



WHO WE ARE

**WPP IS A CREATIVE
TRANSFORMATION
COMPANY. WE USE
THE POWER OF
CREATIVITY TO BUILD
BETTER FUTURES FOR
OUR PEOPLE, CLIENTS
AND COMMUNITIES.**


- To find out more about:
- our corporate strategy;
 - business model;
 - principal risks and how they are managed;
 - Taskforce on Climate-related Disclosures statement; and
 - carbon emissions statement

Download our Annual Report



wpp.com/annualreporting2019

A NOTE ON OUR SUSTAINABILITY DATA

During 2019 we agreed the sale of 60% of Kantar to Bain Capital. To ensure comparability to 2019 figures, which exclude Kantar, prior year figures have been re-stated. 2018 figures, and 2017's where provided, have been restated in sections highlighted with the symbol: 

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CHIEF EXECUTIVE'S STATEMENT



Our greatest challenge as a society is to find ways to live sustainably.

"OUR CLIENT WORK REACHES BILLIONS OF PEOPLE EVERY DAY."

Mark Read
Chief Executive Officer

All around the world, people are choosing to live in more sustainable ways, and turning to their favourite brands to make that possible. People also expect those brands to reflect their varied backgrounds and cater for their diverse needs.

Pressure is increasing on companies to transform the way they do things rather than simply do less harm. For businesses to succeed tomorrow, they need to rethink what they do today. Challengers are inventing materials, products and processes for an inclusive world and a circular economy. They are using technology or investing in innovative solutions to help our daily lives leave a smaller footprint. These companies are not just disrupting markets, they are leading the way by creating new ones.

Many of our clients have already set ambitious sustainability targets, and WPP can help them achieve these goals. Our challenge is to show that sustainable living is not just possible, but desirable.

We have the ability to use the power of marketing and communications to normalise the attitudes, behaviour, products and services needed for an inclusive and sustainable future. Our client work reaches billions of people every day, and I am so proud of the great work our people are doing and of its wider impact.

This year we established a new, Board-level Sustainability Committee to steer our approach, and increased the sustainability expertise at Board level with two new appointments (read a report from the Sustainability Committee Co-Chairs on page 5).

Although we have work to do to meet our commitment to achieve parity at the most senior executive level, women now make up 50% of our senior managers, compared to 49% in 2018. At the Board level, 40% of Board members are now women (2018: 33%) and we are aiming to get to parity soon. In November, we underscored this commitment by joining the 30% club, a group of chairs and CEOs campaigning for greater female representation in business leadership. **K**

As an inclusive business, we also signed up to the Valuable500, a global initiative that is putting disability on the boardroom agenda. This commitment is reflected in our work, where our new Inclusive Design Practice is helping clients to develop more inclusive products and services.

I am proud of our progress in reducing our carbon footprint. Carbon emissions per employee reduced by 21% compared with the previous year and our use of renewable energy rose to 35%. In the United States, we purchased 100% renewable energy for the first time. You can read our second Taskforce on Climate-related Financial Disclosure (TCFD) statement in our Annual Report, page 196 and 197. **K**

But there is much more to do. That is why we are announcing our commitment to use 100% renewable electricity by 2025 and for net zero carbon emissions in our Campuses by 2025.

Another area where we are accelerating action is plastic waste. At the Cannes Lions Festival of Creativity in June 2019, we pledged to phase out plastics that cannot be reused, recycled or composted from all WPP offices by the end of 2020 and signed up to the New Plastics Economy Global Commitment. We are helping clients to navigate the complex regulations emerging in this area, to innovate product and

packaging design, to engage consumers, and to partner with not-for-profits on campaigns to change behaviour.

Increasingly, we are working with governments to communicate their climate commitments. Our close partnerships with the players who are changing the agenda, whether governments, the UN, or corporate sustainability leaders, lend us the convening power to bring others together and build the momentum for change.

We remain committed members of the UN Global Compact and support its 10 principles for human rights, labour, environment and anti-corruption. This report shows the progress we are making in embedding these principles into our business.

Becoming a sustainable business is not just about being on the right side of history. One in five of our top 50 clients has already committed to going carbon neutral, and more will follow. As a business, we need the skills to advise them on this and other issues, and to embed sustainability into their products, marketing and communications. Throughout this report are examples of our work, and how it contributes to achieving the UN Sustainable Development Goals. As we strengthen our expertise in this area, we are making our companies fit for the future alongside the clients they serve.



Mark Read
Chief Executive Officer

“WE ARE ANNOUNCING OUR COMMITMENT TO USE 100% RENEWABLE ELECTRICITY BY 2025 AND FOR NET ZERO CARBON EMISSIONS IN OUR CAMPUSES BY 2025.”

COVID-19

The coronavirus pandemic has touched all our lives. At WPP our first priority is the wellbeing of our people and doing what we can to limit the impact of the virus on society.

To ensure the safety of employees and to help reduce transmission, we moved to a global policy of managed remote working in mid-March, and at the time of writing approximately 95% of our people worldwide are working from home.

Across the world, our agencies are providing NGOs, governments and clients with communications and other services – often on a pro bono basis – to help fight Covid-19 (for an example, see page 22).

When we come through the current situation, the world will have been changed in ways that we cannot fully anticipate yet. But the demand for the creativity and ingenuity possessed by the people who work at WPP and across our industry will be greater than ever.

What we do plays a vital role in driving and sustaining the wider economic activity that societies need to function, and we will continue to support our people, clients and communities as we all reset and rebuild for the future.

I would like to take this opportunity to express my deep gratitude for the extraordinary effort, resilience and kindness of WPP employees all over the world, whose support for one another and commitment to their clients has been truly inspirational. I am very proud of all of them.

SUSTAINABILITY COMMITTEE REPORT

Our newest Board-level Committee held its first meeting on 12 December 2019

Committee members:

- Sally Susman (co-Chair)
- Keith Weed (co-Chair)
- Jasmine Whitbread

Key responsibilities

- Understanding the sustainability challenges and opportunities for the Group
- Engaging with stakeholders
- Assessing the Group's current strategy footprint, identifying materiality and reviewing sustainability targets and commitments

DEAR READER

The world is changing around us more quickly than ever before with significant risks and opportunities for our business and for those of our clients. While changes in technology have been rapid and highly impactful and attracted considerable Board focus, there have also been rapid changes in the area of ESG and sustainability.

The WPP Sustainability Committee has been formed to give increased focus in this area for the Board and the Group, to strive to meet the expectations of our stakeholders (from our clients, investors and people to NGOs, consumers and society at large), as well as to ensure we are managing our risks and taking advantage of the opportunities.

We held our first meeting in December 2019 at which we adopted the terms of reference and agreed the scope of work for the Committee for 2020. The Sustainability Committee will first gain an understanding of the breadth of sustainability work already in progress across the business and will then identify what is material in forming WPP's sustainability strategy and review the KPIs to help measure effectiveness of delivery. That workstream has already begun with an in-depth review of the workstreams in January 2020. The environment section on pages 35-42 sets out the new carbon and renewable targets the Group has set this year, which are net zero carbon emissions in our Campuses by 2025 and 100% renewable electricity by 2025, as well as the target, set in 2017, of 0.41 tonnes CO₂e per employee by 2030.

At our meeting in December we also reviewed the single-use plastics policy launched by the Group in 2019, to phase out plastics that cannot be renewed, recycled or composted across all the Group's 3000+ offices and Campuses by the end of 2020. In addition to the policy, the Committee also reviewed the seven-step action plan produced by the Company, a playbook to embed the policy and audit plan to be adopted by the Group companies to support the policy.

The Committee members all bring a great depth of knowledge and experience in the area of ESG and sustainability and we are very much looking forward to our new role for the Company.

Sally Susman **Keith Weed**
Co-Chairs of the
Sustainability Committee

29 April 2020

AT A GLANCE

OUR GLOBAL BRANDS

AKQA
BCW
Finsbury
Geometry
Grey

GroupM
– Essence
– MediaCom
– Mindshare
– Wavemaker
– Xaxis

GTB
Hill+Knowlton
Strategies
Hogarth
Landor

Ogilvy
Superunion
VMLY&R
Wunderman Thompson

KEY FACTS AND FIGURES

106,000+
people

112
countries

Quoted on the London Stock Exchange and the New York Stock Exchange

CLIENTS INCLUDE

348
of the Fortune
Global 500

All 30
of the Dow
Jones 30

70
of the
NASDAQ 100

69
of the
FTSE 100

£53.1bn
Billings*
(2018: £53.2bn)

£13.2bn
Revenue*
(2018: £13.0bn)

£10.8bn
Revenue less pass-through costs*
(2018: £10.9bn)

Gold
in the EcoVadis CSR rating
for the fifth year in a row

0.60tCO₂e
Carbon emissions per
person from building
energy use (scope 1 and 2)*
(2018: 0.76tCO₂e)

35%
Electricity purchased
from renewable sources*
(2018: 32%)

Leader
in the Bloomberg Gender-
Equality Index for the
second year in a row

40%
Women on
our Board
(2018: 33%)

50%
Women in senior
management*
(2018: 49%)

12th
in the FTSE 100 Rankings
for Women on Boards,
Hampton-Alexander
Review 2019

10th
in The Responsibility100
Index, which measures
the commitment to social,
environmental and ethical
objectives of FTSE 100
companies

1.60%
Social investment as a
percentage of reported
profit before tax*
(2018: 1.35%)

* Continuing operations,
with 2018 figures restated.

SUSTAINABILITY AND OUR STRATEGY

We continue to support our clients as evidence mounts of the need for sustainable innovation and growth.

WHY SUSTAINABILITY MATTERS

As the last decade drew to a close, the World Meteorological Organization confirmed it was the warmest on record. Australia experienced its hottest, driest year, leading to devastating bush fires, while the Indonesian capital Jakarta saw deadly floods caused by the heaviest rainfall since records began.

Climate activism continues to grow as people demand change. More and more companies across sectors see both the opportunities and the imperative to act. Consumers and investors increasingly expect businesses to act with purpose and offer inclusive and sustainable products.

There is increasing evidence that sustainable business drives profit and long-term value – sustainable investment assets were valued at \$30 trillion in 2018, up a third from 2016¹, while companies with long-term strategies are outperforming their peers financially².

Meanwhile, the United Nations' Decade of Action to 2030 will see accelerated efforts to end poverty, inequality and environmental harm, and deliver the Sustainable Development Goals. More than ever, sustainable business models are needed that will enable society to survive and thrive into the new decade and beyond.

Our clients must navigate complex social, environmental and economic pressures against a backdrop of skills shortages, demographic shifts, political uncertainty, and a consumer base increasingly impatient for change.

OUR RESPONSE

Our clients look to us for the insight, expertise and creativity to balance these interconnected pressures and communicate their purpose effectively and authentically. Our own sustainability strategy helps us to meet changing client expectations with strong and credible propositions, while reducing risks and creating a resilient business for the long term.

Our sustainability strategy supports all five elements of our corporate strategy, which we launched in late 2018. The table on page 8 sets out the most material ways in which sustainability supports our strategy.

THREE NEW ENVIRONMENTAL COMMITMENTS

Net zero
carbon emissions
in our Campuses
by 2025

100%
renewable electricity
by 2025

Zero
phase out plastics that
cannot be reused, recycled
or composted across
our offices by the
end of 2020

¹ Global Sustainable Investment Alliance 2018 Global Sustainable Investment Review.

² Harvard Business Review.

STRATEGIC ELEMENT	SUSTAINABILITY STRATEGY		
VISION & OFFER	<p>SUSTAINABILITY AT THE HEART OF OUR OFFER FOR CLIENTS</p> <p>A growing number of clients are grappling with sustainability challenges and looking to articulate the purpose of their brands. They look for partners who share their sustainability values and aspirations. Our commitment to responsible</p>	<p>and sustainable business practices helps us to broaden and deepen these partnerships, and to meet the growing expectations and sustainability requirements in client procurement processes.</p>	<p>Sustainability at the heart of our offer for clients, see pages 14-18</p> <p>Transparency and trust, see pages 49-50</p>
CREATIVITY	<p>SOCIAL INVESTMENT</p> <p>Our pro bono work can make a significant difference to charities and NGOs, enabling our partners to raise awareness and funds, recruit members and achieve campaign objectives.</p>	<p>Pro bono work benefits our business too, providing rewarding creative opportunities for our people that often result in award-winning campaigns that raise the profile of our companies.</p>	<p>Social investment, see pages 19-24</p>
	<p>INCLUSIVE AND DIVERSE TEAMS</p> <p>Creativity thrives on diversity of background and thought. This makes having an inclusive and diverse workplace essential to our long-term</p>	<p>business success. We want all of our people to feel valued and able to fulfil their potential, regardless of gender, ethnicity, age or disability.</p>	<p>Attracting and retaining talent, see pages 25-34</p>
DATA & TECHNOLOGY	<p>PRIVACY AND DATA ETHICS</p> <p>Data – including consumer data – can play an essential role in our work for clients. Data security and privacy are increasingly high-profile topics for regulators, consumers and our clients. We have a</p>	<p>responsibility to look after this data carefully, to collect data only when needed and with consent where required, and to store and transfer data securely.</p>	<p>Privacy and data ethics, see page 51</p>
SIMPLER STRUCTURE	<p>GREENER OFFICE SPACE</p> <p>Our work to simplify our structure and consolidate our office space is driving a positive impact on our energy use and carbon footprint. We are reducing the overall number of offices we occupy and</p>	<p>moving to locations that: use green building standards; reduce our impact; help us to use space more efficiently; and encourage collaboration between our companies.</p>	<p>Environment, see pages 35-42</p>
PEOPLE & CULTURE	<p>SHARED VALUES ACROSS OUR BUSINESS AND SUPPLY CHAIN</p> <p>Strong employment policies, investment in skills, and inclusive working practices help us recruit, motivate and develop the talented people we need to serve our clients in all disciplines across our locations.</p>	<p>Selecting suppliers and partners who adopt standards consistent with our own can reduce costs, improve efficiency and protect our reputation.</p>	<p>Attracting and retaining talent, see pages 25-34</p> <p>Supply chain, see pages 43-46</p>

QUANTIFYING OUR IMPACTS

As a creative transformation company, we want to maximise the positive value our business generates for shareholders, clients, our people, and wider society.

Our annual impact valuation guides us in generating value by helping us quantify our impacts and understand the associated monetary benefits and costs to society. This allows us to prioritise efforts and focus on enhancing our positive contribution.

Our analysis does not yet capture all of our impacts, either because they are not material or they are difficult to measure. For example, our communications services help our clients to increase product sales and can bring

about social and environmental change, but are hard to quantify because the impacts vary greatly depending on the brief.

We also recognise that increasing demand for a product brings environmental and social costs. We can play a powerful role in helping to tackle global issues such as inequality and the climate crisis. This is not only the right thing to do, but will also support our business continuity.

ECONOMIC IMPACTS

The economy

The direct contribution our activities made to the global economy

Governments

Our contribution through taxes to national and local governments

Our people

Our contribution as a major global employer, paid in wages and benefits

Supplier partners*

Our indirect economic impact through our spend with supplier partners

*Indirect

This procurement spend provides additional indirect benefits to economies by supporting livelihoods and job creation



SOCIAL IMPACTS

Diverse suppliers

Our spend on diverse suppliers in the United States

Social investment

Our contribution to society through charitable donations, pro bono spend and providing free media space

Youth employment

Our contribution to young people through internships and apprenticeships

Skills

Our expenditure on training staff to enhance their careers and improve WPP's performance



ENVIRONMENTAL IMPACTS

Carbon emissions

The societal cost of our Scope 1, 2 and air travel greenhouse gas emissions

Waste

The societal cost of our landfill and incineration impacts



KEY

+ Positive - Negative

QUANTIFYING OUR IMPACTS CONTINUED

ECONOMIC IMPACTS

WPP makes a significant direct positive contribution to economies. In addition, the salaries and payments we make enable our people to buy goods and services and our suppliers to create jobs and spend in the economy.

WPP makes a direct contribution to the global economy through its Gross Value Added: the financial value of services sold minus the cost of salaries, taxes, and direct spend with suppliers. The money we spend

on advertising production, travel and professional services also directly supports jobs around the world.

The £7.1 billion we pay in wages and benefits is our largest direct contribution. This money supports local economies in the markets in which we operate, and creates a multiplier effect that leads to additional spending and further economic growth.

Tax payments made by WPP to national and local governments enable investment in the

social infrastructure and services necessary for a well-functioning society. The considerable indirect taxes and wages associated with our supplier and customer activities are not included in this assessment.

i To learn more about:

- [Our approach to taxation, see page 52](#)
- [Our approach to reward and remuneration, see page 28](#)

SOCIAL IMPACTS

We support social and charitable activities through cash donations, by undertaking pro bono work (marketing advice and campaigns for little or no fee) and negotiating free media space for charity campaigns. This helps charity and NGO partners to achieve campaign objectives, raise funds and recruit new members. Our support also goes much further, generating additional value by indirectly contributing to improving human health and community cohesion, and protecting human rights and the environment.

We provide internship and apprenticeship opportunities, which equip people with skills and experience that enhance their future life

prospects. In addition, our companies provide training for staff at all levels. This not only improves WPP's performance, but also enhances the valuable skill base within the company.

Our efforts to embed inclusive values across our business and through our client work are helping to address inequality. In the United States, we track certified diverse supplier spend, including women- and minority-owned businesses. Supporting these suppliers tends to benefit underserved local communities and regional economies, and bring different and innovative perspectives into our company.

i To learn more about:

- [Our social investment, see pages 19-24](#)
- [Our approach to training and development, see page 27](#)
- [Our approach to inclusion and diversity, see pages 30-32, and supplier diversity, see page 45](#)

ENVIRONMENTAL IMPACTS

Currently, businesses do not bear the true societal costs incurred as a result of their greenhouse gas (GHG) emissions. This impact occurs at the expense of current and future generations. Our analysis calculates the hidden cost of our contribution to climate change through our carbon emissions. We have a long track record of managing and reducing our emissions, and the Environment chapter (pages 35-42) details our targets, progress and approach to addressing the climate crisis.

Waste generation causes further societal costs linked to GHG and other air emissions, as well as potential odour and visual impacts from landfill and incineration. While recycling is considered a better option than

incineration or landfill, associated societal costs such as those relating to transport and energy consumption are not included in our impact valuation. We are reducing our impact from waste by committing to phase out plastics that cannot be reused, recycled or composted from our offices by the end of 2020.

Water and biodiversity impacts are excluded from this impact valuation as they are not considered material issues for WPP. However, we recognise that these issues may be material at a local level, especially as we move more of our people into Campuses. Sustainability is a key feature of new Campus buildings, which typically aim for a high level of certification to an internationally-

recognised green building standard, such as the US LEED standard or the UK BREEAM standard. Some Campuses provide green space which, amongst other things, helps support local biodiversity and employee wellbeing. The green space could also help improve air quality and reduce water run-off.

i To learn more about:

- [Our plastics initiative and approach to waste and recycling, see page 41](#)
- [The environmental impact of our campuses, see page 38](#)
- [The methodology used evaluate our impacts, see pages 58-60](#)

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

We support the UN SDGs as a framework for government agencies, civil society, the private sector and citizens to work together to create a more sustainable future.

We have analysed the 17 Global Goals and the 169 targets which sit behind them to identify those which are most relevant for our business.

Good communications are essential to bring about the shift in attitudes and behaviour needed to end extreme poverty, inequality and climate change by 2030. Common Ground is a collaboration between the world's six largest advertising and marketing services groups and the United Nations, created to serve that purpose.

