighter Futures campaign which supports key UNICEF (the United Nations Children's Fund) programs in Malawi, Bolivia and Bangladesh.

Kantar committed to raise \$1 million by 2014, mostly through employee fundraising. Two years on – and two years early – Kantar has already reached the \$1 million target. Individuals and teams from Kantar companies around the world have baked cakes, tasted wine, run up skyscrapers, held iPad raffles, played in football tournaments and trekked through the Sahara. Lightspeed Research and Kantar Worldpanel used respondent donations to generate thousands of dollars for the Brighter Futures projects.

A network of charity champions throughout Kantar help to spread the word and get employees involved, while a regular e-magazine, *Bright*, celebrates employee commitment to the partnership around the globe. A number of Kantar employees have visited the projects to experience at first hand the challenges, risks and dangers that many children face in their daily lives, and returned to share the experience with colleagues.



“Brighter Futures is now a common ambition that binds Kantar's worldwide network of companies and people together. Besides the success achieved in the fundraising area, the program has provided an ideal catalyst in getting people together from all levels, regions and backgrounds across our operating companies. It is a great way to encourage collaboration amongst different teams.”

**Alastair Cochrane**  
 Chairman of Kantar Retail and chairman of Kantar's Global UNICEF Committee

“Long-term sustained support allows us to plan ahead and use funds in the most strategic way possible to create long-lasting, well-planned change for children. We are really grateful to Kantar and the Brighter Futures team for helping us work towards this and to be part of such a successful employee engagement programme.”

**Amanda Katz**  
 UNICEF's corporate relations manager

**Millward Brown Greater China for Habitat for Humanity**

Millward Brown Greater China (mainland China, Hong Kong and Taiwan) is participating in a three-year program with Habitat for Humanity to help construct homes for 12 deprived local families living in dangerous mud houses in Ganhaizi village, Yunnan province, China. Over \$140,000 has been invested so far in the project, with volunteers camping among the villagers to help save an additional \$1,050 which can then be invested back into the cause.

Employees also teamed up with the scholarship program 'You Can' to help support the education of students from the remote and arid province of Gansu in northwest China. (In China, free government-supported education does not continue beyond the age of nine). Millward Brown hosted a fundraising exhibition featuring striking images of families living in the hard conditions of Gansu. Moved by the optimism and courage of these people, Millward Brown's fundraising efforts have raised almost \$14,000 so far, helping to sponsor 31 students' tuition fees for one year.

The program will continue for the next two years and will support the sponsored students until they graduate from high school. Outstanding students will be offered internships and even permanent jobs at Millward Brown once they finish university.



**Volunteering at Y&R**

Y&R is committed to helping local communities through volunteer programs; encouraging employees to spend one day a year working with their colleagues and a second day on their own personal charitable work. In 2012, Y&R employees across the globe worked on diverse and worthy schemes.

Y&R New York organised food distribution pantries, resume workshops and care home renovations, and following Hurricane Sandy, extra time was dedicated to clean-ups and donation drives. In Budapest they renovated a park for adults with physical and mental disabilities, and in Israel a 'fun day' of escapism was organised for the underprivileged children of the Beit Ha'Yeled School.

Y&R Cape Town packed food for Stop Hunger Now; Geneva worked with a local drug rehabilitation charity; Redhouse Y&R in Mauritius helped children with learning difficulties; and, at Y&R Uruguay, staff volunteered to build houses for the homeless.



**GroupM Power of One Day**

Many GroupM companies in Asia hold an annual volunteering day, called the Power of One Day, enabling employees to take the day off work to help a local charity of their choice.

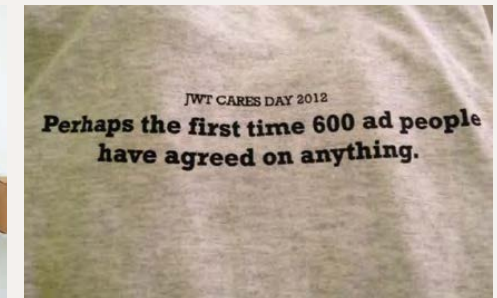
In 2012, GroupM companies participated in a wide variety of initiatives, completing walkathons, making children's school bags packed with donated goodies, hosting entertainment for underprivileged children, fundraising for hospitals, cleaning parks, and providing solar panels for 150 tribal families. They also helped build new libraries in aid of GroupM India's 'Lighting the Sparks' initiative, which works to improve child literacy through the donation of books and toys, and volunteering.



**JWT Cares**

For more than 20 years, JWT has partnered with NY Cares, New York City's largest volunteer organisation, to help make the city a better place. For 24 hours, JWT gives employees the opportunity to join NY Cares to volunteer as part of their JWT Cares Day. Projects range from making gingerbread houses with students from local schools, hosting a party with seniors at a retirement home, cleaning up city parks, walking animals in local shelters, serving food at soup kitchens and more.

In 2012, in the wake of Hurricane Sandy, JWT Cares Day evolved to give employees the opportunity to volunteer for projects that supported Sandy Relief. In 2012 more than 300 volunteers staffed 18 projects helping more than 400 students, senior citizens and other under-served members of the community.



Pro bono

Campaign: **Hard and Fast**

**Client:** The British Heart Foundation  
**WPP company:** Grey London



Every year 30,000 people in the UK collapse from a cardiac arrest. Only 10% survive. The British Heart Foundation (BHF) believed these numbers could improve if more people were confident enough to administer Cardiopulmonary resuscitation (CPR). Grey London created a TV, direct mail, press and online campaign showing British 'hard man' Vinnie Jones demonstrating how to perform hands-only CPR to the rhythm of Bee Gees classic *Stayin' Alive*. Grey also created an online training video which received over 1 million views in the first five days (the target was five years) and is now being used by health professionals across the UK.

The campaign has won 24 awards including five British Arrows, four Cannes Lions, three Creative Circles and a *Campaign* BIG Award and prompted almost 100,000 people to sign the BHF petition to make emergency life-saving courses compulsory in schools. To date, 35 lives have been saved by hands-only CPR performed by people who learned it from watching the advertisement.



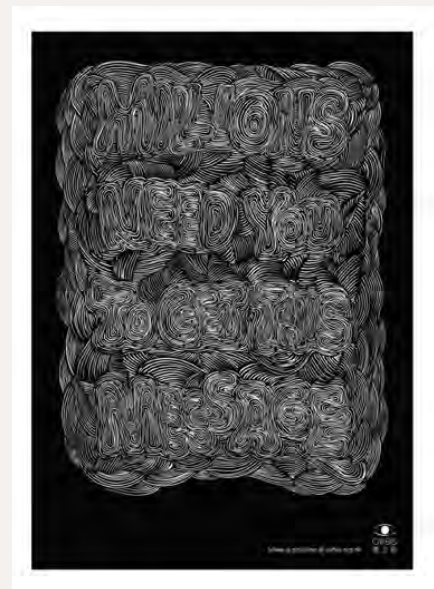
Campaign: **Through Their Eyes**

**Client:** ORBIS  
**WPP company:** Ogilvy & Mather Hong Kong



Ogilvy & Mather Hong Kong was briefed to create a fundraising campaign for ORBIS, an international charity operating a modified aircraft as a mobile eye hospital to treat patients in developing countries. The resulting *Through Their Eyes* campaign helped people experience a visual impairment first hand. ORBIS pin badges, the organisation's primary fundraising channel, were redesigned as a series of hand-held lenses which mimic the effect of different visual impairments. Visually-distorted print work which ran in out-of-home media supported the pin sales. In addition, an ORBIS mobile app distorted the image created by the phone camera.

The pro bono campaign, which won a Cannes Lion and Effie Award, has generated HK\$4.1 million of media coverage and resulted in HK\$1.8 million in donations, up 34% from the previous years.





Campaign: Sewn Guidelines

**Client:** Fine Cell Work  
**WPP company:** The Partners London



Fine Cell Work is a charity that teaches needlework skills to UK inmates. Prisoners create original artwork, channelling their energy into something creative whilst earning a small income. The Partners have been working with Fine Cell Work on a pro bono basis for the past four years, advising them on all aspects of print and digital marketing.

In 2012, The Partners were asked to create guidelines to ensure that the small team of dedicated volunteers could produce consistent and professional marketing material. In the spirit of the organisation, the guidelines were created as a piece of one-off embroidery that now hangs permanently in the charity's office.

The project, which was worth £22,000 of agency time, has been recognised at the Mobius Awards, D&AD Awards, and Cannes Lions.

“The Partners created a visual identity which helped to put Fine Cell Work on the map. It is chic, expressive and far superior in design quality to anything we might have expected from anyone else. To get this kind of pro bono design is an incredible benefit to a charity's branding.”

**Katy Emck**  
 Chief executive, Fine Cell Work



Campaign: Wedge

**Client:** Shake It Up Australia Foundation  
**WPP company:** Ogilvy & Mather Sydney



In 2012, Ogilvy & Mather Sydney worked pro bono to raise awareness of the Shake It Up Australia Foundation, an organisation raising money for Parkinson's disease research. O&M produced wooden wedges inscribed with the message that 30 Australians are diagnosed with Parkinson's disease every day. The wedges were placed under tables in cafés and restaurants across Sydney on World Parkinson's Day (11 April). The stunt was

designed to get people thinking about Parkinson's and help them realise that it isn't just 'an old people's disease'; in fact, roughly 10% of people diagnosed are in their 20s and 30s. People's reactions to the wobbly tables and the message inscribed were filmed and made into a mini-documentary.

The film was used to amplify the message and ignite further discussion through media and editorial resulting in a 400% increase in visitors to shakeitup.org.au.



Campaign: **Break The Cycle**

**Client:** Save The Children  
**WPP company:** Y&R Mexico



Research suggests that 70% of abused children will in turn abuse their own children when they become parents. Y&R Mexico created the Break The Cycle campaign for Save the Children in 2012 to raise awareness of the issue and help stop this vicious circle.

The campaign – which featured on TV, out-of-home and in print – won numerous awards including a Gold and Silver Cannes Lion. Since its launch, donations to Save the Children have increased by 23%. The pro bono campaign was worth \$90,000 of agency time.



Campaign: **Skin**

**Client:** PETA Asia  
**WPP company:** Ogilvy & Mather Beijing



Millions of animals are killed for the clothing industry each year with China being the world's largest fur exporter. In 2012, Ogilvy & Mather Beijing worked pro bono for PETA Asia to raise awareness of unethical fur farming practices and discourage consumers from purchasing fur products. They created a provocative video depicting animals wearing human skin for fashion which asks viewers to treat animals with the same respect they treat people.