We work directly with the UN through our Common Ground initiative, partnering with UN Women to tackle gender inequality. See more on page 23. In 2019, we continued to partner with the UN Framework Convention on Climate Change (UNFCCC) to encourage people from around the world to take action on climate change. In the UK, Blue State supported the UN Refugee Agency (UNHCR) in its global media and digital fundraising efforts.

The greatest contribution we can make towards the SDGs is through our client and pro bono work. The campaign case studies featured in this report indicate which SDGs are most relevant.

RELEVANT SDGs

OUR RESPONSE



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

We partner with schools, colleges and universities, helping to develop and support training in marketing communications skills, for example through our partnership with the D&AD New Blood Academy (see page 27). We invested £38.7 million in training for our people in 2019.



Achieve gender equality and empower all women and girls

Our workforce is gender-balanced overall: 50% of senior managers and 40% of Board members are women. We aim to achieve equal representation of women at the Board and at all levels. Through the Common Ground partnership we are helping to tackle gender stereotypes in the media and supporting the work of UN Women on issues such as gender-based violence.



Ensure access to affordable, reliable, sustainable and modern energy for all

Our goal is for 100% of the electricity we buy to be from renewable sources by 2025. We are currently at 100% in the United States and 35% across the Group. We support the development of renewable energy generation in Brazil, China, India and Indonesia through our carbon offset projects.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

We provide employment for more than 106,000 people across 112 countries. In 2019, our companies offered paid internships and apprenticeships providing work experience and development opportunities for 11,000 young people.



Ensure sustainable consumption and production patterns

We are taking action against plastic waste and to promote a circular economy (see page 41). We partner with clients on campaigns that help raise awareness of sustainable development and encourage sustainable lifestyles. Examples can be found throughout this report including our work with Doconomy on page 42 and Mindshare's #ChangeTheBrief on page 17.



Take urgent action to combat climate change and its impacts

Carbon emissions per employee reduced by 21% compared with the previous year and our use of renewable energy rose to 35%. We aim for net zero carbon emissions in our Campuses by 2025. Examples of our work to support clients in taking climate action can be found on page 42.



Strengthen the means of implementation and revitalise the global partnership for sustainable development

We use our pro bono work and social investment to support progress on the UN Sustainable Development Goals, partnering with organisations working in areas such as health, human rights and the environment. This had wider social benefits of £291 million in 2019.



To learn more about the UN SDGs see un.org/sustainabledevelopment

OUR STRATEGY IN ACTION

Two WPP Country Managers share their perspective on sustainable business.

CVL SRINIVAS ON
WHAT SUSTAINABLE
BUSINESS MEANS
TO WPP INDIA



**“WE ARE INVESTING
IN THREE KEY
INITIATIVES FOR
BUILDING A
BRIGHTER FUTURE
FOR INDIA AND ITS
YOUNG PEOPLE.”**

CVL Srinivas
Country Manager, WPP India

20,000
underserved children supported
through the WPP Foundation,
giving them access to digital
and technology skills



WPP has tremendous influence in India. We're the leading communications group, with significant market share and 18,000 employees. That position brings a responsibility to be the business our clients, employees and communities expect. It also presents an opportunity to create a pool of talented young people to meet our clients' future needs.

We are investing in three key initiatives for building a brighter future for India and its young people. Through the WPP Foundation, we are supporting almost 20,000 underserved children by providing the digital and technology skills that employers like WPP need, and which schools could not otherwise offer.

In India, over a quarter of children do not attend school regularly and many do not complete secondary education. To overcome this, we track the children in our programme from the ages of 11 to 18, help them find work at the end of their schooling, and continue to support them during their first six months of employment. I am immensely proud that our programme boasts a 93% attendance rate.

Our second initiative, the ISDI WPP School of Communication, combines academic and creative learning with practical skills, to prepare students for a career in communications and generate a pipeline of talent for our companies. Established in 2015, the school is expanding year-on-year and has fast become one of the most popular of its kind.

Last but not least, in 2019 we signed up to the India 2022 Consortium, a group of corporates working together on: waste to value, healthcare, energy, and sustainable mining. This is core business for WPP: our role is to develop brand and campaign strategies that amplify our partners' efforts in all four focus areas. The work provides a great way for our people to develop the skills to help our clients build sustainable futures – seven of our agencies and 40 students from the School of Communication are involved.

I am confident of the business benefits these investments will bring, as young people from diverse backgrounds bring new skills into our business, and as our commitment and thought leadership strengthen our reputation for responsibility. These are intangible benefits, perhaps, but incredibly valuable.



To learn more see
wppindiafoundation.com

OUR STRATEGY IN ACTION

DEMET İKİLER EXPLAINS WHAT INSPIRED HER TO PROMOTE INCLUSIVE AND SUSTAINABLE BUSINESS AT WPP TURKEY



DEMET İKİLER

Country Manager, WPP Turkey
and EMEA CEO of GroupM

Turkey is a fast-developing market, where most corporates understand the need for sustainable growth. What matters to our clients matters to us: having the capabilities to help them deliver their sustainability agenda is essential.

The commitment to sustainability at WPP group-level has also inspired us. As the world's largest communications group, our work has real power to change people's beliefs and actions. In Turkey, we have introduced Mindshare's Change the Brief approach across all our agencies, as a way to build sustainable thinking into our client work from the outset.

i Read more about #ChangeTheBrief on page 17

From a personal perspective, I have faced challenges as a woman working her way up from the bottom of the ladder, even in an industry where women are widely accepted. Only around a third of women work in Turkey. It has made me passionate about using my experience and influence to help other women succeed in their careers, by mentoring colleagues and advocating for women's empowerment more broadly.

WPP is the only communications company to sign up to the Turkish Government's gender equality in workplace commitment. As well as mentoring, we provide a female-friendly



© Getty Images

working environment with practical support such as childcare; efforts that our largest client recognised with an award. We are also working hard to support other disadvantaged groups, including the LGBT community, people with disabilities, and two groups that are particularly relevant in Turkey: refugees and unemployed youth.

I believe we are truly setting the industry standard for inclusion and sustainable business in this country. We are the only communications company in Turkey signed up to the UN Global Compact, and in May 2019 I joined the local UNGC board, with responsibility for diversity and inclusion. We continue to carry out pro bono work in support of UN Women, and to support the Unstereotype Alliance to eradicate harmful gender stereotypes from advertising and media content.

Our industry has a responsibility to use its power for good – to influence minds and change behaviour. The environmental crisis is already here and the world needs action. We cannot wait for others: it is up to us to lead the way.

**"I BELIEVE WE ARE
TRULY SETTING THE
INDUSTRY STANDARD
FOR INCLUSION AND
SUSTAINABLE
BUSINESS IN THIS
COUNTRY."**

SUSTAINABILITY AT THE HEART OF OUR OFFER FOR CLIENTS

The work we do for our clients reaches billions of people each year, presenting our greatest opportunity to create positive change.

WHO'S IN CHARGE?

Our agencies and client leads oversee our work with clients on sustainability. Our Group Chief Counsel and Head of Sustainability oversees our approach to ethics and compliance. The WPP Executive Committee sustainability working group, established in 2019, provides additional oversight and guidance on any ethical issues that may arise. We set clear ethical standards for our people and companies through our policy framework and training including the WPP Code of Business Conduct.

HOW ARE WE DOING?

1 in 5

of our top 50 clients have made commitments to carbon neutrality

80%

of our top 50 client leads have discussed sustainability with their clients

IN THIS SECTION

WORK WITH IMPACT

Our growing offer to support our clients in delivering lasting positive impact through their brands.

COMPLIANCE WITH MARKETING STANDARDS

Maintaining high standards and strong compliance in areas such as ethics, human rights, privacy and data security.

ETHICAL DECISIONS IN OUR WORK

Our review and referral process for sensitive client briefs that may present an ethical risk.

When P&G wanted to challenge negative stereotypes and champion under-represented groups, they turned to Grey.



MY BEST SELF

AGENCY
GREY

CLIENT
GILLETTE

Gillette is on a mission to redefine masculinity for a new era. Grey created "My Best Self", a Facebook documentary following a young man who has transitioned and now faces an iconic moment in every man's life: his first shave. As we watch his dad teaching him how to shave, we are left with the message that "it's not just myself that's transitioning, it's everybody around me transitioning".

110m
film views

15bn
media impressions

Data from: November 2019



wpp.com/mybestself

DON'T HATE ME BECAUSE I'M BEAUTIFUL

AGENCY
GREY

CLIENT
PANTENE



In 1986, Grey created Pantene's iconic campaign: "Don't Hate Me Because I'm Beautiful". Since then, Pantene has become synonymous with beautiful hair... one stereotyped kind of beautiful hair. In 2019, Pantene wanted to challenge beauty stereotypes so Grey created the rallying cry, "Don't Hate Me Because I'm BeautifulLGBTQ+". Through the campaign we hear individuals speak about their identities and drive to be their true selves, empowering other members of the LGBTQ+ community and reminding us all what true beauty is all about.

4,000
unique Twitter posts tagging #BeautifulLGBTQ+ on first day of campaign

90%
positive social media reactions

Data from: June 2019

WORK WITH IMPACT

Our clients must balance a complex set of social and environmental challenges with changing consumer expectations and constant technological developments. While challenging, today's landscape also offers major opportunities to create new markets for more inclusive and sustainable products and services.

In response, our clients increasingly aspire to generate a lasting positive impact through their brands and look to us to help them express and enhance that impact through brand purpose and strategy, communications and marketing. The breadth and depth of our expertise means we can offer clients the latest technology alongside the creativity and sustainability expertise needed to inspire consumers and help shift behaviour to more sustainable norms.

This work is of growing importance to WPP. We are already engaging with corporate, government and NGO clients on issues ranging from plastic waste to human rights during the development of brand strategies or campaigns. Our agencies provide advice and thought leadership in a range of ways, including Mindshare's #ChangeTheBrief campaign (see page 17).

Recognising our clients' growing focus on sustainable products and practices, we continue to strengthen our offer to ensure we can provide our clients with the best support and the expertise they need to do well by doing good. Some of the highlights of our work in this area are set out in the table below and through the case studies featured in this report.

80%
of our top 50 client leads have discussed sustainability with their clients

1 in 5
of our top 50 clients have made commitments to carbon neutrality

AREA OF EXPERTISE

EXAMPLES IN THIS REPORT

Brand and strategy consulting: integrating social and environmental values into brand and business strategy

Read how Ogilvy helped IKEA show its customers why they make positive sourcing choices for people and planet on page 18

Read how Grey helped Volvo bring green energy to people's homes on page 18

Technology and research: using technology and data to understand consumer attitudes and behaviour in relation to sustainability

Read how H+K Strategies helped Doconomy launch a credit card with a carbon limit to inspire everyday action on climate change on page 42

Communications: helping clients communicate credibly on social and environmental issues with all audiences from consumers, employees and citizens to investors, regulators, the media and NGOs

Read how Grey helped P&G challenge negative stereotypes and champion under-represented groups on page 15

Read how Design Bridge helped Lipton tackle loneliness on page 33

This can include social marketing campaigns that raise awareness or drive behaviour change on issues of public interest, often for government and NGOs as well as corporate clients

Read how VMLY&R helped The Amena Autism Center demystify autism on page 34

Read how Grey helped Amnesty International show Indonesians the power of a single signature and how Wunderman Thompson helped start a conversation about child brides in Lebanon on page 44

Read how Social Lab helped TikTok promote online safety on page 54

Building a movement: rallying multiple stakeholders behind a common cause to change legislation, norms or behaviour in order to drive positive social change

Read how Scholz & Friends helped The Female Company tackle the tampon tax in Germany on page 18

Read how AKQA is using open source software to help protect nature reserves from illegal deforestation on page 24

Read how Geometry helped Costa Ricans tackle unnecessary packaging on page 36

Shifting social norms: tackling taboos and shifting cultural norms to promote more sustainable consumption and tackle negative stereotypes

Read how WPP and VMLY&R are helping The National Opioid Action Coalition tackle the stigma of opioid addiction on page 24

Read how Wunderman Thompson helped Lux highlight Saudi Arabian women in male-dominated jobs on page 54



CHANGE THE BRIEF

In November, on Mindshare's 22nd anniversary, the global network with 116 offices and 7,000 people spent the day connecting with the scale and urgency of the climate crisis and how their work could be part of the solution with #ChangetheBrief. #ChangetheBrief is an invitation for the advertising industry to use its skills to tackle the issue.

#ChangetheBrief is about creating work which answers the "Now" brief, but also the "Future" brief, to encourage the attitudes, lifestyles and behaviours which are consistent with a transition to a carbon-free world.

For example, through the "Future" brief, a food brand could develop packaging that encourages people to freeze unused food to avoid food waste, while a shampoo client could promote considerate water usage by creating a "songs to sing in the shower" playlist on Spotify lasting only four minutes.

As part of Mindshare day, the network took live briefs from Unilever to generate #ChangetheBrief ideas.

Carrie Timms, vice-president of global media at Unilever, said: "At Unilever, we believe brands should be a force for good for the world we live in. Mindshare's #ChangetheBrief initiative is a powerful statement to the industry that we should all do what we can through media, both expertise and investment, to deliver a more sustainable future."

Nick Emery, Global CEO Mindshare, said: "Our great challenge as a society and as an industry is to show how living sustainably is possible, enjoyable, fulfilling and aspirational, and that it can also drive our clients' business. These are all the things that we know how to do."

COMPLIANCE WITH MARKETING STANDARDS

Marketing is powerful – it can change attitudes and behaviour. It is critical that we apply high ethical standards to our work to ensure those changes are for the better. We work hard to maintain high standards and strong compliance in areas such as ethics, human rights, privacy and data security.

We require that all the work our companies produce for clients complies with all relevant legal requirements, codes of practice and marketing standards. There are occasional complaints made about campaigns we have worked on, and some of these are upheld by marketing standards authorities. Our companies take action where needed to prevent a recurrence.

Our agencies have policies and processes to mitigate against online advertising appearing on sites with illegal, illicit or unsuitable content. Our approach to limiting risk and improving trust and quality in the digital supply chain is multi-layered involving our trading, operational, technical, legal and industry engagement teams. We take a zero tolerance approach to advertising placed adjacent to harmful content, in fraudulent environments or on non-viewable placements but we recognise that zero tolerance does not always equal zero risk. That is why we apply a consultative approach to brand safety. We believe clients should be fully aware of the strategic, implementation and tactical implications of managing brand safety across all buying methods and media channels.

ETHICAL DECISIONS IN OUR WORK

We have a review and referral process for work that may present an ethical risk, such as work for government clients, work relating to sensitive products or marketing to children.

Before our people can accept potentially sensitive work, they must elevate the decision to the most senior person in the relevant office and then to the most senior WPP executive in the country concerned, who will decide if further referral to a global WPP executive is required. This referral process is covered in our How We Behave online training, which will contain a new sustainability module from 2020 onwards.

i See page 49 for more details about updates to our How We Behave training

Our companies also have copy-checking and clearance processes for the legal team to review campaigns before publication. These processes have strict requirements in highly regulated sectors such as pharmaceutical marketing.

In 2019, we established Network Risk Committees with the aims of ensuring accountability at both the enterprise and network level and to review, monitor and advise on risk and compliance throughout all of our businesses and markets. Duties include providing reports and insights on current risk exposures, identifying new risk types and tracking and pro-actively addressing any breaches of risk limits.

LEADING THE CHARGE

AGENCY
FAMOUSGREY

CLIENT
VOLVO

Volvo asked FamousGrey to help them answer this question: what is the use of driving electric if you do not charge your car with green energy? To help meet this challenge, the agency created Volts by Volvo, a new energy contract for homes which provides 100% green electricity, so that drivers are not only using electric cars, but also charging them with green energy. And with the energy generated from both wind and solar and provided by green energy expert Eneco, the result is clear: no impact, zero emissions.



7.5m

Belgians reached
(population 11 million)

1 in 4

drivers of electric cars
engaged with the
Volts by Volvo platform

71%

said they would
re-evaluate their
electricity contract in
a post-campaign survey

Data from: April 2019 – January 2020

 wpp.com/voltsbyvolvo



WHY WE MAKE

AGENCY
OGILVY

CLIENT
IKEA

IKEA is known for selling affordable furnishings, but not everyone knows that this does not come at a cost to people and planet.

IKEA asked Ogilvy to showcase the choices they make to have a more positive impact on people and the planet. So Ogilvy created "Why We Make". Because everything from their sustainability initiatives, to inclusive employment practices, to community building and innovative and purposeful product design have always been core to what IKEA is all about – and all in service of helping people live their dreams at home.

149m

impressions

Data from: January – February 2020

 wpp.com/whywemake

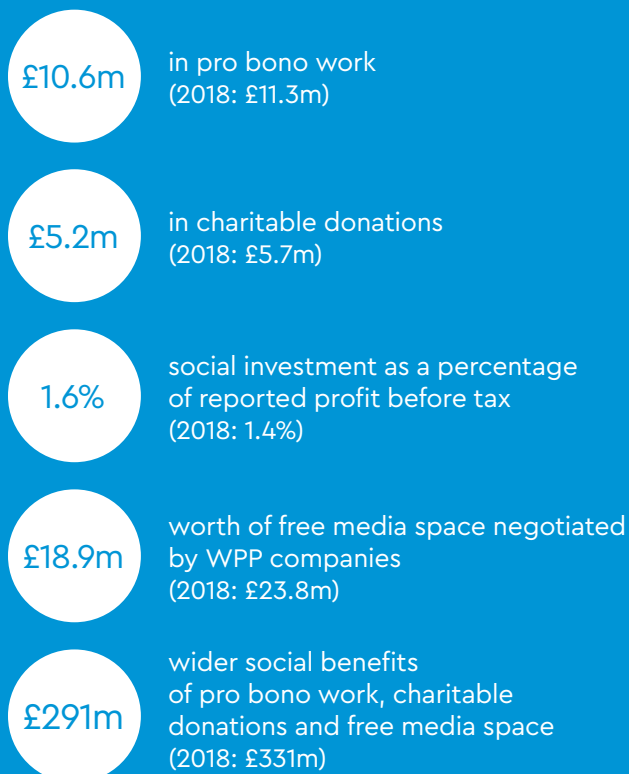
SOCIAL INVESTMENT

Charities and non-governmental organisations (NGOs) do vital work, often with limited resources. We can help boost their impact by providing communications and creative services on a pro bono basis (for little or no fee).

WHO'S IN CHARGE?

Most of our charitable giving and pro bono work is managed within our companies, based on their values and their employees' passions. At a global level, our Charity and Pro Bono Committee of senior executives oversees our approach and helps us to target our support effectively.

HOW ARE WE DOING?



IN THIS SECTION

WHAT WE GAVE IN 2019

Breakdown of our social investment.

VOLUNTEERING

Encouraging our people to volunteer their time and skills.

SOCIAL IMPACT

Increasing charity and NGO impact through pro bono support, including Common Ground and our partnership with UN Women.

CREATIVE ACTIVISM

AGENCY
SCHOLZ & FRIENDS

CLIENT
THE FEMALE COMPANY

In Germany, tampons and other female sanitary products attract the top value added tax rate of 19% while many luxury goods – like truffles and oil paintings – are taxed with the reduced rate of 7%. The so-called tampon tax has already been abolished in some countries.

The Female Company, an online shop that sells organic female sanitary products, decided to take on the discriminatory tax. To gain attention for the tampon tax with media, influencers and politicians, Scholz & Friends outsmarted the tax law with the law itself.

The agency packaged tampons in books which are also taxed with the reduced rate of 7%. But *The Tampon Book* is much more than smart packaging that hacked the German tax system. *The Tampon Book* contains 45 pages with bold illustrations and empowering stories about menstruation, taboos and feminism and successfully promoted a petition that urged the German Parliament to discuss the abolition of the tampon tax.