The video was launched on popular Chinese video-sharing websites like Youku and Tudou and was viewed over 1 million times in just a few days. Numerous Chinese celebrities, including Mavis Fan and Chet Lam, promoted the video on their personal social media profiles.

The Skin campaign won several creative industry awards both locally and regionally, including three awards at the Spikes Asia Advertising Festival and a Bronze award at the London International Awards.

“We believe the film's emotional appeal has the power to deliver real behaviour change. We're very excited about the video's potential reach as its powerful message transcends cultures and borders.”

**Ashley Fruno**  
 Senior campaigner, PETA Asia



Campaign: **If Your Friends Were**

**Client:** Amnesty International  
**WPP company:** JWT Venezuela



Amnesty International publishes an annual report about the reality of human rights in each country of the world. To stress the importance of these issues and to broaden the scope of the audience for these reports, JWT Venezuela worked pro bono to create awareness of human rights violations all over the world. The agency created the web application ifyourfriendswere.com that predicts the human rights violations that your Facebook friends could suffer, based on their location and the data outlined in the Amnesty documents.

People from 65 different countries used the application, spending an average of 10 minutes on the site. The number of people using the application was significantly higher than the number of people who read the Amnesty report. The campaign was recognised with three awards at the ANDA Awards.





Campaign: **Be Proud**

**Client:** Surfrider Foundation  
**WPP company:** Y&R Paris

The Surfrider Foundation organises an annual beach clean-up event, where thousands of volunteers spend the day picking litter across beaches in Europe. The event not only helps to clean beaches but it also raises awareness of marine litter pollution and the Surfrider organisation. Y&R Paris, which has a long-standing partnership with Surfrider, worked pro bono in 2012 to raise awareness of the day. Rather than focusing on making people feel guilty, Y&R created the Be Proud print campaign which celebrated Surfrider volunteers and showed the pride they feel in the work they do.

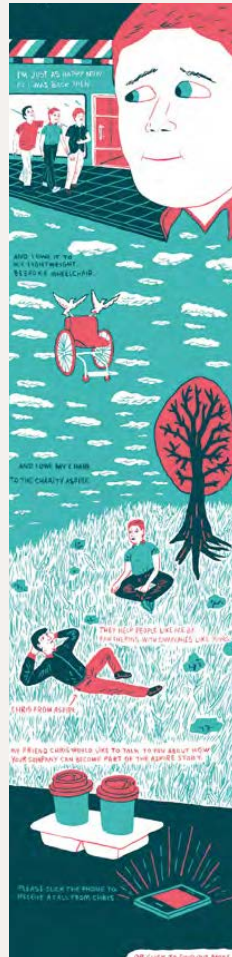
The 2012 beach clean-up event attracted 42,000 volunteers in 35 countries, up almost 5% on the previous year. The campaign won a 2012 Gold Cannes Lion.



Campaign: **Stories**

**Client:** Aspire  
**WPP company:** JWT London

Aspire is a UK charity that supports people who have suffered spinal cord injuries. In 2012, JWT was tasked with helping Aspire raise £50,000 to fund bespoke, lightweight wheelchairs that enable people with these injuries to enjoy more independent, active lives. JWT created an email campaign targeting UK brand and marketing directors and introducing the charity by telling a true story of someone helped by Aspire. The stories were hand-illustrated and ended with a request for a follow-up call to explore possible brand partnerships. The email led to conversations with four major UK brands which Aspire are hoping will lead to marketing activity and partnerships in 2013. The pro bono campaign, which was worth £60,000 in agency time, received positive PR coverage across the UK brand and communications industry.



Campaign: **Rapid Rescue**

**Client:** Red Cross Singapore  
**WPP company:** JWT Singapore

It can take time for an ambulance to respond to an emergency call, especially if the traffic is bad or the weather conditions are poor. To tackle this problem JWT Singapore worked pro bono to create Rapid Rescue, an innovative app that allows people facing a medical emergency to connect with over 12,000 trained first aiders in Singapore. The app sends out an alert to registered volunteers within a two-kilometre range using location-based software. The shortest route to the victim is mapped out on the volunteer's phone, providing immediate help from a qualified person who can assist until the ambulance arrives.

Since its launch, the app has been downloaded 44,000 times from iTunes, and dozens of first aiders have responded to calls. Rapid Rescue has won many accolades, including a Grand Prix at Ad Stars, a Silver Medal at the Spikes Asia Festival of Creativity, and both Best in Show and Best Digital Campaign at the Singapore 4As Creative Circle Awards.







# Governance and management

We aim to integrate sustainability across our many companies and our 3,000 offices in 110 countries. This section explains our approach and how we manage sustainability issues at Group company and parent company level.

GRI indicators

covered in this section:  
1.2, 2.3, 2.5, 2.10, 3.1, 3.3,  
3.5, 3.9, 3.13, 4.1, 4.5, 4.8,  
4.9, 4.10, 4.12, 4.13, 4.14,  
4.15, 4.16, 4.17, SO5, SO6,  
HR2, HR10



## WPP's Sustainability Committee

Paul Richardson, WPP's Group finance director, is the Board director responsible for corporate sustainability.

Our approach to managing sustainability issues reflects the diversified and de-centralised structure of the Group. Strategic direction and underlying policy principles are established by the parent company, for example through the WPP Code of Conduct and Group Sustainability Policy. Detailed policies are developed and implemented by WPP companies to reflect their businesses, and the Group provides support and guidance on sustainability issues to our companies as needed.

Our Sustainability Committee is made up of senior representatives from our companies and Group functions, and chaired by Paul Richardson. The committee members meet to review progress on issues relevant to Group companies at least annually at our Sustainability Strategy Day. Committee members and other key people attend sessions relevant to their area of the business, and review strategy, share best practice and identify opportunities for collaboration and further action. The sessions held in 2012 covered:

- 1 Opportunities associated with sustainable marketing.
- 2 Marketing standards and risk management.
- 3 Privacy and data security.
- 4 Employment practices.
- 5 Progress against our climate change strategy.
- 6 Supply chain management.

The current members of our committee include:

- Jed Beitler, chairman & worldwide CEO, Sudler & Hennessey
- Craig Branigan, chairman & CEO, B to D Group
- Vicky Brown, compliance officer, WPP
- Owen Dougherty, chief communications officer, Grey Group
- Vanessa Edwards, head of sustainability, WPP
- Chris Graves, CEO, Ogilvy PR
- Julie Halpin, CEO, The Geppetto Group
- Tom Kinnaird, head of Global Commercial & Procurement Services, WPP
- Mark Linaugh, chief talent officer, WPP
- Mandy Pooler, development director, Kantar
- Dominic Proctor, president, GroupM
- Mark Read, director of strategy, WPP
- Paul Richardson, Group finance director, WPP (chair).

We have a small central sustainability function within the parent company, responsible for strategy development, coordinating data collection, reporting and communication on sustainability with responsible investors, other stakeholders and our companies. It works with Group functions, such as our talent team, legal, compliance, communications, internal audit, real estate, IT and procurement, to make progress in our priority areas. The head of sustainability reports directly to the Group finance director.

We have established key performance indicators to help us review and improve our performance. Sustainability data is collected quarterly through our Group financial reporting system, which supports integration into operating company management systems.

To help us improve the accuracy of the information we provide and to make sure we continue to align with best practice, in 2012 we commissioned Bureau Veritas, an independent assurance provider, to verify our carbon data.

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

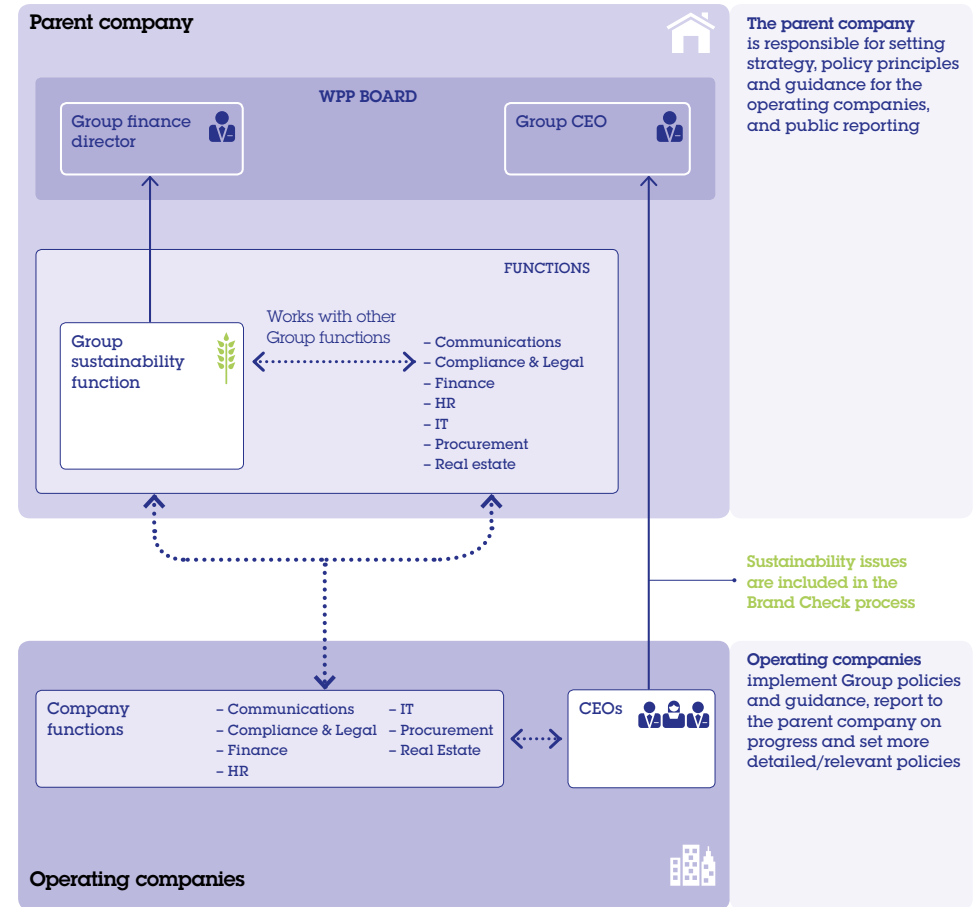
### Risk management, audit and assurance

Sustainability risks (including social, environmental and ethical risks) are integrated into the Group's risk identification, management and monitoring processes. This includes:

- Annual assessment of sustainability risks and performance presented by Paul Richardson to the Nomination and Governance Committee.
  - Brand Check process, through which Sir Martin Sorrell, the Group chief executive, presents a review of each WPP business' operations at every Board meeting including details of any change in the risk profile.
  - Selected internal audits which include reviews of sustainability risks relating to employment policies, privacy and data security. Significant findings are reported to the Audit Committee.
  - Due diligence process for acquisitions, which reviews risks relating to bribery and corruption or ethical issues associated with client work.
- We have a process in place to make sure acquired businesses embed our policies and undertake our ethics training.