It was subsequently announced that the reduced VAT rate will be charged for female sanitary products, and this became law in January 2020.

10,000
copies of the
book sold

Winner
Cannes Grand Prix and
four Lions

Data from: April – October 2019

 wpp.com/tamponbook



Charities and non-governmental organisations (NGOs) do vital work with limited resources. We can help boost their impact by providing communications and creative services on a pro bono basis (for little or no fee).

This work is mutually rewarding. While enabling our voluntary sector clients to raise money and awareness, recruit members, and achieve campaign objectives, pro bono work also provides opportunities for our people to work on fulfilling and sometimes award-winning campaigns that raise the profile of our companies.

Our pro bono work and social investment can also support progress toward the UN Sustainable Development Goals.

WHAT WE GAVE IN 2019 ^κ

Our pro bono work was worth £10.6 million in 2019 (2018: £11.3 million), for clients including UN Women and WildAid.

We also made cash donations to charities of £5.2 million (2018: £5.7 million). This resulted in a total social investment of £15.8 million (2018: £17.0 million), equivalent to 1.6% of reported pre-tax profits (2018: 1.4%).

WPP media agencies negotiated free media space worth £18.9 million on behalf of pro bono clients (2018: £23.8 million), making our total social contribution for the year £34.7 million (2018: £40.8 million).

VOLUNTEERING ^κ

In addition to providing donations and pro bono services, we encourage our people to volunteer their time. Half of our companies have formal volunteering policies in place (2018: 41%), and 61% organised volunteering activities for their people during 2019 (2018: 54%).

For example, VMLY&R celebrated its first anniversary in September by closing all 82 offices so its 6,500 people could volunteer to support their local communities. Among many examples worldwide, in Sydney they partnered with Clean Up Australia, the Salvation Army, Wesley Mission, and the local food bank, while in Auckland employees partnered with Auckland City Mission to help tackle public prejudices in New Zealand. The VMLY&R Worldwide Foundation Day will be repeated each year.



DOONATE

Every time you see a message from a charity, the charity has probably paid to get it there. So Mindshare created doonate, which enables users to donate their out-of-office autoreplies by turning them into media space for charities. This provides charities with a free space to send their message straight to people's inboxes. And you can make a difference, even when you are not around.

Mindshare UK encouraged all staff to turn on doonate over the Christmas holidays and raised £1,835 for the charities: The Big Issue Foundation, Tommy's, The Cure Parkinson's Trust and Rays of Sunshine.



Find out more at
doonate.com



FIGHTING CORONAVIRUS WITH CREATIVITY

AGENCY
MULTIPLE WPP COMPANIES

CLIENT
WORLD HEALTH ORGANIZATION

Communication is a critical part of the World Health Organization's strategy in the fight against Covid-19, as it works with governments, partners and stakeholders to encourage people to stay at home and adopt safe behaviours.

WPP is supporting the WHO on a pro bono basis by producing global and regional public awareness campaigns to help limit the spread of the coronavirus and its impact on society.

The partnership leverages the scale of our global resources, expertise and talent to assist the WHO in directly reaching the public with its life-saving communications. It involves a number of different WPP agencies, including Grey, GroupM, Hogarth, Hill+Knowlton, Inca, Motion Content Group, Ogilvy, Wavemaker and WPP Scangroup.

At the time of writing, global media partners including Al-Jazeera, Amazon, CNBC, CNN, Disney, Fox/National Geographic, Sky, Teads and Verizon (sourced by GroupM and Wavemaker) have donated more than \$20 million in media to support this effort.

The work shown here is a film from Grey New York called Five Heroic Acts, which stresses the importance of social distancing.

More examples of what WPP and our companies are doing to help – working with clients, governments and NGOs – can be found on our website, wpp.com.

SOCIAL IMPACT

Our support helps charities and NGOs to continue to grow their work in critical areas such as improving health and education, reducing inequality and protecting human rights. Pro bono work is often worth more than an equivalent cash donation as it raises awareness of our partners' work while helping to increase donations, recruit members, change behaviour and achieve campaign goals.

In 2019, our pro bono work created wider social benefits worth £92 million (2018: £91 million) in this way, including improved health and wellbeing in communities. Adding in our charitable donations and free media space as well as our pro bono work, the wider social benefits created in 2019 were worth an estimated £291 million (2018: £331 million).

i Find out more in Quantifying our impacts, pages 9 and 10

COMMON GROUND

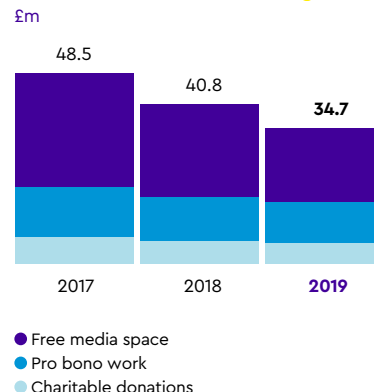
The power of communication will be essential in accelerating progress toward the United Nations Sustainable Development Goals. Common Ground is a collaboration between the world's six largest advertising and marketing services groups and the United Nations, created to serve that purpose.

WPP's focus is on gender equality (Goal 5), and particularly on tackling gender stereotypes in the media and promoting equal opportunities for women and girls.

Through our collaboration with UN Women we have set a new agenda for utilising our pro bono work to further equality through creativity. On International Women's Day 2019, the UN Women 'Unheard' campaign gave a voice to some of the amazing women fighting for human and women's rights around the world. Created by Wunderman Thompson, the campaign brought nine women's stories to life across social media thanks to more than \$1.5 million in pro bono media donations. The women also featured on billboards in Times Square. The stories included those of Diler Mavlonova, an advocate for women's leadership in Kyrgyzstan's water management, and Ana Vasileva, a Macedonian women's right activist and co-creator of the #ISpeakUpNow movement.

i Find out more at unheardwomen.org

TOTAL SOCIAL CONTRIBUTIONS [£]



£291m
wider social benefits from pro bono work, charitable donations and free media space in 2019

TALK TO ME

AGENCIES
WPP AND VML&R

CLIENT
THE NATIONAL OPIOID ACTION COALITION (NOAC)

Every 11 minutes someone dies in the United States from opioid misuse. Eleven out of 12 people with substance use disorder do not receive treatment, citing stigma as the main reason they do not seek it out.

We teamed up with iHeart Media and Fors Marsh Group to form the National Opioid Action Coalition (NOAC), with the aim to use public, private and pop culture influence to remove the stigma around opioid use disorder. We launched #TalkToMe to enable families, communities and workplaces to have honest conversations that reduce stigma so those suffering get the help they need. The campaign debuted at New York Advertising Week and launched nationally with \$15 million in free media.

\$15m
free media

Data from: September 2019



 wpp.com/talktome



CODE OF CONSCIENCE

AGENCY
AKQA

CLIENT
NGOs WORLDWIDE

A third of the world's protected nature reserves are under threat, with illegal deforestation a leading cause. Alongside a group of global NGOs, AKQA launched Code of Conscience: open source software that restricts the use of heavy-duty vehicles in protected areas.

The code is available for free and, for the first time, gives heavy-duty vehicle manufacturers the opportunity to be part of the solution to illegal deforestation.

An invitation comprising the Code of Conscience chip embedded in a wooden sculpture of an endangered animal has been sent to the CEOs of the world's top ten construction equipment manufacturers, with a vision for all new machines to leave the factory with Code of Conscience pre-installed.



10
manufacturers sent the code

2
countries considering making the code law

100+
coverage in over 100 countries, sparking positive change

Data from: September 2019 – February 2020



wpp.com/codeofconscience

ATTRACTING AND RETAINING TALENT

The insights, creativity, and expertise of our people are what bring our clients to our door. Our success depends on hiring and retaining the brightest, most forward-thinking people with the best and most original ideas.

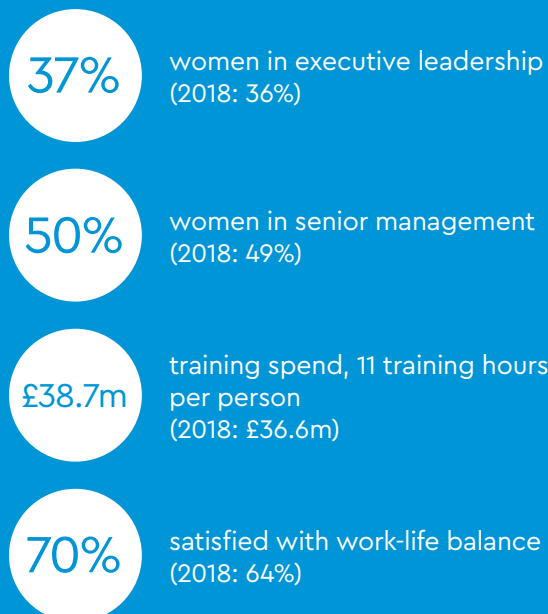
WHO'S IN CHARGE?

WPP's talent team, led by our Chief People Officer, supports leadership and human resources professionals in our companies, providing guidance on current issues and facilitating best practice sharing.

Our Head of Culture champions our values, collaboration and employee engagement, and our Global Director of Inclusion and Diversity champions inclusion across our companies.

Our Code of Business Conduct, Human Rights Policy Statement and Sustainability Policy set out our core principles for people management.

HOW ARE WE DOING?



IN THIS SECTION

SKILLS, TRAINING AND DEVELOPMENT

Creating opportunities for our people to learn and develop.

REWARD AND REMUNERATION

Offering attractive remuneration and benefits to win the competition for talent.

ENGAGEMENT AND FEEDBACK

How we engage with and listen to our people.

LABOUR RELATIONS

Supporting the rights of our people to join trade unions and to bargain collectively.

INCLUSION AND DIVERSITY

Increasing diversity and creating inclusive, values-led workplaces.

HEALTH, SAFETY AND WELLBEING

Supporting our people's physical and mental health and wellbeing.



STRENGTH IN NUMBERS

AGENCY
SANTO BUENOS AIRES



CLIENT
SPRITE



Sprite wanted to show Gen Z that there should not be any topics they feel too uncomfortable to talk about. So Santo launched You Are Not Alone, a series of forums on Reddit where young people can express their feelings on issues that make them feel isolated. To get the conversation started, Santo asked influencers to share their own experiences to show people they are not alone.

80%
increase in positive sentiment

300%
increase in free media

20x
more consumer engagement than previously

Date from: March 2019



5.993.714 OF US LIKE BOTH GIRLS AND BOYS

#NoEstasSolo

SKILLS, TRAINING AND DEVELOPMENT

By investing in training and development, we strengthen our creative, technical and leadership skills – including the skills needed to advise our clients on sustainability. Providing our people with opportunities for training and for professional and personal development also helps keep them engaged in their work and with the Company.

In 2019, we spent £38.7 million on training (2018: £36.6 million) and 66% of our people took part in an average 11 hours of formal training per person. In addition, almost 60,000 people accessed online courses through LinkedIn Learning (previously Lynda.com), which provides access to thousands of courses via desktop or mobile devices.

Around 900 of our leaders participated in our group leadership training programmes such as Maestro, which helps senior client-facing people build confidence and effectiveness. We are developing the coaching elements of our programmes to help leaders share the insights and skills gained through our programmes with their teams. During the year, we ran training for our top 200 global leaders on sustainability as a lever for innovation and growth.

In addition, we follow up with training participants to assess the effectiveness of a course and whether it has helped improve performance at work.

Development needs are assessed during a formal appraisal process. In 2019, 86% (2018: 76%) of our people had a formal appraisal, including 360-degree appraisals for 65% (2018: 66%) of executive leaders and 64% (2018: 66%) of senior managers.

Our people can find new roles within our companies in the UK, China and Singapore using our online job board, Springboard. In 2019, around 24% of vacancies were filled by people already working within the Company (2018: 23%).

INTERNSHIPS AND APPRENTICESHIPS

Internships and apprenticeships provide young people with valuable experience and WPP with access to an additional talent pool. All our internships and apprenticeships are paid positions that are accessible to people from all backgrounds. Many of our internships seek to attract diverse candidates. In 2019, the Company offered 11,000 paid internships and apprenticeships (2018: 8,977) in 53 countries, primarily in Brazil, China, Germany, South Africa and the United States.

For example, Wunderman Thompson Greece hosts a number of paid internships each year in cooperation with the official Advertising Association of Greece (EDEE) and the American College of Greece (DEREE), to offer young people real-life work experience. Six interns from the last two years now have full-time jobs at Wunderman Thompson. In London, M/Six offered paid six-week internships to three young people with autism, as part of the Ambitious About Autism exchange programme.

EDUCATION PARTNERSHIPS

We partner with schools, colleges and universities to promote careers in our industry and help develop a future talent pool with the skills we need. Our efforts range from large-scale corporate partnerships to support provided by our offices to local education providers. Many senior staff share their time and expertise as visiting lecturers and teachers. Our strongest focus is on countries where our industry is less well-established.

Examples include:

- WPP and Kantar's partnership with Oxford Saïd Business School's Future of Marketing Initiative, which brings together academic and industry partners to discuss the future of marketing in an increasingly digital, interactive, and complex world.
- Our partnership with D&AD's New Blood Academy, an intensive two-week course that prepares young creatives for jobs in the industry and provides WPP with access to the top talent seeking to start their careers.

84%

of our agencies discuss learning and development with applicants as part of their recruitment strategy

£38.7m

spent on training in 2019 (2018: £36.6m)

66%

of our people took part in formal training programmes (2018: 65%)

11,000

paid internships and apprenticeships offered during 2019

AFRICA ACADEMY

The WPP Africa Academy in Johannesburg provides training and development opportunities for all WPP agencies in South Africa. It aims to create a culture of learning and development for everyone from account managers to the CEO. In 2019, the Academy delivered on-site training to 17 agencies in the country. The training covered diverse topics from strategy and leadership coaching to social media masterclasses and presentation skills.

In 2020 the Academy will place 15 previously disadvantaged students into Digify Africa's award-winning 10 week intensive full-time bootcamp covering the A-Z of digital marketing practitioner skills. The students will then circulate through different WPP agencies for internship roles and could be offered the chance to stay on permanently.

REWARD AND REMUNERATION

The competition for talented people in our industry is fierce. To win, we need to offer attractive remuneration and benefits alongside rewarding work with opportunities to learn and develop.

Not all markets offer identical benefits, but they typically include retirement savings plans, health and wellness programmes, employee assistance schemes and life assurance. Many of our people also join our performance-based incentive plans.

WPP has operated worldwide stock option plans since 1997 and makes grants to more than 38,000 eligible employees each year. Senior people may participate in share-based incentive plans that align their reward with that of our shareholders.

Executive pay is set in accordance with our Directors' Compensation Policy and the UK Corporate Governance Code. The policy is designed to attract and retain the best available talent to WPP by incentivising Directors to develop their skills and their teams, and so deliver excellent client service and sustainable shareholder returns. In 2020, we will explore linking executive pay to WPP's new environmental targets.

i Find information about the CEO pay ratio in our Annual Report, page 132

FLEXIBLE WORKING

Flexible working can make work accessible to a broader pool of talent, including parents and people with caring responsibilities, helping to create a more diverse and engaged workforce. We estimate around 24% of our workforce had flexible working arrangements in place in 2019, such as part-time working, flexible hours, and home working, as well as career breaks and sabbaticals (2018: 25%). More than half of our companies (55%) offer parental leave benefits that exceed local legal requirements (2018: 48%).

38,000+
employees eligible for WPP
stock option plans

24%
of our workforce had flexible
working arrangements in 2019

COVID-19: IMPACT ON FLEXIBLE WORKING

At the time of writing approximately 95% of our people worldwide are working from home. During this period of remote working we have held regular video town hall meetings, and one of the most common questions from employees is about working from home when restrictions are lifted. Our employees have different needs and concerns, reflecting our diverse workforce. There is interest from some in continuing to work remotely. For others, particularly junior employees, there is a demand to return to working in an office. When we come through the current situation, the world – including the world of work – will have changed in ways that we cannot fully anticipate yet. We are reviewing our flexible work policy and putting plans in place to continue to support our people as their working environment evolves, be that at home or as we are able to reopen our offices.

ENGAGEMENT AND FEEDBACK

We use formal and informal mechanisms to assess and improve employee engagement and satisfaction.

People forums are one example, which were piloted in the UK in 2019. The views and ideas raised through these forums are shared with our Non-Executive Board Directors responsible for workforce engagement and with the full Board. See the case study below for more details.

Employee surveys help us assess and act on engagement and satisfaction levels. In 2020, we will launch our first Company-wide employee survey. We conducted the first inclusion survey in the UK this year and are currently analysing the results.

The vast majority (95%) of our companies carry out exit interviews with leavers, which often provide helpful feedback on our culture and practices.

Across our operating companies, sustainability enthusiasts are creating Green Teams to embed sustainability initiatives in their companies and drive change in their office.

For example:

- Wunderman Thompson London challenged its people to a Plastic Free July in 2019, with weekly prizes for those taking part.
- Planet H@Hogarth connected a global network of Green Teams during a Recycling Week packed with activities from film screenings to DIY homecare workshops.
- GTB's Dearborn 'Sustainability Matters' Green Team – part of a global network of Green Teams – hosted a Green Week with a series of talks, recycling drives, volunteering opportunities and a vegan cooking competition.

1 [Read more about GroupM's Mission Zero Working Group, page 40](#)

Input from our people also generates imaginative ways for WPP to help drive change at scale. For example, our Unpack the Problem hackathon brought together people from across WPP's London agencies for two days, to develop ideas for tackling plastic waste. The winning team, who designed a new "green" ecommerce search filter, now has an opportunity to transform their idea into an actionable solution to help reduce the impact of plastic on our planet.

53%

of employees took part in surveys on sustainability-related topics

95%

of our companies use exit interviews

LABOUR RELATIONS

We support the rights of our people to join trade unions and to bargain collectively, although trade union membership is not particularly widespread in our industry. In 2019, around 5% of our employees were either members of a trade union or covered by a collective bargaining agreement (2018: 6%). We held 1,507 consultations with works councils, mainly in Europe (2018: 476).

We have made around 3,500 redundancies as part of our transformation programme, as we merge and restructure some agencies and as a result of changes in our client base. We aim to support affected people through our employee assistance programmes.

In 2019, there were 44 cases against WPP companies reporting through employment tribunals and other external channels (2018: 47). We resolved 118 cases, including some reported in previous years. Of these, 54 were withdrawn, 21 settled, 31 judged against our companies and 12 judged in our favour.

In September 2019, several WPP agencies signed up to the Create and Strike initiative, committing to giving their employees time off to join the Global Climate Strike on 20 September, and to create materials to amplify the climate emergency message during the strike. The climate emergency is of growing concern to our people, and in 2020 we will roll out Climate Crisis training to equip our people with knowledge around the science of climate change and equip them to respond at home and at work.

PEOPLE FORUMS

To ensure our Board understands the views of our employees on WPP's purpose, values and strategy, in 2019 we established our first People Forum in the UK. Sponsored by our UK Country Manager, the Forum has representatives from across our UK business who gather feedback from their agencies to feed up to the WPP Board. The Board also consults the Forum on key people issues.

The UK People Forum met three times during the year. In its first meeting, the Forum identified the top five priorities for employees, which included 'creating cultures where all talent can thrive' (top priority) and 'sustainability' (third priority). As a direct result of feedback through this Forum, we are piloting a new Sustainability Knowledge Hub to share best practice and foster collaboration on sustainability issues across our agencies. We also launched the WPP Plastics Initiative (see page 41) and developed resources in collaboration with the Forum.