See our Annual Report for more detail on our risk management process, our audit process and a list of our principal risks.

### How we manage sustainability issues



**Our priorities**

Our approach to sustainability is focused on the issues we've identified as most material (relevant and significant) to WPP. Our assessment is informed by feedback from stakeholders, particularly investors, clients and our people.

Within these areas we have identified specific risks and opportunities and categorised them according to significance.

Risk/opportunity	Materiality rating	Reason	Our response
Damage to WPP's reputation from undertaking controversial client work.	High	Significant potential impact on the reputation of the Group and/or our companies.	Upward referral process established and communicated via the WPP Policy Book and ethics training. WPP's Ethics Committee discusses cases of concern and identifies new risk areas.
Compliance with privacy and data protection regulations and best practices.	High	Increasingly important issue as we pursue our business strategy to expand our digital and insight (research) businesses. Associated with contractual, financial, legal and reputational risks to the Group, as well as opportunities to work with clients on these issues.	To guide Group companies and ensure a consistent approach the Group has published principles on data protection and privacy, a data health tracker to measure progress against best practice, training and a privacy network. These issues are also managed and monitored at operating company level.
Marketing ethics, compliance with marketing standards, and transparency about our marketing practices.	High	Failure to comply with marketing standards could impact the Group's reputation or its relationship with clients.	Managed by our operating companies with referral to WPP Code of Conduct and WPP directors as necessary.
Employment, including diversity and equal opportunities, business ethics, employee development, remuneration, communication and health and safety.	High	Our approach to diversity, remuneration and training affects our ability to recruit and retain talented employees in key markets. Failing to meet standards on diversity and gender could impact the perception of the Group and quality of work.	Human resources policies are set by our operating companies. WPP's chief talent officer assists our companies in attracting, developing and retaining our talent and sharing best practice on issues such as recruitment, remuneration, engagement, diversity and training.
	Low	Health and safety is relatively low risk for WPP as an office-based company.	

Risk/opportunity	Materiality rating	Reason	Our response
The social and environmental impact of our work for clients.	Medium	Already an important opportunity for WPP companies and we anticipate its significance will increase as environmental regulation and consumer interest continue to grow.	Opportunities to advise clients on marketing with a social or environmental dimension are identified by our companies.
Climate change, including the emissions from energy used in our offices and during business travel.	Medium	Our climate strategy enables us to comply with regulation, reduce costs and adds credibility to our work with clients on sustainability issues. Climate change is likely to become a more significant risk over time. Potential negative reputation and cost impact if we fail to meet our climate target.	Cross-functional, Group-wide Environmental Action Teams and a network of agency Climate Champions help implement our climate change strategy. Some companies have appointed environmental managers.
Other environmental impacts, including the resources we use (e.g. paper and water) and the waste we create.	Low	As an office-based company our resource use is relatively low.	Group strategies in place to manage paper sourcing and use, waste management, and water use at key locations. Other impacts managed by our companies.
Social investment, including pro bono work, donations to charity and employee volunteering.	Low-medium	Pro bono work supports employee development and retention, and the Group's reputation. Significant beneficial impact on charities we support.	Pro bono projects are agreed directly between WPP companies and charities. WPP, the parent company, helps to co-ordinate pro bono projects involving multiple WPP companies or cross-Group collaborations.
Supply chain, including supplier standards and sustainable sourcing.	Low	A relatively low risk to WPP as a service company.	WPP's Group procurement team use ethical and environmental criteria in the selection of preferred suppliers. Other suppliers are managed at operating company level.



**Human rights**

We respect human rights wherever we operate and are committed to upholding the principles contained in the UN Universal Declaration on Human Rights and the International Labour Organisation’s fundamental conventions on core labour standards. We support the Guiding Principles on Business and Human Rights which were developed by UN Special Representative John Ruggie and approved by the UN in 2011, and aim to integrate these into our business processes. During 2012 we conducted an initial assessment of our approach against the Principles to identify areas where integration could be improved.

Our companies create many pro bono campaigns on themes relating to human rights and in support of human rights organisations. We feature one example here and others in the pro bono section of the report.

**Campaign: Pixelated Truth**

**Client:** Reporters Without Borders  
**WPP company:** Memac Ogilvy Dubai

The problem with censorship is not just the withdrawal of information but the fact that it distorts the truth and creates a new story. In 2012, Memac Ogilvy Dubai worked on a pro bono basis for Reporters Without Borders to draw attention to its fight for press freedom. Three press ads present leading political figures with enough distortion of their hands to suggest unseemly gestures.