In 2020, we will roll out an India People Forum representing employees from Mumbai, Delhi and Bangalore.

INCLUSION AND DIVERSITY

Different backgrounds and perspectives are what drive creativity. A diverse and inclusive workplace is essential to our daily work and our long-term success. We work hard to make all our people feel valued and fulfilled at work, regardless of gender, ethnicity, age, or disability.

WPP does not tolerate harassment, sexual harassment, discrimination or offensive behaviour of any kind. We select and promote our people based on their qualifications and merit, without discrimination or concern for factors such as race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age, or disability. Our Code of Business Conduct sets out this commitment, applies to all our people and is available on our website, in our Policy Book and on our intranet. Our online ethics training, How We Behave, covers diversity and unconscious bias.

DISABILITY

We recruit, select and promote our people on the basis of their qualifications, relevant experience, and merit, without

discrimination or concern for disability. Candidates are assessed objectively against the requirements of the job, taking account of any reasonable adjustments that may be required for candidates with a disability. For people who develop a disability during their employment, we make adjustments to their working environment or other employment arrangements wherever possible, within a reasonable time frame and in consultation with the employee.

As an inclusive business we have signed up to the Valuable500, a global initiative that is putting disability on the boardroom agenda celebrating inclusion among 500 influential businesses. People who identify as being permanently disabled are the fastest-growing minority in the world and have disposable income of US\$8 trillion. We believe disability is big business. As part of our commitment, we launched our new Inclusive Experience Practice, which helps brands to reach and be relevant to the widest market possible by making their communications, products and services inclusive and accessible.

Industry Leader

recognition for WPP in the Bloomberg Gender-Equality Index

68%

of senior managers were recruited from the country or region in which they work (2018: 69%)

1bn

of the world's population identifies as being permanently disabled³

\$8tn

disposable income of disabled community⁴

I CAN'T HEAR
YOU IF YOU
DON'T
FACE ME.

1 in 6
people in the UK suffer
some form of
hearing loss

74%
of people with hearing
loss felt that their
employment
opportunities are limited

**68% of people with
hearing loss have felt
isolated
at work because of their
impairment**

We are launching our disability and neurodiversity support network, **Enable** to provide support for anyone affected by disability at Wavemaker.

We want to ensure we are best positioned to hire, develop and retain people with disabilities in our agency.

Want to get involved?
email Sarah Conway or William Breese



WM
WAVEMAKER
MEDIA. CONTENT. TECHNOLOGY.

SHINING A LIGHT ON DISABILITY

On International Day of Persons with Disabilities on 3 December 2019, Wavemaker launched WM Enable, a global initiative to promote understanding of disability and neurodiversity and support employees affected by a disability, whether visible or not. The agency also took part in #PurpleLightUp, which saw its global headquarters in London turn purple to draw attention to the economic empowerment of disabled people. Practical changes to come in 2020 include introducing a handbook containing policies, procedures and advice, as well as training developed in partnership with disability organisations.

³ Disability inclusion, The World Bank.

⁴ The Global Economics of Disability, 2016 Annual Report.

GENDER BALANCE K

Our overall workforce has an equal gender balance and 50% of our senior managers are women (2018: 49%). During the year the proportion of women in executive leadership roles increased slightly to 37% (2018: 36%). At Board level, the proportion of women is 40%, compared with 33% in 2018 and a FTSE 100 average of 32.4%⁶. We aim to reach parity.

In 2019, WPP joined the 30% Club, a campaign group of Chairs and CEOs taking action to increase gender diversity on boards and management teams to a minimum of 30% female representation.

We remain a committed signatory of the Women's Empowerment Principles, a guide for businesses on how to empower women in the workplace, marketplace and community. We are also a proud partner of UN Women, which is a significant beneficiary of our pro bono work.

i [Read more on page 23](#)

Our development programmes to support career progression for mid-level and senior women include:

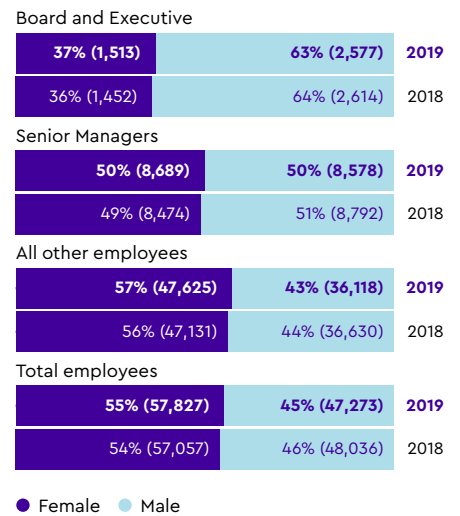
- Our WPP Stella network expanded to France and the United States in 2019, in addition to being active in India, Italy, Mexico, South Africa, Taiwan and the UK. It aims to tackle barriers that may prevent women progressing to the most senior roles. It runs events, networking opportunities, coaching and training and maintains a speaker database to raise the internal and external profile of our senior women.
- Our award-winning Walk the Talk programme aims to address gender imbalance at leadership level. It gives participants the chance to focus on their professional and personal ambitions and develop their confidence to take the next steps towards their goals. 234 senior female leaders had participated across 59 of our companies by the end of 2019.

- Our Propeller programme provides training and coaching for high potential women. It helps participants develop their cross-company networks and address the hurdles that women frequently encounter in their career progression. 98 women had completed Propeller by the end of 2019.
- Lumena, GroupM's global female development initiative, is run collectively by all the women involved in the programme and aims to ignite the future leader in all women by providing development opportunities, knowledge-sharing and an expanded network.
- Our Hero programme is a two-day workshop created by and dedicated to women, through which they can share experiences, increase self-awareness, and support one another's professional development.

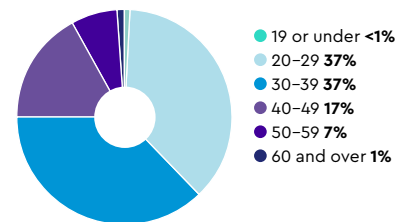
UNSTEREOTYPE ALLIANCE

WPP and our agencies support the Unstereotype Alliance, a UN Women initiative that seeks to eradicate harmful gender stereotypes from all media and advertising content. Since its inception, our agencies have been active within the Alliance, making commitments to eradicate stereotypes from their work, producing research that supports the Alliance's manifesto, and promoting diversity within their workforces. For example, following Berlin-Cameron's 'Girl Brands do it Better' campaign, the inclusive swimwear brand Chromat is now stocked in Nordstorm stores across the United States.

GENDER DIVERSITY



AGE DIVERSITY



⁶ 2019 Hampton-Alexander Review.

WPP: A GLOBAL COMPANY

NORTH AMERICA

WORKFORCE

23,000

GENDER BALANCE TOTAL WORKFORCE

42% 58%

EXECUTIVE LEADERS

57% 43%

UNITED KINGDOM

WORKFORCE

11,000

GENDER BALANCE TOTAL WORKFORCE

49% 51%

EXECUTIVE LEADERS

65% 35%

WESTERN CONTINENTAL EUROPE

WORKFORCE

21,000

GENDER BALANCE TOTAL WORKFORCE

44% 56%

EXECUTIVE LEADERS

67% 33%

CENTRAL & EASTERN EUROPE

WORKFORCE

5,000

GENDER BALANCE TOTAL WORKFORCE

38% 62%

EXECUTIVE LEADERS

61% 39%

LATIN AMERICA

WORKFORCE

11,000

GENDER BALANCE TOTAL WORKFORCE

48% 52%

EXECUTIVE LEADERS

60% 40%

AFRICA & MIDDLE EAST

WORKFORCE

6,000

GENDER BALANCE TOTAL WORKFORCE

44% 56%

EXECUTIVE LEADERS

61% 39%

ASIA PACIFIC

WORKFORCE

29,000

GENDER BALANCE TOTAL WORKFORCE

46% 54%

EXECUTIVE LEADERS

65% 35%

WORKFORCE

● People employed by WPP companies in a given region or country

GENDER BALANCE

● Male
● Female

HEALTH, SAFETY AND WELLBEING K

Supporting our people's physical and mental health and wellbeing is good for our people and good for business. The main health and safety hazards in our business are work-related stress and ergonomic injuries. 71% of our companies employ someone responsible for health and safety management (2018: 76%). There were no work-related fatalities in 2019.

The range of programmes on offer in our businesses include: fitness facilities and subsidised gym memberships; health and nutrition services, including health insurance and medical assessments; counselling and employee assistance services; and ergonomic risk assessments and specialist equipment.

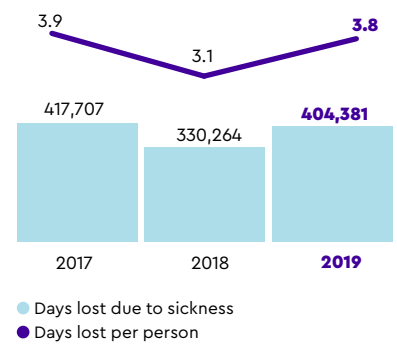
Our overall sickness absence rate in 2019 was 3.8 days per employee (2018: 2.9). This includes non-work-related illness and injuries, work-related illness and injuries, and occupational diseases such as work-related stress and ergonomic injuries.

MENTAL HEALTH

Work-related stress is one of our main – and growing – health and safety hazards. Though having good policies and procedures in place for managing mental health issues is important, we also need a working culture where people feel able to discuss concerns and seek support. In countries where very long working hours are the norm, our companies need to take additional measures. These can include overtime restrictions and monthly management reviews of overtime worked.

In 2019, mental health was a major focus for our companies in the UK. For example, Mindshare held a week of workshops as part of its Balance employee wellbeing programme while MediaCom trained employees as Mental Health Allies to provide mental health support to their colleagues when needed.

DAYS LOST DUE TO SICKNESS



BUILDING CONNECTIONS

AGENCY
DESIGN BRIDGE

CLIENT
LIPTON

One in three people feel lonely. Just 15 minutes of quality connection a day can help reduce this feeling. To shine a light on the issue and encourage positive action, Lipton turned to Design Bridge. #YouMeTeaNow launched on World Mental Health Day and asks people to reach out and take a time-out with others over a cup of tea. Recognising that loneliness is never far away, we kicked the campaign off at work. Employees at Unilever and Design Bridge stepped away from their desk to help combat loneliness, one cup of tea and one connection at a time.

90m
people across
37 countries
got involved

1m
reached
within 24hrs

Data from: October 2019

HELP ME FIND A WAY

AGENCY
VMLY&R

CLIENT
AMENA AUTISM CENTER



The Amena Autism Center wanted to demystify autism, which is being diagnosed more often in the Middle East. To get the message out that understanding and helping people with autism can be challenging but not impossible, they turned to VMLY&R. This eye-catching print campaign was designed to raise awareness of autism and promote social inclusion as a basic human right for children with autism.

25%

increase in phone calls to the charity

Data from: April 2019



Autism is challenging, but not impossible.

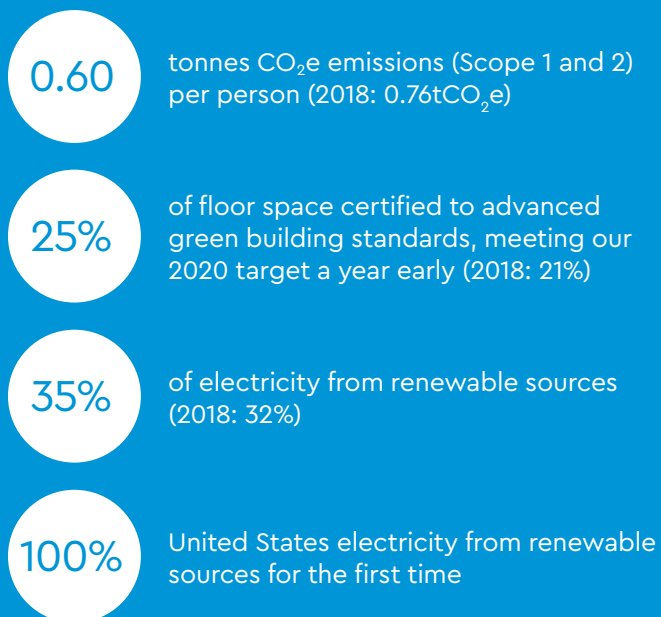
ENVIRONMENT

We support urgent action to tackle the climate crisis and aim for net zero carbon emissions in our Campuses by 2025.

WHO'S IN CHARGE?

Our Group Chief Counsel and Head of Sustainability has operational responsibility for managing our response to climate change. She gave an annual assessment of sustainability risks and opportunities (including climate change) and performance to the Board. At Board level, the newly formed Sustainability Committee has responsibility for sustainability and climate change, and meets a minimum of four times a year.

HOW ARE WE DOING?



IN THIS SECTION

OUR CLIMATE STRATEGY

Our response to the climate crisis, including new carbon targets and support for the Taskforce on Climate-related Financial Disclosures (TCFD).

REDUCING ENERGY USE FROM OUR BUILDINGS AND IT

Including our Campus strategy.

RENEWABLE ENERGY

Including purchasing 100% of electricity from renewable sources in the United States for the first time this year.

AIR TRAVEL AND OFFSETTING

How we seek to minimise our impact through air travel.

VALUE CHAIN EMISSIONS

Breakdown of our Scope 3 emissions.

CIRCULAR ECONOMY

Our approach to managing waste and resources, and our new plastics initiative launched in 2019.



WHY WAIT?

AGENCY
GEOMETRY

CLIENT
**ESSENTIAL COSTA RICA
AND PRESERVE PLANET**

Countries around the world are legislating to ban single-use plastics. But at 564 tons of plastic waste a day, Costa Rica asked, "why wait?". Geometry asked eco-activists across Costa Rica to take photos of products with unnecessary layers of plastic and share them on social media. The team then asked a group of young product designers to create sustainable alternatives that save time, save money, and save our planet. These solutions were published online so that companies could find and implement them.

In just six weeks post-launch, the campaign had generated:

255m fewer plastic pieces
450,000 likes
196 solutions created

Data from: March - April 2019

OUR CLIMATE STRATEGY

We support urgent action to tackle the climate crisis through the Paris Climate Agreement.

We recognise that modern lifestyles have contributed significantly to the climate crisis and environmental degradation. We also know the threat these impacts pose to global social and economic development. Advertising has undoubtedly played a role in fuelling consumerism – but we are excited about the part it can now play in promoting low-impact and regenerative living.

Our environmental management programmes are reducing our carbon emissions and broader environmental impact, while helping us to identify and mitigate climate-related risk. These programmes reduce costs and business risks, while meeting our clients' and colleagues' expectations.

In 2018, we committed to halving our scope 1 and 2 emissions intensity by 2030, from a 2017 baseline. We use a carbon intensity target per person, as headcount is closely linked to levels of business activity and this allows us to reflect the impact of acquisitions and disposals without needing to adjust our baseline. Our target was developed to align with climate science using a methodology aligned to the Science Based Target Initiative.

This year, we are going further, setting a new goal to reach net zero carbon emissions in our Campuses by 2025. We also plan to complete a scope 3 carbon inventory in order to set net zero commitments across our value chain.

To achieve our target, we are focusing on two areas:

- Reducing emissions from our buildings and IT: we met a year early our goal for 25% of our floor space to be certified to recognised green building standards by 2020. We are also reducing energy use through office consolidation and IT transformation.
- Purchasing renewable electricity: our goal is for 100% of the electricity we buy to be from renewable sources by 2025.

Our target builds on our progress to date. We have cut carbon emissions intensity (scope 1 and 2) by 69% and absolute emissions by 58% since 2006.

We aim to reduce business air travel and offset unavoidable emissions, as described on page 39.

We participate in the CDP Climate Change programme to disclose our climate strategy and performance to a collaboration of institutional investors. In 2019, our score dropped to B from A- in 2018, mainly due to our score for governance of climate-related issues and being unable to report on our full scope 3 inventory at the time of reporting. While disappointing, we now have measures in place to help to restore our score. These measures include strengthened governance through our new Board-level Sustainability Committee, and the work on scope 3 emissions described on page 40.

TARGETS AND COMMITMENTS

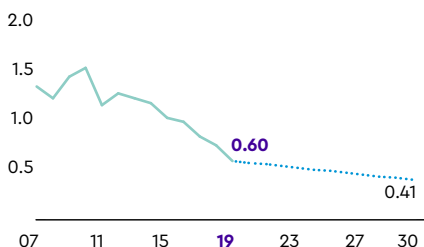
0.41
tonnes of CO₂e per employee by 2030 aligned with climate science – a 50% reduction from 2017

100%
renewable electricity by 2025

Net zero
carbon emissions in our Campuses by 2025

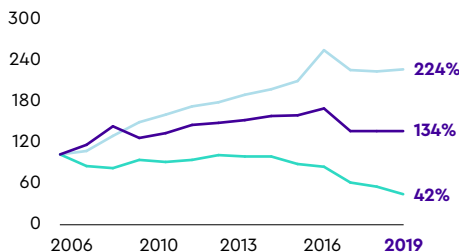
100%
of emissions from air travel offset through the purchase of high-quality carbon credits

SCOPE 1 AND 2 (MARKET BASED) ^K
TONNES CO₂e EMISSIONS PER PERSON



● Headcount intensity
● Target headcount intensity

DECOUPLING EMISSIONS FROM BUSINESS GROWTH¹



● Revenue
● Headcount
● Emissions

¹ The financial results for 2019 are based on the Group's continuing operations and the results of Kantar are presented separately as discontinued operations. The 2017 and 2018 reported numbers have been re-presented in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

TASKFORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

We support the Taskforce on Climate-related Financial Disclosures (TCFD) and are developing our disclosures in line with its recommendations. This is reflected for the second year in our reporting on climate change in our Annual Report. The TCFD seeks to encourage businesses to disclose climate-related risks and opportunities and is structured around four themes: governance, strategy, risk management, and metrics and targets.



To read our TCFD disclosure and full carbon emissions statement, see our Annual Report, pages 196-197 and 199

REDUCING ENERGY USE FROM OUR BUILDINGS AND IT ^K

We are reducing our energy use and carbon footprint by moving our offices to low-carbon, energy-efficient buildings. Simplifying our structure and consolidating office space is also having an impact, by reducing the number of offices we occupy, and moving to locations that use space more efficiently and encourage collaboration between our companies. In 2019, we opened new Campuses in Amsterdam, Bucharest, Madrid, Mumbai and New York. We expect around 75,000 of our people to be working in co-located offices by the end of 2023.

We apply green building standards to help us reduce our impact. When we lease, purchase, fit out or renovate a building larger than 50,000 square feet, we require it to be certified to an internationally-recognised standard such as the US LEED standard or the UK BREEAM standard. We estimate this reduces energy use by around 21% per location.

In 2019, over 4.9 million square feet accounting for 25% of our total floor space, was certified to a recognised standard (2018: 21%), meeting our target of 25% by 2020 a year early. We have made steady progress since 2007, when 1% of our floor space was certified. Smaller offices must either be certified or assessed against our own scorecard covering energy and carbon, water, materials and waste, travel, and health and safety.

We continue consolidating the number of servers we use, which further reduces energy consumption. In 2019, we decommissioned over 4,800 servers and moved around 1,400 older servers to best-in-class data centres.

In addition to energy reductions, we aim to design and run our offices in a way that promotes wellbeing. Considering factors such as indoor air quality (especially in large cities), thermal comfort, lighting levels, noise and acoustics is good for our people and can help boost productivity.