The campaign sparked a global discussion about censorship. The campaign was recognised by the advertising industry winning awards at Cannes, One Show, D&AD, Clio, Epica, LIA, Dubai Lynx and Golden Drum.



**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 UK Corporate Governance Code.

Our goal is to comply with relevant laws, regulations, and guidelines such as the UK Corporate Governance 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 UK Corporate Governance 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 sustainability. 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.

The Group paid corporation taxes of £257 million in 2012. Estimated employer and employee taxes (e.g. payroll and social security-related taxes) paid during 2012 were over \$1.3 billion.

Our Board’s Audit Committee is responsible for overseeing our policies on tax and regularly reviews our tax strategy to ensure it remains appropriate for the Group and its relevant stakeholders. This committee is made up of independent non-executive directors. Key tax issues are subject to review by both the Board and the Audit Committee as appropriate.

**Stakeholder engagement**

Discussions with our stakeholders, including clients, investors and our people, helps to refine and improve how we manage sustainability issues and to identify emerging risks and opportunities.

We respond to regular requests for information from clients on our approach to sustainability issues and we collaborate with them on these topics as appropriate.

We engage with and respond to requests for information from investors. To raise investor awareness of our approach we submit the sustainability section of our Annual Report for share owner vote at our AGM. In 2012, we responded to requests from the following investment organisations:

- Bloomberg
- Carbon Disclosure Project
- Dow Jones Sustainability Index
- Ecodesk
- Ethical Investment Research Service (EIRIS)
- FTSE4Good
- Goldman Sachs
- Natixis
- Oekom
- Sustainabilitys
- Trucost
- Vigeo

WPP was included in both the DJSI World and Europe Indices for the third consecutive year. We have been included in the FTSE4Good Index, which measures the performance of companies that meet or exceed globally-recognised standards, since its inception.

We engage with our people through regular meetings, our employee surveys (conducted at operating company level), Group intranet and regular newsletters and publications.

We want employees to get involved in our sustainability efforts and to share their ideas with us. We distribute our Sustainability Report to over 2,000 senior managers and send copies to WPP sustainability representatives, communications departments, key account executives and new business directors. Articles on sustainability are included in *The WIRE* (WPP's global newspaper and eBook) and our magazine for procurement professionals. In 2012 this included articles on diversity and social inclusion, pro bono work and the launch of our first sustainability iPad app.

WPP is a member of a number of organisations working to improve practices in aspects of sustainability. We are members of Business in the Community, the Business Disability Forum, the Institute of Business Ethics and the Media Trust.

We aim to make our website, including our online Sustainability Report, as accessible as possible. In Q1 2013 our site was rated 17th out of over 500 company sites assessed by Sitemorse. The assessment covers a wide range of issues including accessibility. See [www.sitemorse.com](http://www.sitemorse.com).

We received a number of awards for our reporting during 2012:

- IVCA Clarion Award for Strategic Communication – for making our sustainability reporting more accessible to key audiences through our Annual Report and sustainability app.
- Golden Peacock Award – for the progress we have made in responding to the needs of different stakeholders, and linking sustainability issues to our business strategy.
- Corporate Engagement Award – for the commitment of our companies to supporting charities and NGOs through pro bono work across the globe.
- Galaxy Gold Award – for WPP's Sustainability Report 2011/2012.
- Digital Impact Award, Best Use of Digital – for our use of digital media to communicate sustainability to investors and clients.
- PWC Building Trust Awards – Highly Commended for People Reporting in the FTSE 100.
- Mercury Excellence Awards – Gold award for our Sustainability Report and Silver for our Sustainability Highlights iPad app.

**Lobbying and political contributions**

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. Several of our businesses, including Burson-Marsteller, Glover Park Group, Hill+Knowlton Strategies and Wexler & Walker also maintain political action committees (PACs) which accept voluntary donations from employees to support political candidates.

On occasion, WPP engages in the debate on public policy issues relevant to our business, sometimes operating through our public affairs companies. Our companies also engage on relevant issues. For example, our digital and research companies give their views on proposed changes to privacy and data protection regulation.

Several WPP companies have public affairs practices which lobby governments on behalf of clients. See 'Public affairs'.



**Managing sustainability in our supply chain**

WPP spends over \$9 billion with suppliers of goods and services each year, for running our own business and on behalf of clients. We aim to work with suppliers that protect the environment and meet high standards on employment practices. We are committed to managing sustainability risks in our supply chain, both for ourselves and for our clients.

We also look for opportunities to increase the proportion of environmentally-preferable products and services we buy. See pages 54 and 55, and pages 58 and 59.

Managing sustainability in our supply chain is the responsibility of the global Procurement Leadership Team (PLT), who make sure that sustainability initiatives and policies are communicated to local procurement teams in our countries and operating companies. Sustainability is included in the personal objectives for all PLT members. Objectives are aligned with our three main themes of supplier selection, managing supply chain risk and helping our companies to integrate sustainability into local procurement. We raise awareness through quarterly reporting, our regular cross-Group sourcing team activities and newsletters.

**Applying our standards**

We currently focus most of our sustainability efforts on WPP-preferred suppliers that provide goods and services to our companies such as IT, travel, telecommunications, professional services (e.g. consultancy and recruitment) and facilities management. We spend over \$4 billion with these suppliers each year and many contracts are negotiated centrally by WPP Commercial & Procurement Services.