Net zero

carbon emissions in our Campuses by 2025

25%

floor space certified to advanced green build standards, meeting our 2020 target a year early

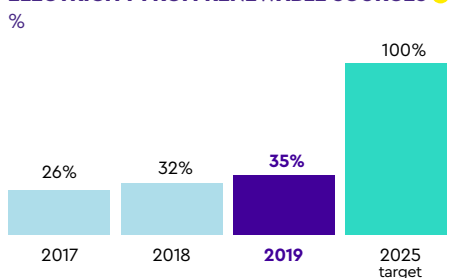
RENEWABLE ENERGY ^K

In 2019, we purchased 35% percent of our electricity from renewable sources, up from 32% in 2018 and signalling progress towards our new target of 100% by 2025.

We now purchase green electricity in 20 countries, with five countries covering 95% of our purchases: United States, UK, Germany, Italy and Sweden. We continue to explore opportunities to expand to other markets.

As green-tariff contracts are not available in all locations, we purchase renewable energy certificates (RECs) in the United States, our largest market. Each REC purchased is equivalent to 1MWh of renewable energy and promotes investment in renewable energy generation. We purchased 44,914 Green-e Energy certified RECs for 2019. This reduced our scope 2 market-based emissions in the United States by around 18,994 tonnes compared to the location-based total.

ELECTRICITY FROM RENEWABLE SOURCES ^K



35%

electricity purchased from renewable sources (2018: 32%)

44,914

Green-e Energy certified RECs purchased for 2019

100%

electricity from renewable sources in the United States for the first time

AIR TRAVEL AND OFFSETTING

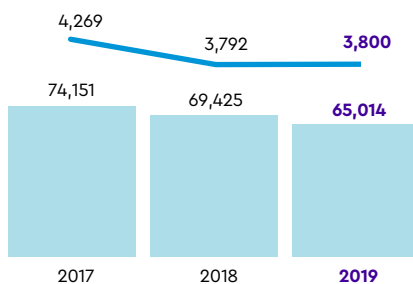
In 2019, air travel accounted for around half of our reported carbon footprint. To offset the resulting emissions, we began purchasing high-quality carbon credits in 2007, and have since purchased and permanently retired 1.55 million carbon credits, which get charged to each of our operating companies to create an internal carbon cost.

We purchase the credits through South Pole Group, a company that develops emission-reduction projects. In 2019, we invested almost £160,000 to support four renewable energy-generation projects in Brazil, China, India and Indonesia. Together, these projects generate over 2.8 million MWh of renewable electricity a year and support 11 of the UN Sustainable Development Goals.

We have been investing in videoconferencing and remote working capabilities as part of our IT Transformation Programme. Videoconferencing is integrated into our online collaboration platforms, enabling colleagues to join virtual meetings anytime, anywhere. Our teams can run webcasts with up to 500 participants.

Our videoconferencing capabilities have supported our business operations in their transition to remote working as a result of the Covid-19 pandemic response. We are working to ensure best-practice in virtual meetings and events is captured to support virtual working in the future and reduce air travel where other options are available.

CARBON EMISSIONS FROM AIR TRAVEL/ MILES TRAVELED PER HEAD



Scope 3 emissions from business air travel CO₂e
 ● Total emissions from air travel
 ● Miles travelled per head

100%
 of our air travel emissions offset through high-quality carbon credits since 2007

1.55m
 carbon credits purchased and permanently retired since 2007

SUPPORTING GEOTHERMAL ENERGY AND SUSTAINABLE DEVELOPMENT IN INDONESIA

With over 150 active volcanoes and 40% of the world's geothermal reserves, Indonesia has huge potential for producing clean energy. Through our offsetting programme we support the Gunung Salak project, the first geothermal energy plant in Indonesia, which is helping the country to meet its growing energy needs from non-fossil fuel sources. As it develops, this project is investing heavily in sustainable development by providing skilled employment opportunities in a rural community, supporting regional education programmes and offering vocational training to unemployed local people. In total the project generates around 1.4 million MWh of renewable energy each year, mitigating more than 105,000 tCO₂e in carbon emissions. Its sustainable development programmes have invested 1.1 billion IDR in community services in rural Java.



VALUE CHAIN EMISSIONS

Carbon emissions from our value chain (scope 3) are many times greater than those from our own operations (scope 1 and 2). We aim to work with suppliers to reduce these emissions, and are exploring how to set a reduction target in line with climate science.

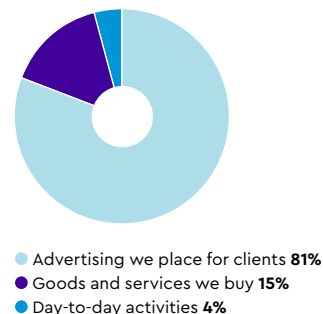
The pie chart shows an estimated breakdown of our emissions by source, based on analysis of our UK emissions.

The three main categories are:

- Day-to-day activities: direct scope 1 and 2 emissions from running our business, including office energy use, and scope 3 emissions from business air travel, employee commuting and waste disposal. Office energy use is covered by our current carbon target, and we offset 100% of our emissions from business air travel.
- Goods and services: scope 3 emissions associated with the goods and services we buy from supplier partners to create marketing campaigns for clients and to run our business.
- Advertising we place for clients: scope 3 emissions from the physical distribution of advertising.

In 2020, we plan to complete a scope 3 carbon inventory in order to set net zero commitments across our value chain.

CARBON EMISSIONS IN OUR OPERATIONS AND VALUE CHAIN
%



WORKING TOWARDS ZERO-CARBON MEDIA

In 2019, GroupM set up a working group to define the role of media agencies in a zero-carbon future, with representatives from GroupM and each of its agencies.

The group has developed a blueprint that addresses the strategic and organisational changes required for agencies to succeed in a zero-carbon world. One example is a carbon calculator for media plans, developed by MediaCom in partnership with carbon offsetting partner, CO₂balance.

The calculator gauges the carbon footprint of delivering a media plan, taking into account the channels used. The results allow us to adjust the media mix to reduce a plan's carbon footprint, and enables clients to offset the overall carbon footprint of their media strategy.

MediaCom North has been awarded The Planet Mark sustainability certification for committing to reduce its carbon footprint year-on-year.

CIRCULAR ECONOMY

In 2019, WPP committed to take the "plastic" out of "Wire and Plastic Products" by:

- phasing out plastics that cannot be reused, recycled or composted across all of our 3,000+ agency offices and Campuses worldwide by the end of 2020;
- signing up to the New Plastics Economy Global Commitment led by UN Environment and the Ellen MacArthur Foundation which aims to unite businesses, governments and other stakeholders behind a common vision for a plastics system that works; and
- pledging to work with clients and partners to drive consumer change at scale.

We use the Ellen MacArthur Foundation definition of single-use plastics: plastic items intended to be used just once before they are thrown away, and which cannot be reused, recycled or composted after use.

Our new Circular Economy Plastics Policy and Plastics Playbook provides each of our agencies and offices with practical guidance on how to phase out plastic waste, with resources including: a plastics audit template; jargon buster; and tips on how to reduce recycling contamination.

Our agencies are all at different stages of the journey. As an early adopter, MediaCom UK has already achieved the A Plastic Planet Commitment Mark, while other agencies are still developing the best approach for them. To share best practice between agencies, we are piloting a new WPP Sustainability Knowledge Hub – an interactive forum where people can discuss what works and what does not in the mission to reduce plastic waste.

Phasing out single-use plastics across our offices is an ambitious goal but our greatest impact is through our client work. We have worked with more than 60 clients to help them reduce their own single-use plastics use, supporting our clients across four core areas of expertise:

- 1 Navigating a complex regulatory framework: helping companies shape the debate and secure their place in the new circular economy.
- 2 Product and packaging design and innovation: redesigning products and packaging to reduce or remove plastic and rethink how products reach (and are used by) consumers.
- 3 Consumer engagement and behaviour change: to change social norms and mobilise consumer action.
- 4 Partnerships and activism: to build credibility and drive change at scale.

WASTE AND RESOURCES ^K

We aim to use resources carefully and to reduce and recycle as much as possible. Our main waste types are electronic waste and office consumables such as paper, card, cans, plastic bottles and toner cartridges.

In 2019, the Company generated 8,578 tonnes of waste (2018: 9,598) of which we recycled 56%. Of the remaining waste, 17% was incinerated with energy recovery (2018: 9%) and 83% was disposed of via landfill, incineration without energy recovery, or an undetermined method (2018: 91%). We have identified preferred recycling partners for our operating companies in all major markets and we work with landlords on waste management in the properties we lease.

DESIGN FOR RECYCLING

Our new WPP Campuses are a great opportunity to design out plastic waste, implement effective recycling infrastructure and encourage sustainable behaviour. We provide reusable water bottles and cups when people move into Campuses, and have been experimenting to find the optimal signage, placement and design of recycling bins, learning from work our Ogilvy behavioural scientists carried out with clients including WRAP and Costa Coffee.

These techniques are not limited to new Campuses and are also being rolled out at existing sites including our global headquarters in London.

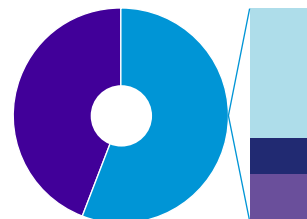
Our people are the driving force behind some of these changes. In New York, Ogilvy's Young Professionals Network (YPN) has worked with the café and building management at its Chocolate Factory offices to eliminate plastic straws and switch from plastic salad boxes to compostable, corn starch-based containers.

56%
of our waste recycled
(2018: 54%)

17%
of non-recycled waste incinerated with energy recovery (2018: 9%)

WASTE RECYCLED
%

- Proportion recycled waste **56%**
- Proportion non-recycled waste **44%**



- Waste sent to landfill or unknown destination **61%**
- Incinerated without energy recovery **22%**
- Incinerated with energy recovery **17%**



CHALLENGING MEATY NORMS

AGENCY
DAVID

CLIENT
BURGER KING

In the United States, animal farming is responsible for half of the carbon emissions released into the atmosphere, even if it is only responsible for 3% of the calories in our diet (LCA Impossible Foods 2019). When Burger King wanted to reduce the environmental impact of the Whopper, they turned to DAVID to help get meat-eaters to try something new. The Impossible Whopper looks, smells and tastes just like a Whopper should, but the plant-based patty delivers that same great Whopper taste with an 89% drop in carbon emissions. It is almost impossible to believe that helping the planet could taste so good.

13bn
impressions

\$140m
in earned media

10 yrs
best-selling product
launch in 10 years

89%
reduction in GHG
emissions achieved
by each Impossible
Whopper compared
to meat-based
equivalents

Data from: April 2019



wpp.com/impossiblewhopper

EVERYDAY CLIMATE ACTION

AGENCY
H+K STRATEGIES

CLIENT
DOCONOMY

When Swedish fintech Doconomy wanted to find an innovative solution to addressing the climate crisis, they turned to H+K Strategies. Alongside RBK Communication, H+K helped them create DO Black: a credit card with a carbon emission limit, which stops you from overspending not based on available funds but on the impact caused by your consumption. It blocks transactions exceeding the CO₂ limit, disables the credit card and notifies the cardholder, giving people a real feel for their carbon footprint.



\$100m
in earned
media

10,000+
registered users
in Sweden

80+
banks and credit card
companies discussing
collaboration

Winner
Cannes Grand Prix
and a silver Lion

Data from: April 2019-January 2020



wpp.com/doblack



SUPPLY CHAIN

We expect the companies we work with to meet high ethical, human rights, workplace and environmental standards. However, with over 130,000 companies in our supply chain, some risks will remain. We endeavour to mitigate these risks.

WHO'S IN CHARGE?

Our Group procurement team is led by our new Chief Procurement Officer and manages centrally negotiated contracts with preferred suppliers. A significant proportion of additional procurement is delivered through contracts negotiated by budget holders within our operating companies. Our sustainability team provides Group Procurement and our companies with guidance on the implementation of our responsible sourcing standards.

HOW ARE WE DOING?

- CODE OF CONDUCT** All suppliers must read and sign our Supplier Code of Conduct
- 12 MARKETS** Pre-selection questionnaire with integrated sustainability criteria rolled out across 12 key markets, with an intent to roll out to further markets during 2020
- REVIEW** Redeveloping our approach to supply chain management and responsible sourcing
- 1.6%** of procurement spend in the United States is with certified diverse suppliers (2018: 2.1%)

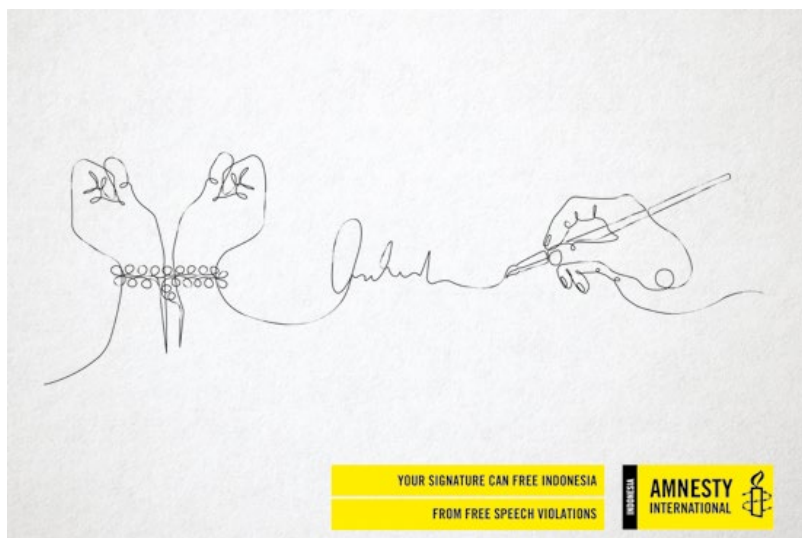
IN THIS SECTION

OUR SUPPLY CHAIN

Setting and communicating clear supplier standards, and embedding sustainability criteria within our supplier selection and onboarding process.

HUMAN RIGHTS

Managing human rights and modern slavery risk, and promoting human rights.



THE POWER OF PEN ON PAPER

AGENCY
GREY

CLIENT
AMNESTY INTERNATIONAL

Amnesty International wanted to show Indonesians that a single signature can make a big impact. So Grey created Signature, a poster series chronicling the role petitions can play in ending human rights violations such as child marriage and gender-based violence, and calling for Indonesians to take action by putting pen to paper.

25%
increase in signature pledges to Amnesty International Indonesia

Data from: October-December 2019

YOUNG BRIDE

AGENCY
WUNDERMAN THOMPSON

CLIENT
THE LEBANESE WOMEN DEMOCRATIC GATHERING

Over 3,000 child brides were legally married in Lebanon in 2018. Wunderman Thompson turned the tables on the tradition through the website young3arous.com, a fake e-matrimony child bride site. To highlight the plight of child brides, a film tells the story of a 12-year-old girl, in a white wedding dress and veil, marrying a man who looks old enough to be her grandfather. The story gained traction across media and instigated a demonstration to change the law which reached Parliament.

6m
people engaged in the campaign

The proposed new law to raise the legal age of marriage to 18 was presented to Parliament once more for hearing



Data from: October-November 2018

wpp.com/youngbride

OUR SUPPLY CHAIN

Our suppliers fall into two main categories: those providing goods and services that we use to run our companies such as IT, travel, telecommunications, professional services and facilities; and those providing services used in client work, such as advertising production and market research.

In 2019, we commissioned an independent consultancy to assess the maturity of our supply chain management policies and processes. Following this evaluation, our new Chief Procurement Officer is leading a complex programme of activities designed to evaluate and implement a modernised procurement ecosystem and infrastructure. This work includes a project to develop an automated consolidation of our supply chain systems across WPP in order to upgrade data insights on our suppliers. Working with Group Procurement, the sustainability team is conducting an exploratory project on how to embed new controls and processes to develop a more mature responsible sourcing programme.

SOURCING STANDARDS

Our expectations of suppliers are set out in our [Supplier Code Of Conduct](#), which is based on the Code that applies to all WPP companies and people. The supplier version includes requirements relating to labour practices (such as anti-harassment and discrimination, and health and safety), human rights (including modern slavery issues such as child, forced or bonded labour), social impacts (such as anti-bribery and corruption) as well as other sustainability issues. Our Code requires suppliers to apply similar standards to companies within their own supply chain.

SUPPLIER SELECTION

We have already established due diligence processes to help us select suppliers that meet our responsible sourcing standards, and we work with them to positively influence the wider supply chain. This reduces risks to our business and clients and enables us to respond to the growing number of client tender processes that include supply chain management criteria.

As part of our supplier onboarding process, we evaluate potential new suppliers on factors such as assurance of supply, quality, service, cost, innovation and sustainability.

Our procurement policy requires that anyone who buys goods and services in any WPP company considers sustainability risks and criteria to determine whether suppliers are fit for purpose. Supplier partners must read and sign the WPP Supplier Code of Conduct, confirming that they will comply with our standards, and we include a right-to-audit clause in purchase orders where appropriate.

To continue to strengthen our due diligence, in 2019 we completed the roll-out of two additional supplier pre-selection questionnaires across 12 of our largest markets. The first questionnaire is for use with potential new suppliers. It assesses compliance with our core standards in areas such as legal compliance, labour and human rights practices, environment and supply chain management. The second, more detailed information request, will help us to monitor standards in our supply chain and work with suppliers to address gaps and risk areas.

Any "flags" raised in this process are immediately sent to the global sustainability team for investigation before any further onboarding takes place.

As part of a wider transformation of our procurement data systems and processes, we will conduct comprehensive assessments of a selection of our suppliers within high-risk countries (e.g. for issues such as modern slavery) and will embed responsible procurement guidance and any changes or updates to processes as required.

SUPPLIER DIVERSITY

We work with many small and diverse suppliers and this can be a source of new ideas and creativity. In the United States, around 1.6% of spend (2018: 2.1%) is with certified diverse suppliers including women- and minority-owned businesses. Our data does not capture the number of small suppliers. We have recently expanded our data collection to cover some of our European markets, and aim to report on this next year.

HUMAN RIGHTS

Respect for human rights is a fundamental principle for WPP. We aim to prevent, identify and address any negative impacts on human rights associated with our business activities.

We look for opportunities to promote human rights, in areas such as our pro bono work.

i See examples of our pro bono work, pages 22-24

Our [human rights policy statement](#) summarises our approach. It reflects international standards and principles, including the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the Children's Rights and Business Principles.

We are a member of the [United Nations Global Compact](#) and report progress against its 10 principles annually. This report forms our fifth annual communication on progress.

i See reporting standards index, pages 61-64

Our most direct impact on human rights is as a major employer. We recognise the rights of our people, including those relating to freedom of association and collective bargaining, and we do not tolerate harassment or any form of forced, compulsory or child labour.

Human rights are included in the ethics training completed by all employees, which we updated during the year as part of a wider commitment.

i See 'Attracting and Retaining Talent', pages 25-34

We work with clients to manage any human rights risks from marketing campaigns, for example by protecting children's rights in relation to marketing. WPP companies will not undertake work designed to mislead on human rights issues.

MODERN SLAVERY

We do not tolerate any form of modern slavery in our business or supply chain.

WPP recognises the prevalence of modern slavery across all countries. We aim to implement appropriate measures to mitigate the risk of it occurring, either in our own operations or those of our partners. To this end, we are working with a transnational crime consultant to help us re-evaluate our approach to managing modern slavery risks within our supply chain.

As part of our due diligence process, our supplier questionnaires include an assessment of modern slavery risk. In 2019, we updated our Global Supplier Agreement to include a specific clause relating to modern slavery.

In line with the Australian Modern Slavery Act, our Group procurement team has re-evaluated our supply chain and conducted a risk assessment on a selection of direct suppliers based on country, category, industry and spend.

WPP is also committed to working with other businesses and governments to act against modern slavery. In the UK, we are a member of the Home Office Business Against Slavery Forum (BASF) and are on the Steering Committee of the inaugural Business Against Slavery Conference, which aims to bring together businesses and leading experts to consider best practice business responses to risks of modern slavery.

i To learn more download our Modern Slavery Act Transparency Statement

TRANSPORT INITIATIVE FOR SURVIVORS OF MODERN SLAVERY

Using public transport to reach job interviews or appointments is prohibitively expensive for many survivors of modern slavery and can be a barrier to recovery.

In 2019, we supported the launch of an initiative, alongside charity Hestia, the Rights Lab from The University of Nottingham, The Salvation Army, Transport for London, and other companies, to understand the transport needs of survivors of modern slavery in London and build the evidence needed to push for policy change in this area.

From December 2019 to February 2020, 100 survivors of modern slavery in London received Oyster cards, which were topped up fortnightly.

They then took part in surveys and interviews to provide qualitative and quantitative data. The findings will be published after further analysis in late 2020.

The Rights Lab said, "It is through research and evidence gathering such as this that we start to get an insight into the daily realities for survivors of modern slavery and can understand what is needed to enable them to thrive and not fall back into exploitative situations".

Hestia said, "We are incredibly grateful to WPP for their support to this important and innovative project. Transport poverty is a significant barrier in the recovery and integration of survivors of modern slavery whom we support."

RESPONSIBLE BUSINESS

We can reduce risks to our business and clients by establishing clear policies and procedures in areas such as data security, ethical conduct, supply chain management, and human rights, and by being transparent about our progress.

WHO'S IN CHARGE?

Our Group Chief Counsel and Head of Sustainability has operational responsibility for sustainability. She heads our central sustainability team, which develops strategy and coordinates sustainability projects and data collection. Our Group Chief Privacy Officer leads our work on privacy and partners with our companies as well as our security and audit teams to promote privacy best practices. At Board level, the newly formed Sustainability Committee is responsible for sustainability.

HOW ARE WE DOING?

- 57,000+** more than 57,000 people completed ethics training in 2019
- DISABILITY POLICY** Disability Policy launched
- CHARTER UPDATE** Data Privacy and Security Charter updated to include Artificial Intelligence Statement

IN THIS SECTION

TRANSPARENCY AND TRUST

Our standards, policies and procedures, including our Code of Conduct.

PRIVACY AND DATA ETHICS

Managing human rights and modern slavery risk, and promoting human rights.

TAX POLICY

Summary of our tax payments in 2019, as well as our approach to tax planning and transparency.

GOVERNANCE AND MANAGEMENT

Embedding sustainability in our companies and engaging our stakeholders.

SHUT DOWN TO OPEN UP

AGENCY
VMLY&R AND WAVEMAKER

CLIENT
GAZETA.PL

When liberal news portal Gazeta.pl wanted to start a national debate in Poland about everyday sexism and gender inequalities, they turned to VMLY&R and Wavemaker for help. The agencies suggested they team up with MasterCard and BNP Paribas to buy *Twój Weekend* (*Your Weekend*), one of Poland's longest-running and most-read adult magazines. And then close it down. Before they shut it down, the team reimagined its last issue, The Women's Issue, filling regular sections and columns with content on gender portrayal, sexism, equal rights and more. The project is supported by an advertising campaign, including outdoor, media, cinema, radio, press, social media and online.



4.5m organic reach
25m media impressions

Winner

Cannes Titanium Lion, Grand Prix, and three bronze Lions

Data from: March 2019

wpp.com/thelasteverissue



TRANSPARENCY AND TRUST

We set clear standards, policies and procedures to ensure high levels of transparency and trust throughout our business.

OUR CODE OF CONDUCT

Our policy framework and training set clear ethical standards for our people and companies.

The WPP Code of Business Conduct summarises our principles and key policies that apply to everyone at WPP. It is underpinned by more detailed policies on anti-bribery and corruption, hospitality and gifts, facilitation payments, the use of third-party advisors, human rights and sustainability. In 2019, we implemented a new Disability Policy.

We require our people to take our online ethics training, *How We Behave*, on joining and then on a regular basis, including after each update (at least every two to three years). Topics include diversity, human rights, conflicts of interest and avoiding misleading work. More than 57,000 employees completed the training in 2019. In 2020, *How We Behave* will be refreshed and new modules will be introduced on sustainability and business integrity.

Our online training on anti-bribery and corruption covers the requirements of the Foreign Corrupt Practices Act and UK Bribery Act, including issues such as hospitality and gifts, facilitation payments and the use of third-party advisors.

MANAGEMENT AND COMPLIANCE

Our Group Chief Counsel and Head of Sustainability oversees our approach to ethics and compliance. Senior managers in all our companies and our business and supplier partners are asked to sign a copy of the WPP Code of Business Conduct each year to confirm they will comply with its principles. Since 2019, our newly-established Board-level Sustainability Committee and Executive Committee sustainability working group provide additional oversight and guidance on any ethical issues that may arise.

Our people can report concerns or suspected cases of misconduct confidentially through our independently managed Right to Speak facility, which is overseen by our legal and business integrity teams and is available via phone or email in local languages. We publicise the facility in induction packs, on our intranet, in the WPP Policy Book and via our ethics training.

In 2019, we received 361 reports (2018: 200) via Right to Speak, all of which were followed up, investigated where appropriate by our legal, business integrity and internal audit teams, and reported to the Audit Committee.

ASSOCIATES, AFFILIATES AND ACQUISITIONS

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 that are consistent with our own.

Our due diligence process for acquisitions and expansion into new markets includes a review of ethical risks including those relating to bribery and corruption, human rights or ethical issues associated with client work.

We identify any specific human rights risks associated with different countries of operation, using sources such as the Transparency International Corruption Index, Human Rights Watch country reports and government guidance.

Acquired businesses must adopt our policies and their people must undertake our ethics training within a month of joining WPP. This is agreed in an integration plan before the acquisition is finalised, and we monitor progress.

PUBLIC POLICY

Most of our public policy activity is work that our public affairs businesses carry out for clients, including direct lobbying of public officials and influencing public opinion. On occasion, we also advocate on issues that affect our business.

We believe that business can make a valuable contribution to public policy debate, but that to protect the public interest it is important to conduct all lobbying with integrity and transparency.

Our public affairs companies include: Burson Cohn & Wolfe and its affiliates (Prime Policy Group and Direct Impact); Penn Schoen Berland; Finsbury; Glover Park Group; and Hill+Knowlton Strategies and its affiliates (OGR and Benenson Strategy Group). The majority of their work takes place in the United States and the EU, although many clients are multinational businesses operating in many countries.

OUR STANDARDS

Our Code of Business Conduct and Political Activities and Engagement Policy govern our political activities, and both are available on our website. These documents commit us to acting ethically in all aspects of our business and to maintaining the highest standards of honesty and integrity. Political activities in particular should be conducted legally, ethically and transparently and all related communication should be honest, factual and accurate. Our policies apply to all companies and employees at all levels.

57,000+
people completed ethics training in 2019

Many of our companies are members of professional organisations and abide by their codes of conduct. Examples include the UK Association of Professional Political Consultants (APPC), and the European Public Affairs Consultancies' Association (EPACA).

WPP companies comply with all applicable laws and regulations governing the disclosure of public affairs activities. In the United States, this includes the Lobby Disclosure Act and the Foreign Agent Registration Act, which are designed to achieve transparency on client representation and require lobby firms to register the names of clients on whose behalf they contact legislators or executive branch personnel. A number of our companies are listed on the voluntary EU Transparency Register of lobbying activities.

Our companies in the United States whose sole or primary business is lobbying have representatives of both major political parties among senior management.

We will not undertake work that is intended to mislead and always seek to identify the underlying client before taking on work. We do not knowingly represent "front groups" purporting to be independent campaign groups but which are in fact controlled by another organisation for the purpose of misleading.

Our Group Chief Counsel and Head of Sustainability has responsibility for developing and implementing our political activity policy and public reporting procedures. The CEO and CFO in each country or region are responsible for implementing our policy at the local level.

Any third parties conducting political activities on behalf of WPP or its companies must comply with our Political Activities and Engagement Policy. Third parties are required to complete the WPP ethics training or equivalent within their own organisation.

POLITICAL CONTRIBUTIONS

WPP companies are not permitted to make direct cash donations. Other political donations can only be made with the prior written approval of a WPP executive director. Donations must be reported to WPP legal before they are made, to confirm they comply with this policy and to obtain the necessary approvals.

POLITICAL ACTION COMMITTEES

In countries where it is consistent with applicable law, individuals working at WPP companies may make personal voluntary political contributions directly to candidates for office. Several of our businesses, including Burson Cohn & Wolfe/Prime Policy and Glover Park Group also maintain political action committees (PACs) which accept voluntary donations from their people to support political candidates. In 2019, these PACs made disbursements worth \$128,295 (data from fec.gov).

LOBBYING AND POLITICAL ADVOCACY

We occasionally contribute to the debate on public policy issues relevant to our business, sometimes through our public affairs companies.

We advocate on sustainability issues, through partnerships such as the Common Ground initiative in support of the UN Sustainable Development Goals. In 2019, Demet İnkiler, WPP Turkey Country Manager and EMEA CEO of GroupM, joined the local board of the UN Global Compact with responsibility for diversity and inclusion. Karen Blackett OBE, WPP UK Country Manager, serves as the UK Government's Race at Work Champion, supporting the Race at Work Charter.

Our companies contribute to public policy debate in areas where they have expertise and a special interest. Our digital and research companies, for example, are involved in privacy and data protection issues.

WPP companies must implement clear procedures for employing serving or former politicians, including a six-month "cooling-off" period for people joining WPP from public office or the public sector.

MEMBERSHIP OF TRADE ASSOCIATIONS

We are members of trade associations, industry groups and membership organisations which undertake lobbying activity on behalf of their members. We select organisations with priorities and values aligned with our own and with robust governance processes. WPP companies must nominate a senior manager to manage and oversee trade association relationships.

At a Company level, our memberships include: 30% Club, the American Benefits Council, All Party Parliamentary Corporate Responsibility Group, British American Business Inc, Business Disability Forum, Business Roundtable, CBI, China Britain Business Council, Executive Leadership Council, Institute of Business Ethics, the Northeast Business Group on Health, PARC, Trilateral Commission, Valuable 500, Wall Street Journal CEO Council, Women on Boards, and the World Economic Forum.

In our markets, our companies are often members of local advertising, PR, public affairs and market research industry associations, as well as national chambers of commerce and business councils.

PRIVACY AND DATA ETHICS

More than ever, data underpins, drives and contributes to the work that we do for our clients. We use the term "data" in its broadest sense, to include client data, consumer data, and all information and data related to the operating our businesses.

We require all our people to operate in line with our Data Code of Conduct. This contains the underlying principles that: WPP, its companies and its people are committed to the responsible collection, management, use and protection of data; and we recognise our obligations to all stakeholders, including shareholders, clients, our own people, suppliers and consumers.

We focus on building our people's awareness and knowledge so everyone understands and takes responsibility for data privacy and security. We have robust standards and governance processes in place to reduce risks and comply with regulation. We partner with clients, peers and industry organisations to promote best practice.

In 2020, the focus will continue to increase on data ethics, artificial intelligence and machine learning, and privacy by design, particularly as the availability and possible applications of data increase across all areas of our business.

POLICIES AND GOVERNANCE

Since the launch of the WPP Data Privacy and Security Charter in 2018, we have issued incremental updates to reflect regulatory changes and best practices, as well as changes to our business. For example, the Charter now includes an Artificial Intelligence Statement to guide our people on its use.

The Charter helps us communicate our approach to data to our people and clients, setting out core principles for responsible data management through our Data Code of Conduct, our IT security, privacy and social media policies, and our security standards (which are based on ISO 27001).

Our Group Chief Privacy Officer leads our work on privacy, supported by our Data Protection Officer. Together, they provide practical guidance and support to our agencies on data ethics, ensure that privacy risks are well understood across the business, help us prepare for relevant new regulation, and promote best practices.

Our networks and companies have appointed privacy leads to oversee the implementation of our policies at a local level. They report progress via our Group Chief Counsel and Group Chief Privacy Officer.

AUDIT AND DUE DILIGENCE

Our company-wide audit programme includes controls reflecting the technical and organisational measures in place to protect data, as well as specific data privacy controls. Our internal audit team runs a rolling programme of audits across our companies to review privacy risks and practices using these controls.

Suppliers who collect, manage or store employee, consumer or client data on behalf of WPP, our companies and our clients must have the right data security and privacy standards in place. We conduct due diligence on data suppliers and embed privacy requirements in our supplier contracts.

TRAINING AND ENGAGEMENT

We continue to enhance our Safer Data platform, which is a well-used resource across the Group. The platform provides information, guidance and resources to help our people understand privacy risks and to apply our policies in their work.

The platform also includes our regulatory toolkits for GDPR, CCPA and LGPD, model data protection contract clauses, privacy impact assessment tools, policy templates and other topic – or jurisdiction-specific guidance and resources.

We will relaunch our mandatory global Privacy and Data Security Awareness online training in 2020. There will be updates to both the style and content of the training, making it more engaging and relevant and ensuring our people are well-trained in our data responsibilities as a company and in their individual roles. Our team also continues to run face-to-face training to reflect specific topics or regulations, for example we have trained over 1,000 of our employees on the new California Consumer Privacy Act.

We work with clients to share insights and privacy best practices, demonstrating how we apply these across the Group and in the work we undertake for them. Our people have access to a range of resources to support them in these conversations, and our Data Privacy and Security Charter is written in a way that can be shared with clients.

As regulations continue to evolve, we partner with clients, industry organisations and peer companies on privacy and data protection issues, particularly with advertising bodies in the regions where we operate such as the Internet Advertising Bureau (IAB) in Europe and the United States, and the UK Advertising Association.

DATA HEALTH CHECKER

We use our Data Health Checker to review privacy risks and data security practices in our businesses. This provides insight into how data is used, stored and transferred and helps to identify any parts of the business that need further support on data practices. The results show that the majority of our companies continue to have measures in place that meet or exceed their level of privacy risk (the average risk score is 2.14, where 5 is the maximum risk score). Of those companies surveyed, 80% have a dedicated privacy lead.

TAX POLICY

Tax revenues sustain national economies. We recognise our obligation to pay the amount of tax legally due in the territory in which the liability arises, and to comply with all legal requirements. At the same time, we have an obligation to maximise shareholder value, which includes controlling our overall liability to taxation.

The WPP Audit Committee, which is made up of Independent Non-Executive Directors, is responsible for overseeing our policies on tax and regularly reviews our tax strategy.

We disclose our UK Tax Strategy in our [Annual Report](#) and key elements are summarised below.

TAX PAYMENTS IN 2019

The Company paid corporation and overseas taxes of £536 million in 2019 (2018: £384 million). Estimated employer social security-related taxes paid during 2019 were £939 million (2018: £718 million). Other taxes (primarily property taxes) paid during 2019 were £46 million (2018: £64 million).

We are starting to quantify the wider economic impacts of our business and the benefits associated with our activities, including tax payments to governments. See [Quantifying our impacts](#), pages 9 and 10.

TAX COMPLIANCE AND RELATIONSHIP WITH TAX AUTHORITIES

We seek to comply with our tax filing, tax reporting and tax payment obligations globally. We look to maintain open and transparent relationships with the tax authorities in the jurisdictions in which we operate. This may take the form of discussing key developments in our business and the potential impacts of those developments on our tax liability. Equally, it may involve disclosing and seeking to resolve a known issue prior to filing the relevant tax return.

From time to time, our views (and those of our advisors) on the appropriate tax treatment in a given case may differ from those of the tax authorities. Where such circumstances arise, we work constructively with the tax authorities in question to achieve an early resolution.

TAX PLANNING

We will not engage in purely artificial transactions with the sole purpose of reducing tax. However, we will consider undertaking a transaction in a way that gives rise to tax efficiencies, providing this aligns with our commercial objectives and complies with tax legislation. We will not transact in this way if the underlying commercial objectives do not support the position, or if the arrangements impact upon our reputation, brand, social responsibilities, or future working relationships with tax authorities.

We recognise our responsibility to pay an appropriate amount of tax in each of the key jurisdictions in which we operate. We also have a responsibility to our shareholders to structure our affairs in an efficient manner.

Accordingly, we may utilise tax incentives or opportunities to transact efficiently from a tax perspective where these are:

- not considered to carry significant risks to our reputation or relationship with the tax authorities in the jurisdictions in which we operate;
- aligned with the intended policy objectives of the governments which introduced the incentives; and
- aligned with our business or operational objectives.

We may seek external advice on tax planning or areas of complexity or uncertainty, to support our tax strategy. We will not promote or work with advisors to support tax planning unless the arrangements are consistent with our tax strategy.

TRANSPARENCY

We support initiatives to improve international transparency on taxation, including OECD measures on country-by-country reporting and automatic exchange of information.

We do not tolerate tax evasion, nor do we tolerate the facilitation of tax evasion by any person(s) acting on our behalf.

GOVERNANCE AND MANAGEMENT

We have established governance processes and policies to help us manage sustainability risks and opportunities consistently across the Company.

ROLES AND RESPONSIBILITIES

Our Group Chief Counsel and Head of Sustainability has operational responsibility for sustainability, supported by our Group Director of Sustainability, appointed in 2019. She heads our central sustainability team, which develops strategy and coordinates sustainability projects and data collection. The sustainability team communicates on related matters on behalf of the Company and works with our operating companies and other corporate functions, such as our talent, audit, legal, real estate, IT and procurement teams, to embed our standards.

In 2019, we strengthened our governance of sustainability by establishing a Board-level Sustainability Committee to steer our approach.

i See Sustainability Committee Report on page 5

We also increased our sustainability expertise at Board level with two new Non-Executive Director appointments. Keith Weed brings his experience as ex-chief marketing officer at Unilever where he was responsible for Sustainability globally and as president of the UK Advertising Association and a board member of Business in the Community, while Jasmine Whitbread has held senior positions at Oxfam and Save the Children.

We also established a new Executive Committee working group on sustainability to guide our strategy and oversee our approach across agencies. Our Charity and Pro Bono Committee oversees our donations and pro bono work.

EMBEDDING SUSTAINABILITY IN OUR COMPANIES

WPP sets sustainability policy, with every company responsible for implementation. We have a clear policy framework through our Code of Business Conduct, Sustainability Policy, Supplier Code of Conduct, Data Privacy and Security Charter, Human Rights Policy Statement and other policies included in the WPP Policy Book. We track progress using our social and environmental key performance indicators.

Our internal sustainability advisors are working to ensure consistent implementation of our standards. In 2019, we ran training for our top 200 global leaders on sustainability as a lever for innovation and growth. We also piloted an online resource hub to share best practice across our companies and encourage collaboration.

RISK MANAGEMENT

Environmental, social and governance (ESG) risks are integrated into the Company's risk appetite and tolerance levels as well as its assessment, management and monitoring of principal risks. This includes the Brand Check review process, through which the Board receives an assessment of risks to each business at each Board meeting. Risks included in the Brand Check review include the possibility of winning or losing major business; succession and the addition or loss of a key executive; introduction of new legislation in an important market; sustainability, including risks relating to marketing ethics, privacy, diversity and employment; political instability; and changes in accounting or corporate governance practice.

ESG risks are also included in our programme of internal audits. Our principal risks and uncertainties are set out in detail in the strategic report section of our [Annual Report](#) and include risks relating to climate change, cyber and data security and our ability to recruit and retain talented people.