For goods and services used in client work, contracts are usually smaller and negotiated by budget holders within our individual companies. Suppliers of these goods and services are generally not directly included in our Group sustainability

program, although individual WPP companies are encouraged to apply sustainability approaches which are consistent with Group best practice. Where WPP’s procurement team leads projects to select preferred suppliers for client work, sustainability selection criteria are applied.

**Selecting preferred suppliers**

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

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

As part of this process we ask potential suppliers to complete a simple six-point sustainability questionnaire to raise awareness and make our requirements clear. Questions cover areas of policy, reporting, sustainable standards in the supply chain and anti-bribery and corruption.

The answers help us to evaluate a potential supplier’s approach to sustainability. In 2012, all new preferred Group suppliers completed our sustainability questionnaire.

During 2012, we improved our data collection systems which will enable us to better track spending with suppliers used by our companies and to understand which WPP companies are sourcing from preferred suppliers. We are reviewing our approach to supplier selection and reporting of sustainability metrics, with a view to implementing new policies in this area in 2013.

A supply base which includes small and diverse suppliers can bring advantages to our companies, helping them to reflect consumers and to enhance innovation and creativity. We aim to increase the number of diverse suppliers we work with.

**WPP’s Sustainability Policy**

**W**e 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 Sustainability Policy and report performance to the parent company quarterly.

We recognise that many different stakeholders have an interest in our business and we welcome discussion of our policies and performance.

**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
- Water use
- Managing any significant sustainability risks in our supply chains.

WPP sets quantitative targets for reducing our key environmental impacts. We aim to minimise the environmental impacts associated with the advertising and communications campaigns we create for clients. Our operating companies are encouraged to help achieve these goals.

**Human rights**

WPP companies will uphold the principles contained in the United Nations Universal Declaration of 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 collective bargaining, the right to fair conditions of work, freedom of opinion and expression and freedom from forced labour and child labour.



### WPP's Code of Conduct

**W**PP 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 Sustainability Policy provides more detail about our commitments in these areas.

## About this report



Our 11th sustainability report explains our approach to social, ethical and environmental issues and our performance during 2012.

### Data

Data is for calendar year 2012 and covers 115,711 employees in WPP and our subsidiaries. Data excludes associate companies.

Data is collected quarterly through our financial reporting system. Case studies and examples from our companies are collected via an annual survey. Each WPP company has nominated a sustainability representative to compile this, and surveys are signed off by the company CEO before submission to WPP.

The carbon footprint data has been externally assured by Bureau Veritas.

We refer to the Global Reporting Initiative in preparing our report. A detailed GRI index is available in the online version of our report.

### Read more

Read more about WPP and our work in our integrated Annual Report, [www.wpp.com/sustainability](http://www.wpp.com/sustainability) and on our website [www.wpp.com](http://www.wpp.com).

### Tell us what you think

We'd like to know what you think about our report and sustainability at WPP. Please get in touch with Vanessa Edwards, head of sustainability: [vedwards@wpp.com](mailto:vedwards@wpp.com).

GRI indicators covered in this section:  
2.4, 2.8, 3.1, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.13, EC1



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#### WPP China

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Shanghai  
Tel +86 21 2405 0096

### About the images

In recent years WPP's Annual Reports have drawn visual inspiration from individual markets important to our clients and our companies. Since 2005 we have looked respectively to India, China, Africa, Brazil, the US and, last year, the UK. This year we take our visual cue from the fast-growing market of Indonesia, and feature the vibrant work of Erica Hestu Wahyuni.

## Data summary

### Key data

	2012	2011	2010	2009	2008
<b>Financial overview</b>					
Revenue (£m)	10,373	10,022	9,683	8,684	7,477
Headline PBIT (£m)	1,531	1,429	1,229	1,017	1,118
Market capitalisation at year end (£m)	11,237	8,554	9,982	7,658	5,052
Number of employees (including associates)	165,000	158,000	146,000	138,000	135,000
<b>Employment</b>					
Gender diversity – Employees (% female)	54%	54%	54%	54%	54%
Gender diversity – Senior managers (% female)	47%	47%	48%	46%	47%
Gender diversity – Board members/executive leaders (% female)	32%	31%	31%	32%	32%
Ethnic diversity in the UK and US – Employees (% ethnic minority)	23%	24%	24%	23%	23%
Ethnic diversity in the UK and US – Senior managers (% ethnic minority)	18%	17%	16%	16%	16%
Ethnic diversity in the UK and US – Board members/executive leaders (% ethnic minority)	11%	11%	11%	8%	12%
Staff training and welfare (£m)	57.8	58.3	48.9	39.9	42.6
<b>Environment</b>					
Scope 1 (tonnes CO <sub>2</sub> e)	9,859	9,714	9,967	6,681	6,314
Scope 2 (tonnes CO <sub>2</sub> e)	140,439	130,396	126,025	132,752	115,647
Scope 3 (tonnes CO <sub>2</sub> e)	133,036	137,121	119,690	108,910	122,027
Total carbon footprint (tonnes CO <sub>2</sub> e)	283,334	277,231	255,682	248,342	243,987
Total energy use (MWh)	369,327	352,335	349,700	340,647	284,931
Carbon intensity (tonnes of CO <sub>2</sub> per employee)	2.45	2.44	2.46	2.51	2.56
<b>Social investment</b>					
Social investment (£m)	16.2	15.3	14.3	14.9	14.6
% of total revenue	0.15	0.15	0.15	0.17	0.19
% of profit before tax	1.5	1.5	1.7	1.8	2
Value of pro bono work (£m)	11.1	10.5	9.3	10.8	10.3
Charitable donations (£m)	5.1	4.8	5.0	4.1	4.3
Value of free media space (£m)	14.3	12.4	20.2	27.3	13.0
Total social contribution (£m)	30.5	27.7	34.5	42.2	27.6