STAKEHOLDER ENGAGEMENT

Dialogue with our stakeholders, including our people, clients and investors (see below), provides valuable feedback and insight into sustainability risks and opportunities, for our Company and our clients.

Most stakeholder engagement takes place in the course of doing business. We also carry out more formal research as part of our materiality process, see pages 55-57. We work with clients (pages 14-18) and engage our people (page 29) on sustainability issues, and also work closely with NGO partners to increase our understanding and amplify the impact of their work. Our engagement with government stakeholders is covered in the public policy section on page 49.

INVESTOR ENGAGEMENT

Our involvement with investors, rating agencies and benchmarking organisations on sustainability during 2019 included: Bloomberg Gender-Equality Index; CDP; Ecovadis; Ethibel; Euronext Vigeo Europe; FTSE Russell; Human Rights Campaign Foundation's 2018 Corporate Equality Index; ISS Data Verification; MSCI Research Inc; Sustainalytics; Thomson Reuters D&I index; Trucost; and Workforce Disclosure Initiative (WDI).

We are included in the FTSE4Good Index and participate in the CDP Climate benchmark, receiving a rating of B in 2019 (2018: A-, see page 37).

SAFETY PRACTICE VIDEOS



AGENCY
SOCIAL LAB

CLIENT
TIKTOK

As the TikTok app continues its rapid growth among Gen-Z audiences, the brand was keen to build trust and understanding among parents, teachers and educators through proactive, future-facing, product safety communications.

So Social Lab launched a safety campaign teaching its young audience safer practices online. The campaign features some of their most loved creators from a variety of backgrounds and genres, demonstrating their commitment to originality as they educate, empower and encourage their global community to stay safe.



5m

media impressions

Data from: August-September 2019



INTO THE SPOTLIGHT

AGENCY
WUNDERMAN THOMPSON

CLIENT
LUX

Despite changing attitudes around women and work in Saudi Arabia, only 16% of the workforce is female. The Unilever brand Lux turned to Wunderman Thompson to highlight women when people searched online for male-dominated jobs. The agency launched #IntoTheSpotlight on International Women's Day and used paid search results on Google to profile leading women in the relevant fields. Linking to content on Mira, a joint venture between Unilever and Vice, this meant when someone searched for "photographers" it took the user to videos and information about leading fashion photographer Huda Beydoun.

15-20%
increase in inquiries
for the featured
professionals

870,000
people reached across
Saudi Arabia on
International Women's
Day 2019

Data from: March 2019



wpp.com/intothespilight

ABOUT OUR REPORTING

ABOUT OUR REPORTING

We have reported on our sustainability performance since 2002. We aim to take an integrated approach to managing sustainability risks and opportunities and to reflect this in our reporting. We integrate key performance information into our Annual Report and provide further details, data and case studies in our Sustainability Report.

Sustainability data is for the calendar year 2019. Results for 2019 are based on the Group's continuing operations and exclude the results of Kantar. The past year reported numbers have been re-presented to reflect this change.

The majority of our data is collected quarterly through our Company financial reporting system. This covers all subsidiaries of the Company – over 106,000 direct employees. It does not include associate companies or joint ventures. Our per person carbon footprint figures are calculated using data for full-time equivalent employees (FTEs).

Some people data is collected through an HR Survey issued to our global HR Directors. This covers 85% of the Company.

Our carbon footprint, some environmental and some people data is verified by Bureau Veritas, an independent assurance provider. Its verification statement is published on page 57.

We also disclose information through various investor indices and benchmarks including CDP Climate Change.

OUR MATERIALITY PROCESS

We use a materiality process to ensure our strategy, investments and reporting focus on the issues of greatest importance and relevance to our business and our stakeholders.

Our first formal materiality assessment in 2014 included interviews with clients, investors, NGOs, and sustainable business experts, as well as senior executives in our Company functions and our operating companies. We carried out further reviews in 2016 and 2017. In 2019, we updated our materiality assessment in light of our new corporate strategy and to reflect changing stakeholder priorities. Full definitions of each stakeholder priority are available [online](#).

Our materiality matrix shows the issues identified as important to our internal stakeholders (employees, future employees, and leadership – horizontal axis) and external stakeholders (clients, investors, partners and suppliers, and civil society – vertical axis).

Five changes since 2017:

- We have seen a significant shift in expectations from all stakeholders to expand on our own direct impact and also focus on the impact of our work for our clients. For example, 'waste and recycling' (2017 assessment) has been replaced in this assessment by the issue of transitioning to a 'circular economy', while inclusion and diversity has grown in importance for clients as they look to our agencies to credibly represent their diverse consumer base.
- Climate crisis has risen as a priority for all stakeholders in both urgency and scope, with more focus on our work for clients. All stakeholders, but particularly employees, are increasingly interested in the footprint of client products and services.
- WPP's programme of restructures and redundancies (see page 29) means that the importance of employee relations has risen for internal stakeholders.
- Transparency in digital ad spend (included for the first time this year) is a high priority for clients, and therefore internal stakeholders as we seek to provide robust and reliable metrics on the impact of our work, in an ever-more complex digital ecosystem.
- Some issues, such as water scarcity and biodiversity, are a priority for clients but not a significant issue for WPP's own direct operations at a global level. We need to ensure we have sufficient expertise in these issues in order to support our clients in delivering against their own sustainability priorities.

GUIDELINES AND REPORTING FRAMEWORKS

WPP is a member of the United Nations Global Compact (UNGC) and this Sustainability Report represents our fifth communication on progress. We provide an index which summarises our approach and progress on the UNGC's 10 principles, see pages 61-64.

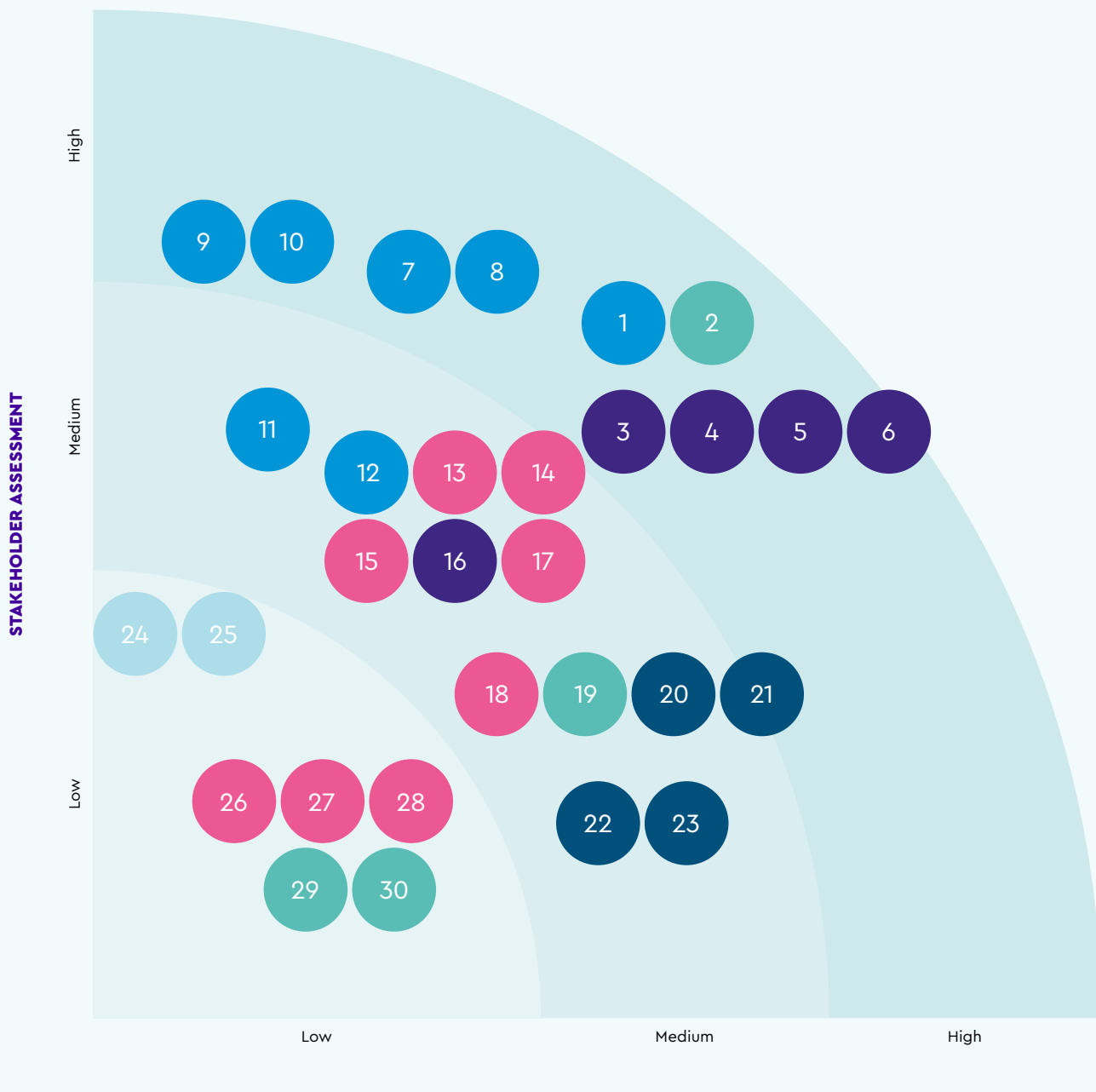
Our report references selected Global Reporting Initiative (GRI) Standards, and our GRI Standards content index (pages 61-64) lists these disclosures and their location in our report.

We support the Taskforce on Climate-related Financial Disclosures and aim to develop our disclosures in line with its recommendations.



To read our TCFD disclosure and full carbon emissions statement see pages 196-197 and 199 of our Annual Report

WPP MATERIALITY ASSESSMENT



INTERNAL ASSESSMENT

- Client work
- People
- Environment
- Supply chain
- Social investment
- Governance and management

1 Including content with negative social or environmental impacts, such as hate speech or greenwashing, and ad placement alongside harmful content.
 2 Employment practices includes issues such as pay while employee relations includes engagement and remediation.
 3 Including artificial intelligence and ad tech.
 4 Including driving consumer behaviour change on social and environmental issues e.g. climate change.
 5 Including the decision over whether or not to work with clients in controversial sectors or on controversial topics or products.
 6 Including living wage.
 7 Including pro bono, donations and volunteering.

HIGH RISK


- 1 Inclusion and diversity
- 2 Climate crisis
- 3 Harmful and misrepresentative content¹
- 4 Compliance with marketing codes of practice and regulations
- 5 Transparency in digital ad spend
- 6 Data privacy and cybersecurity
- 7 Attracting, developing and retaining talent
- 8 Employment practices²
- 9 Remuneration and benefits
- 10 Workplace culture and engagement

MEDIUM RISK

- 11 Employee relations²
- 12 Health, safety and wellbeing
- 13 Anti-bribery and corruption
- 14 Business integrity
- 15 Emergent technologies³
- 16 Promoting sustainable norms and culture⁴
- 17 Client products and impacts⁵
- 18 Operations in sensitive countries
- 19 Circular economy
- 20 Human rights and labour practices in the supply chain
- 21 Environmental impacts in the supply chain
- 22 Supplier diversity
- 23 Fair treatment of suppliers⁶

LOW RISK

- 24 Social investment⁷
- 25 Community relations
- 26 Government relations and lobbying
- 27 Tax payments
- 28 Joint ventures, affiliate and associate companies and acquisitions
- 29 Biodiversity
- 30 Water use

 To read full definitions of each stakeholder issue, visit wpp.com/sustainability

INDEPENDENT LIMITED ASSURANCE STATEMENT

TO: THE STAKEHOLDERS OF WPP PLC

INTRODUCTION AND OBJECTIVES OF WORK

Bureau Veritas UK Limited (Bureau Veritas) has been engaged by WPP plc (WPP) to provide limited assurance of selected sustainability data for inclusion in its Sustainability Report 2019 (the report). This Assurance Statement applies to the related information included within the scope of work described below.

SCOPE OF VERIFICATION

The scope of our work was limited to assurance over the accuracy of the sustainability data listed below and included in this report. Our work includes all global operations under WPP's control for the period of 1 January 2019 to 31 December 2019 for the following indicators ('Selected Information'):

GHG EMISSIONS & ASSOCIATED ACTIVITY DATA

- Scope 1 and scope 2 emissions from WPP's global operations
- Scope 3 emissions from business air travel

EMPLOYMENT DATA

- Age and gender data
- Ethnicity data (UK and United States operations only)

HEALTH AND SAFETY (H&S) DATA

- Days lost to sickness
- Work-related injuries and fatalities

WASTE MANAGEMENT DATA

- Waste sent for recycling
- Non-recycled waste

REPORTING CRITERIA

The Selected Information has been prepared in accordance with internal definitions set by WPP in its Sustainability Reporting Guide.

LIMITATIONS AND EXCLUSIONS

Excluded from the scope of our work is any verification of information relating to:

- appropriateness of the reporting criteria;
- activities outside the defined reporting period; and
- other information included in the report other than the scope defined above.

This limited assurance engagement relies on a risk-based selected sample of sustainability data and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

RESPONSIBILITIES

The preparation and presentation of the Selected Information in the report is the sole responsibility of the management of WPP.

Bureau Veritas was not involved in the drafting of the report. Our responsibilities were to:

- obtain limited assurance about whether the Selected Information has been appropriately and accurately prepared;
- form an independent conclusion based on

the assurance procedures performed and evidence obtained; and

- report our conclusions to the Directors of WPP.

ASSESSMENT STANDARD

We performed our work to a limited level of assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after 15 December 2015), and in accordance with the main requirements of ISO 14064:2006 Part 3 - Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions.

SUMMARY OF WORK PERFORMED

As part of the independent verification, Bureau Veritas undertook:

- interviews with relevant personnel of WPP responsible for GHG emissions accounting, waste data, H&S and employment data;
- a review of WPP information systems and methodology for data collection, aggregation, and analysis;
- a review of information and calculations used to determine GHG emissions, including the relevant activity data and the emissions factors applied;
- a remote review of a sample of the Selected Information against the corresponding source documentation from 9 of WPP's operations worldwide. The operations were selected on a risk basis, taking into account energy consumption, geographical coverage and head count:
 - one of WPP's operations was removed from an initial sample of 10 operations due to the Covid-19 outbreak impacting the availability of personnel to provide supporting evidence;
 - the electricity data from one operation, natural gas data from two operations and air travel data from two operations was eventually removed from our sample, due to the sites being unable to provide supporting evidence within the deadline for verification;
 - these did not have a material impact on the sample and the conclusion drawn thereof;
- physical visits to five additional WPP operations: MediaCom US, New York; Ogilvy UK, London; VMLY&R South Africa, Johannesburg; WPP 2005 Limited, London; Hogarth Worldwide, Singapore; and
- a review of the consolidated 2019 data to check end of year accounting and accurate transposition.

CONCLUSION

Based on the verification conducted by Bureau Veritas, there is no evidence to suggest that the GHG emissions assertions shown below, and the age, gender, ethnicity, Health and safety and waste KPIs as stated by WPP in its report:

- are not prepared in accordance with WPP's relevant internal methodologies; and
- are not materially correct and a fair representation of the GHG emissions, waste, health and safety and employment data for WPP.

REPORTED GHG EMISSIONS

Scope 1:

6,841 tonnes of CO₂e

Scope 2 (location based):

80,578 tonnes of CO₂e

Scope 2 (market based):

57,583 tonnes of CO₂e

Scope 3 (air travel):

65,014 tonnes CO₂e

Such opinion is based on work undertaken and the limitations and exclusions defined in this statement.

STATEMENT OF INDEPENDENCE, INTEGRITY AND COMPETENCE

Bureau Veritas is an independent professional services company that specialises in quality, environmental, H&S and social accountability with over 185 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical, and health and safety information, systems and processes.

Bureau Veritas operates a certified¹ Quality Management System which complies with the requirements of ISO 9001:2008, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspection Agencies (IFIA)² across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities.



Bureau Veritas UK Limited

London

4 May 2020

¹ Certificate of Registration available on request

² International Federation of Inspection Agencies - Compliance Code - Third Edition

QUANTIFYING OUR IMPACTS: METHODOLOGY AND RESULTS

This section explains the results, principles, methods and data used in quantifying the economic, social and environmental impacts associated with our operations.

i for a summary of the results see pages 9-10

This analysis was carried out with Sustain Value and is based on established social and environmental accounting techniques.

This is the seventh year we have carried out this research to assess and quantify our impacts. We followed broadly the same approach as previous years. The findings should be viewed in light of the following considerations:

- **Impacts:** We have captured only a relatively limited selection of the important sustainability impacts associated with our business. There are opportunities to expand this further to enable more comprehensive reporting;
- **Methods:** To calculate our impacts we have used, wherever possible, recognised methodologies, models and academic research; and
- **Data:** We have used proxy data, from secondary sources and extrapolations, to address any data gaps. This means that findings in some areas are based on estimated figures.

Here we explain in more detail the results and our approach to calculating each measure.

**ECONOMIC IMPACT
GROSS VALUE ADDED: £10.8 BILLION
ECONOMIC IMPACT**

The direct contribution our activities make to the worldwide economy is measured as Gross Value Added (GVA). This is calculated as the financial value of the services we sell minus the cost of all inputs directly related to delivery of these services. The value of services we produce stands at £13.2 billion for 2019. This income is used to cover operating costs and taxes, and dividends.

PAYROLL: £7.1 BILLION IN SALARIES AND BENEFITS

Our contribution through payroll is calculated based on salaries and benefits (excluding social security costs) as disclosed in the Company's audited financial statements for 2019.

TAXES: £1.6 BILLION PAID TO GOVERNMENTS

Payments of taxes to national and local governments, including corporation and overseas taxes (£536 million), employer and employee taxes including estimated social security (totalling £939 million) and other taxes (primarily property taxes) (£46 million), enables them to invest in local socio-economic development. Our contribution through taxes is calculated based on tax payments as disclosed in the Company's audited financial statements for 2019.

SUPPLY CHAIN: £2.7 BILLION INDIRECT ECONOMIC BENEFIT

In 2019, we spent an estimated £2.7 billion with our supplier partners. This figure was derived based on a GVA multiplier assessment undertaken using 2016-17 procurement spend. Data is from our spend analytics system which tracks direct costs (advertising production and research operations) and indirect costs (facilities, IT, telecoms, travel and professional services). Our media spend on behalf of clients is excluded from these figures.

The impact of our supply chain, our indirect economic impact, was calculated using the same overall percentage GVA multiplier calculated for the 2017 Impact Valuation Report. That multiplier was established by analysing our expenditure on suppliers broken down by country, sector and type of spend. The 2016-17 spend for each sector was converted into an estimate of GVA using gross value added data from relevant sectors obtained from UN data.

There are several limitations associated with this approach worth noting. Firstly, we are assuming the same broad pattern of expenditure as for the 2017 data which was used to obtain a weighted average overall % GVA that was applied to the total 2019 spend. Secondly, we only focused on those countries with the greatest spend (top 15 countries, representing 96% of overall expenditure). Finally, around 10% of the spend was recorded as "uncategorisable" and assumed to have an average GVA spend multiplier.

INDIRECT CLIENT IMPACT: NOT QUANTIFIED

The communications services we provide create a further indirect benefit by helping our clients to increase their revenues, which stimulates growth and helps create jobs.

However, we also recognise that the associated increase in production and consumption will result in other indirect environmental and social costs. We are still considering ways of measuring these.

SOCIAL IMPACT

PRO BONO WORK: C.£92 MILLION SOCIAL BENEFIT

The direct value of our pro bono work was £10.6 million in 2019, based on the fees that organisations would have paid for our work. When the full potential societal benefit is taken into account, the overall benefit to society may be in the order of £92 million.