#### Note:

All data, except for financial data, covers wholly-owned companies only. Financial data includes associate companies (those in which we have a minority stake).

# Assurance statement

## Greenhouse Gas Emissions Independent Verification Statement

Bureau Veritas UK Limited (Bureau Veritas) was engaged by WPP to conduct limited assurance for scope 1, 2 and certain scope 3 greenhouse gas (GHG) emissions reported by WPP subsidiaries for the period January 1, 2012 to December 31, 2012. Emissions data was included for all global operations under WPP's control.

### Scope of verification

Bureau Veritas was asked to verify the accuracy of:

- Scope 1 and Scope 2 greenhouse gas emissions from WPP's global operations and
- Scope 3 GHG emissions from business air travel.

Excluded from the scope of assurance are associate companies of WPP, GHG emissions outside the defined reporting period and Scope 3 GHG emissions not stated above.

### Methodology

Bureau Veritas conducted the verification against the main requirements of *ISO 14064-3: Greenhouse gases – Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions*.

WPP's GHG emissions were calculated by WPP using its own internal methodology that applies the criteria of the WBCSD/WRI Greenhouse Gas Protocol<sup>1</sup>.

As part of the assurance, Bureau Veritas undertook:

- interviews with relevant personnel of WPP responsible for GHG emissions accounting;
- a review of WPP data and information systems and methodology for collection, aggregation, and analysis;
- a review of information and calculations used to determine GHG emissions;
- sampling of source data from 17 of WPP's top energy consuming locations worldwide;
- audit visits to two of WPP's UK locations: JWT London and TNS UK Limited, and to the WPP Head Office in London to review underlying systems and emissions data; and
- a review of the consolidated 2012 data to check end of year accounting and reliable transposition.

### Conclusion

Based on the verification conducted by Bureau Veritas, there is no evidence to suggest that the GHG emissions assertions shown below:

- are not prepared in accordance with WPP's internal methodology; and
- are not materially correct and a fair representation of the GHG emissions data for WPP.

#### Reported GHG Emissions

**Scope 1:** 9,859 tonnes of CO<sub>2</sub>e

**Scope 2:** 164,206 tonnes of CO<sub>2</sub>e (gross)

**Scope 2:** 140,439 tonnes of CO<sub>2</sub>e (net of renewable electricity)

**Scope 3:** 96,080 tonnes CO<sub>2</sub>e (air travel)

A full analysis is set out in the management report provided to WPP.

#### Note

<sup>1</sup> A Corporate Accounting and Reporting Standard (Revised Edition).

### Limitations and exclusions

- A proportion of reported energy data is estimated due in part to the occupation by WPP of business premises where consumption is paid for via a service charge and is not directly metered or billed.
- One of the 17 of WPP's top energy consuming locations selected for data sampling and review was omitted during the verification process due to lack of availability of data relevant to the reporting period.
- WPP estimates its other scope 3 emissions, including from leased cars, taxis and couriers, as an additional 15% of its total emissions figure, added to the carbon footprint and reported as 'other estimated scope 3 emissions'. This estimation was not subject to verification.

### Statement of independence, impartiality and competence

Bureau Veritas is an independent professional services company that specialises in Quality, Health, Safety, Social and Environmental management with over 180 years' history in providing independent assurance services. No member of the verification team has a business relationship with WPP, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest. Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities. The verification team has over 20 years' combined experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, including the verification of greenhouse gas emissions data.



**BUREAU  
VERITAS**

### Bureau Veritas UK Limited

March, 2013

GRI indicators covered in this section:  
3.9, 3.13



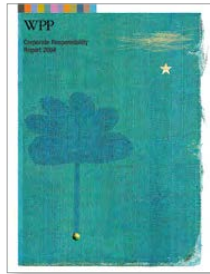


# WPP Sustainability Report archive

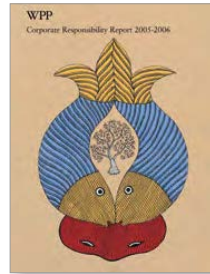
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2004



2005/2006



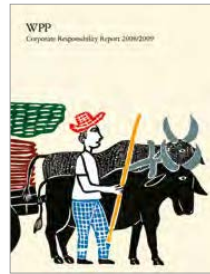
2006/2007



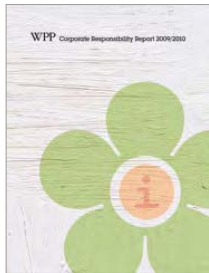
2007/2008



2008/2009



2009/2010



2010/2011



2011/2012



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For information in a mobile format please visit [m.wpp.com](http://m.wpp.com)

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