The benefits of pro bono work (primarily undertaken for the benefit of charities) are difficult to quantify. They include things such as helping to improve health and wellbeing in communities. Outcomes are often not measured and, if they are measured by the charity, results are not always shared with WPP. For the purposes of this assessment, we undertook a literature review of reports and papers (i.e. secondary data) three years ago to ascertain the average social return on investment (SROI) ratio generated by the same categories as those represented by the pro bono work undertaken. This includes arts, education, environment, health, human rights and local community.

The average ratio calculated for each category was then applied for each of these categories to the annual direct value of pro bono work, in line with the approach adopted over the previous years.

We believe this to be a conservative assumption, because pro bono work (costed on a time-sheet basis) is often worth more than the equivalent cash donation as WPP expertise is leveraged to create additional value above and beyond the time spent.

CHARITABLE DONATIONS: C.£42 MILLION SOCIAL BENEFIT

In 2019, the Company's direct charitable donations were £5.2 million. These donations support important work in areas such as education, health, human rights, local community, environment and the arts. The overall value of social benefits resulting from these donations is estimated to be around £5.2 million.

The approach to determining the additional societal value is based on the literature review of SROI ratios mentioned above, covering the same six categories. The average SROI ratios found for each category were applied to the direct spend for each of those same categories. We recognise that individual projects can deliver very different returns. However, in the absence of project-by-project reporting, this method provides a useful order-of-magnitude indication of SROI.

FREE MEDIA SPACE: C.£158 MILLION OF SOCIAL BENEFIT FACILITATED

WPP has also helped negotiate free media space for our pro bono clients worth £18.9 million in 2019. This represents the cost saving to our pro bono clients for them not to have to purchase media space for their environmental and social campaigns. For the purposes of this assessment, we have assumed that free media space has an impact similar to that of the pro bono work and charitable donations, calculated to be around £158 million. As there is no breakdown of spend by category for this, we have applied an overall weighted average SROI ratio based on the ratios and spend for pro bono work and charitable donations.

INTERNSHIPS AND APPRENTICESHIPS: £11.3 MILLION SOCIAL BENEFIT

In 2019, we provided 11,008 paid internship and apprenticeship positions across the Group. We estimate these create benefits worth £11.3 million, because some interns will be offered a position in a WPP company at the end of their internship and others are likely to find jobs elsewhere more quickly.

The value is based on the same value multiplier as developed in 2014 but adjusted for inflation. This assumed that a certain proportion of interns find jobs at WPP or other companies and are therefore able to earn a monthly salary faster than they would have done without the internship. The approach takes into account the number of interns worldwide and the proportion likely to find a position at the end of their internship/apprenticeship placement and with the average additional income that the person would have earned as a result of the work placement. Further work is needed to calculate these benefits more accurately and to capture regional variation.

TRAINING: £38.7 MILLION MINIMUM SOCIETAL BENEFIT

In 2019, WPP spent £36.1 million on training courses for staff at all levels, with additional travel, accommodation and subsistence costs of £2.6 million also being incurred. The £38.7 million represents a lower-end estimate of overall value as it only reflects course costs rather than the overall benefit that staff receiving the training will gain in terms of their enhanced human capital value. The latter will be manifested when they leave the company, along with the human capital gained through their on-the-job experience. It is also recognised that this training will generate additional value (i.e. SROI) for WPP from improved staff productivity and recruitment cost savings. These should effectively be captured through future enhanced gross value added (GVA) generated by WPP.

We hope to include an estimate of additional added value to staff in subsequent reports.

SUPPLIER DIVERSITY SPEND

In 2019, WPP collated data for the second time on supplier diversity in relation to its supplier spend in the United States. In total, 1.6% was spent on diverse suppliers (the equivalent of £65 million), of which 64% was on women owned business enterprises, 14% on minority and woman-owned business enterprises, 10% on Minority Business Enterprises and 12% on "other". Overall there was an equal split between spend on certified and classified diverse enterprises.

Further work is needed to quantify the impacts of our spend with diverse suppliers.

ENVIRONMENTAL IMPACTS

GREENHOUSE GAS EMISSIONS: £3.9 MILLION NET COST TO SOCIETY

The hidden cost of our emissions was £8.6 million in 2019. This calculation takes into account our GHG emissions from energy and business air travel (but excludes other estimated impacts such as leased cars, taxis and couriers) as well as the benefits resulting from our green electricity purchasing (zero emissions assumed). With our investments in renewable energy offsets included (see below), our net cost to society is £3.9 million.

In 2019, WPP invested in renewable energy projects to offset 65,014 tCO₂e emissions associated with climate change impacts of business air travel. Based on the assumed social cost of carbon, this represents a positive societal impact of £3 million. In addition, WPP purchased renewable energy certificates (RECs) in the United States, equivalent to saving 44,914 tCO₂e, with an assumed societal value of £1.7 million.

For consistency, we applied the same approach and value as the 2014 Impact Valuation report (i.e. cost of carbon based on the Stern Report), but adjusted upwards to allow for inflation (i.e. £39.22/tCO₂e). It should be noted though that the equivalent current UK government non-traded carbon price is 74% higher at £68.25/tCO₂e.

For transparency, we split the value into the negative impact of our gross emissions and the positive impact of our carbon offsets. In addition, we assume zero emissions for the purchase of renewable electricity. We have been recording our emissions in line with international standards since 2006 and as part of our reporting process we capture scope 1, scope 2 and a number of scope 3 emissions.

WASTE DISPOSAL: £0.1 MILLION COST TO SOCIETY

While 56% of WPP's waste was recycled in 2019, the remainder was either sent to landfill or incinerated with or without energy recovery. The societal cost associated with the non-recycled waste is estimated to be around £0.1 million, which relates to GHG and other air emissions, leachate and other associated disamenity impacts (e.g. visual, noise and odour).

This value is based only on the non-recycled waste data, although it is acknowledged that the recycled waste will have an overall net negative impact too. Societal costs per tonne of incinerated (with and without energy recovery) and landfilled waste have been derived from Rabl, Spadaro and Zoughaib (2008), and updated using World Bank consumer price inflation data and the social cost of carbon used in the GHG calculations. More detailed country-specific costs could be estimated.

References

- Barreda, P., Gutstein, J., Garcia, S. (2016) [A Strong Supplier Diversity Programme Increases Corporate Revenues](#) Chicago Minority Supplier Development Council.
- CVS Health (2017) [Growing communities through Supplier Diversity](#).
- Rabl, A., Spadaro I.V., and Zoughaib A. (2008) Environmental impacts and costs of solid waste: a comparison of landfill and incineration. *Waste Management Research* 2008; 26: 147.
- Stern, N. (2007) *Stern Review: The Economics of Climate Change*. Cambridge University Press.
- UNdata (2018).

REPORTING STANDARDS INDEX

We use external frameworks to help us implement good reporting practice, to ensure we are covering the topics of most interest to stakeholders and to aid comparison with other companies.

Our report references selected Global Reporting Initiative's (GRI) Standards. The index below shows which topics and disclosures are covered and their location in our report.

We joined the United Nations Global Compact in 2015, and are committed to its 10 principles covering the areas of human rights, labour, environment and anticorruption. This report forms our fifth Communication on Progress against the Global Compact Principles, covering the year 2019. This table shows where our disclosures for each principle can be found in our reporting.

We have also indicated where our work on sustainability is supporting progress on the UN Sustainable Development Goals. More information is on page 11.

Topic	Number	Disclosure	United Nations Sustainable Development Goals	United Nations Global Compact principles	Where to find it in the report
102: General Disclosures					
Organisational Profile	102-1	Name of the organisation			WPP plc
	102-2	Activities, brands, products, and services			Our offer Our companies
	102-3	Location of headquarters			London, UK
	102-4	Location of operations			We have operations in 112 countries.
	102-5	Ownership and legal form			WPP is quoted on the London Stock Exchange and the New York Stock Exchange.
	102-6	Markets served			Our companies
	102-7	Scale of the organisation			Annual Report
	102-8	Information on employees and other workers			Attracting and retaining talent – pages 25-34
	102-9	Supply chain			Supply chain – pages 43-46
	102-10	Significant changes to the organisation and its supply chain			Annual Report
	102-11	Precautionary principle or approach			Sustainability policy Environment – pages 35-42
Strategy	102-12	External initiatives	5, 12, 17		United Nations Sustainable Development Goals – page 11 Common Ground – page 23 Reporting standards index – pages 61-64 Gender balance – pages 31 and 32 Disability – page 30 Circular economy – page 41
	102-13	Membership of associations			Membership of trade associations – page 50
Ethics and Integrity	102-14	Statement from senior decision-maker	17		Chief Executive's Statement – pages 4 and 5
	102-15	Key impacts, risks, and opportunities			Sustainability and our strategy – pages 7 and 8 Our materiality process – pages 55 and 56
Ethics and Integrity	102-16	Values, principles, standards, and norms of behaviour	16	1, 10	Transparency and trust – pages 49 and 50 Human rights – page 46 Privacy and data ethics – page 51 Our Code of Conduct Human Rights Policy statement
	102-17	Mechanisms for advice and concerns about ethics	16	10	Management and compliance – page 49
Governance	102-18	Governance structure			Annual Report Roles and responsibilities – page 53
	103-20	Executive-level responsibility for economic, environmental, and social topics			Roles and responsibilities – page 53
Stakeholder Engagement	102-40	List of stakeholder groups			Stakeholder engagement – page 53
	102-41	Collective bargaining agreements	8	3	Labour relations – page 29
	102-42	Identifying and selecting stakeholders			Stakeholder engagement – page 53
	102-43	Approach to stakeholder engagement			Stakeholder engagement – page 53 Our materiality process – pages 55 and 56
	102-44	Key topics and concerns raised			Stakeholder engagement – page 53 Our materiality process – pages 55 and 56 Includes the main themes and issues raised by stakeholders. We do not report on specific points raised by individual stakeholders.

Topic	Number	Disclosure	United Nations Sustainable Development Goals	United Nations Global Compact principles	Where to find it in the report
Reporting Practice	102-45	Entities included in the consolidated financial statements			About our reporting – page 55 <u>Annual Report</u> Our sustainability data covers all subsidiaries of the Company. A subsidiary is an entity which we control and/or in which we have a majority shareholding. Associates and joint ventures, where the Company may have influence or joint control, but not outright control, are not included. Data in our financial reporting will include associate companies not covered in our sustainability data. During 2019 we completed the sale of 60% of Kantar to Bain Capital. To ensure comparability to 2019 figures, which exclude Kantar, prior year figures have been re-stated to exclude Kantar as well.
	102-46	Defining report content and topic Boundaries	12		Our materiality process – pages 55 and 56
	102-47	List of material topics	12		Our materiality process – pages 55 and 56
	102-48	Restatements of information			During 2019 WPP completed the sale of 60% of Kantar to Bain Capital. To ensure comparability to 2019 figures, which exclude Kantar, prior year figures have been re-stated to exclude Kantar as well.
	102-49	Changes in reporting			During 2019 WPP completed the sale of 60% of Kantar to Bain Capital. To ensure comparability to 2019 figures, which exclude Kantar, prior year figures have been restated to exclude Kantar as well.
	102-50	Reporting period			About our reporting – page 55
	102-51	Date of most recent report	12		<u>Sustainability reporting centre</u>
	102-52	Reporting cycle	12		About our reporting – page 55
	102-53	Contact point for questions regarding the report			Sustainability contacts – page 65
	102-54	Claims of reporting in accordance with the GRI Standards			About our reporting – page 55
	102-55	GRI content index	12		GRI Index – pages 61-64
102-56	External assurance	12		Independent Limited Assurance Statement – page 57	
201: Economic Performance					
Economic Performance	201	Management approach GRI 103: Management approach	8		Roles and responsibilities – page 53 Attracting and retaining talent – who's in charge? – page 25
	201-1	Direct economic value generated and distributed	8		<u>Annual Report</u> – Financial statements <u>Quantifying our impacts</u> – page 9 and 10
	201-2	Financial implications and other risks and opportunities due to climate change	8, 13		Governance, strategy and risk management disclosures for the Taskforce on Climate-related Financial Disclosures (see <u>Annual Report</u> , pages 196–197)
	202-2	Proportion of senior management hired from the local community	8, 10		Inclusion and diversity – page 30
	203-1	Infrastructure investments and services supported	8, 11, 17		We provide pro bono services, donate money to charity and negotiate free media space on behalf of pro bono clients which can have a positive social impact. <u>Quantifying our impacts</u> – page 9 and 10
	203-2	Significant indirect economic impacts	8		<u>Quantifying our impacts</u> – pages 9 and 10

Topic	Number	Disclosure	United Nations Sustainable Development Goals	United Nations Global Compact principles	Where to find it in the report
Anti-corruption	205	Management approach	16	10	Management and compliance – page 49
	205-1	GRI 103: Management approach	16	10	Associates, affiliates and acquisitions – page 49
	205-2	Operations assessed for risks related to corruption	16	10	Transparency and trust – pages 49 and 50
	205-3	Communication and training about anti-corruption policies and procedures	16	10	Our Code of Conduct – page 49
301: Environmental Performance					
Energy	302	Management approach GRI 103: Management approach	7, 12, 13	8	Environment – who's in charge? – page 35 Governance, strategy and risk management (disclosures for the Taskforce on Climate-related Financial Disclosures), see Annual Report , pages 196–197
	302-1	Energy consumption within the organisation	7, 8, 11, 12, 13	8	Annual Report , carbon emissions statement 2019 Reducing energy use from our buildings and IT – page 38
	302-2	Energy consumption outside of the organisation	7, 8, 12, 13	8	Air travel and offsetting – page 39
	302-3	Energy intensity	7, 8, 12, 13	8	Our climate strategy – page 37
	302-4	Reduction of energy consumption	7, 8, 11, 12, 13		Reducing energy use from our buildings and IT – page 38
	302-5	Reductions in energy requirements of products and services	7, 8, 12, 13	8, 9	Value chain emissions – page 40
Emissions	305	Management approach GRI 103: Management approach	7, 13	8	Environment – who's in charge? – page 35 Governance, strategy and risk management (disclosures for the Taskforce on Climate-related Financial Disclosures), see Annual Report , pages 196–197
	305-1	Direct (Scope 1) GHG emissions	7, 13	8	Our climate strategy – page 37 Annual Report , carbon emissions statement 2019 Independent verification statement – page 57 This data is externally assured.
	305-2	Energy indirect (Scope 2) GHG emissions	7, 13	8	Our climate strategy – page 37 Annual Report , carbon emissions statement 2019 Independent verification statement – page 57 This data is externally assured.
	305-3	Other indirect (Scope 3) GHG emissions	7, 13	8	Our climate strategy – page 37 Annual Report , carbon emissions statement 2019 Value chain emissions – page 40 Independent verification statement – page 57 Data for business air travel is externally assured.
	305-4	GHG emissions intensity	7, 13	8	Our climate strategy – page 37 Annual Report , carbon emissions statement 2019
	305-5	Reduction of GHG emissions	7, 13	8, 9	Our climate strategy – page 37 Annual Report , carbon emissions statement 2019 Reducing energy use from our buildings and IT – page 38 Renewable energy – page 38
Effluents and Waste	306	Management approach GRI 103: Management approach	8, 12	8	Environment – who's in charge? – page 35
	306-2	Waste by type and disposal method	8, 12, 15	8	Waste and resources – page 41 Independent verification statement – page 57 Waste to recycling data is externally assured
Supplier Environmental Assessment	308	Management approach GRI 103: Management approach	12	8	Environment – who's in charge? – page 35 Supply chain – who's in charge? – page 43
	308-1	New suppliers that were screened using environmental criteria	12	8	Supplier selection – page 45
	308-2	Negative environmental impacts in the supply chain and actions taken	12	8, 9	Value chain emissions – page 40
400: Social Performance					
Employment	401	Management approach GRI 103: Management approach	8		Attracting and retaining talent – who's in charge? – page 25
	401-3	Parental leave	5, 8		Flexible working and parental leave – page 28

Topic	Number	Disclosure	United Nations Sustainable Development Goals	United Nations Global Compact principles	Where to find it in the report
Occupational Health and Safety	403	Management approach GRI 103: Management approach	3, 8		Attracting and retaining talent – who's in charge? – page 25 Health, safety and wellbeing – page 33
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	3, 8		Health, safety and wellbeing – page 33 Health and safety data is externally assured.
Training and Education	404	Management approach GRI 103: Management approach	4, 8		Attracting and retaining talent – who's in charge? – page 25
	404-1	Average hours of training per year per employee	4, 8		Skills, training and development – page 27
	404-2	Programmes for upgrading employee skills and transition assistance programmes	4, 8		Skills, training and development – page 27 Internships and apprenticeships – page 27 Education partnerships – page 27
	404-3	Percentage of employees receiving regular performance and career development reviews	4		Skills, training and development – page 27
Diversity and Equal Opportunity	405	Management approach GRI 103: Management approach	5, 8, 10	6	Attracting and retaining talent – who's in charge? – page 25 Inclusion and diversity – pages 30-32
	405-1	Diversity of governance bodies and employees	5, 8, 10	6	Inclusion and diversity – Our data on age, gender and ethnic diversity is externally assured.
	405-2	Ratio of basic salary and remuneration of women to men	5, 8, 10	6	UK Gender Pay Gap report
Non-discrimination	405	Management approach GRI 103: Management approach	5, 8, 16	6	Attracting and retaining talent – who's in charge? – page 25 Inclusion and diversity – page 30-32
	406-1	Incidents of discrimination and corrective actions taken	5, 8, 16	6	Labour relations – page 29 We do not report separate data on this. Any cases involving allegations of discrimination against employees are included in the data on employment infringements.
Forced or Compulsory Labour	409	Management approach GRI 103: Management approach	8	1, 2, 4	Supply chain – who's in charge? – page 43 Modern Slavery Act Transparency Statement
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	8	1, 2, 4	Modern slavery – page 46 Modern Slavery Act Transparency Statement
Child Labour	408	Management approach GRI 103: Management approach	8	1, 2, 4	Supply chain – who's in charge? – page 43 Modern Slavery Act Transparency Statement
	408-1	Operations and suppliers at significant risk for incidents of child labour	8	1, 2, 4, 5	Sourcing standards – page 45
Human Rights Assessment	412	Management approach GRI 103: Management approach	8, 16	1, 2	Management and compliance – page 49 Supply chain – who's in charge? – page 43
	412-2	Employee training on human rights policies or procedures	8, 16	1, 2	Human rights – page 46 Human rights is included in our ethics training completed by all employees.
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	8, 16	1, 2	Sourcing standards – page 45
Supplier Social Assessment	414	Management approach GRI 103: Management approach	8	2	Supply chain – who's in charge? – page 43
	414-1	New suppliers that were screened using social criteria	8	2	Sourcing standards – page 45 Supplier selection – page 45
Public Policy	415	Management approach GRI 103: Management approach	16		Sustainability at the heart of our offer for clients – who's in charge? – page 14 Management and compliance – page 49
	415-1	Political contributions	16		Political contributions – page 50 Annual Report
Marketing and Labelling	417	Management approach GRI 103: Management approach	16		Sustainability at the heart of our offer for clients – who's in charge? – page 14 Management and compliance – page 49
	417-3	Incidents of non-compliance concerning marketing communications	12, 16		We do not currently report data in this area. Compliance with marketing standards – page 17
Customer Privacy	418	Management approach GRI 103: Management approach	16		Sustainability at the heart of our offer for clients – who's in charge? – page 14 Privacy policies and governance – page 51
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	16		We do not currently report data in this area. Privacy and data ethics – page 51

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