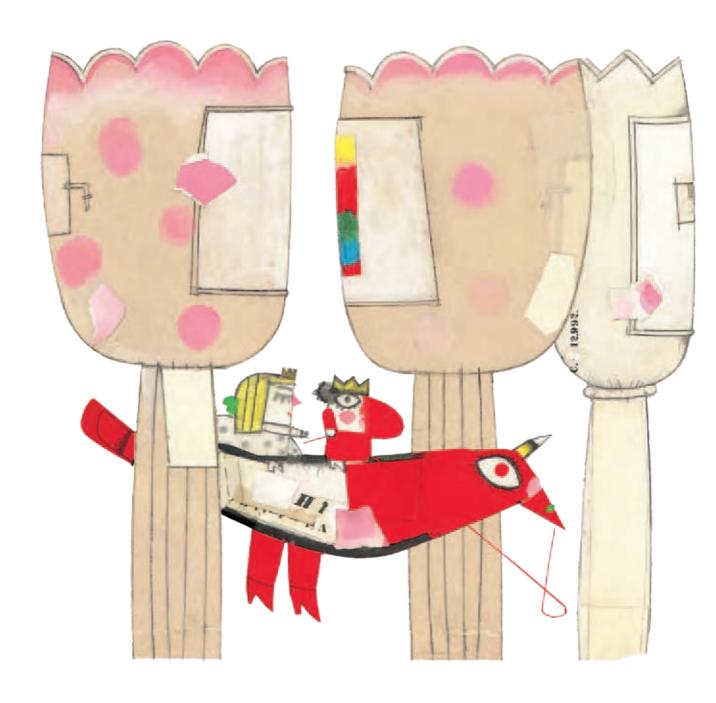
# $\operatorname{WPP}$ Corporate Responsibility Report 2010/2011



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



Throughout this report this icon denotes that case study campaign footage can be viewed in the CR Report online at wpp.com/cr

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# Introduction

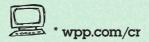
PP's ninth corporate responsibility report showcases our approach to social, ethical and environmental issues and reports progress made across the Group during 2010.

Throughout the report we include thoughts and insights on corporate responsibility from

our companies.

We have provided information on the Global Reporting Initiative (GRI) indicators covered in our reporting. A detailed GRI index is also available in the online version of our report\*.

We don't think reporting should be a onesided conversation. We welcome your feedback - whether positive or negative. You can contact us at: cr@wpp.com





# Highlights from 2010

48%

women in senior management

£48.9m

invested in training and development

97,714

of our people have received WPP share awards through our Worldwide Ownership Plan

2,100

of our senior client leaders have participated in our *Maestro* training program

23%

reduction in CO<sub>2</sub> emissions per head since 2006

£14.3m

donated to charity, equivalent to 1.7% of pre-tax profits

11,000 hours

of meetings held via our videoconferencing network by our companies in 2010

16%

of our electricity is purchased from renewable sources





# From our CEO

# The self-preservation society

erhaps the greatest single problem for climate change and other sustainability issues – such as biodiversity loss and water scarcity – is that the time is never quite right to face up to them. Sustainability is a slow-motion crisis. More pressing issues always intervene.



It is undeniable that the unsustainable use of our planet to extract resources and deposit waste has the increasing potential to do great harm to the global economy and society. But the slow nature of these changes means that any sense of urgency is missing. Sustainability issues are rarely at the top of the international political agenda.

Business is often characterised as being motivated only by short-term profit – but in truth, major corporations are doing much more than governments in providing leadership and innovation in the field of sustainability; not out of altruism, but because the world's largest companies, owners of the most valuable brands, have an intense interest in long-term sustainable growth. Healthy, prosperous societies create demand for their products and are capable of providing the raw materials they need. Longestablished companies have learned the need to plan for the long-term with rather more success than many national governments – which have, perhaps, no more than a few years in office in which to exercise their power.

But a big question mark stills hangs over the mindset of the consumer. Our research shows that people are becoming ever more tired of the environmentalists' messages: drive less, holiday at home, don't eat meat, keep a smaller dog. They feel that any personal sacrifice would make a wholly insignificant difference. Climate change is a problem so inconceivably vast that it needs some ill-defined 'Them' to fix it.

Since the economic downturn, green issues are slipping still further down the order of priorities. Marketing strategists now need to think hard about how to re-engage the consumer.

Raw economics should provide part of the solution. Commodity prices for all basic materials, from foods to industrial raw materials to fuel, rose sharply as global GDP increased prior to 2009 and have resumed the upward trend since the bottom of the recession. This suggests that we are reaching limits to the world's capacity to meet society's ever-rising consumption, especially the increasing needs of the BRICs countries. It is proving increasingly difficult to grow more food or extract more oil because agricultural land and fossil fuel reserves are already stretched.

Higher prices give consumers a new and compelling reason to be green – it saves money. Nobody wanted to insulate their home when it took decades to recover the cost and few worried about the efficiency of their car when the cost of petrol represented a far smaller proportion of their disposable income. Today, market forces are at last aligning with sustainability and creating the opportunity for brands to explain to their users just how green products can help them – directly and personally.

We're all, by nature, self-centred. Our research shows that people are more motivated by 'my world' than 'the world'. It should be possible to harness these understandable instincts and guide consumers, to their own benefit, towards much more sustainable consumption.

It can't come too soon. We're entering a new era: resource-constrained and inflationary. The 'superconsumption' of the 1990s and 2000s will be replaced by the desire for more efficient and longer-lasting products. Quality will surpass quantity. This will be the spur for a wave of technical invention and product innovation providing consumers with all the satisfaction they've come to expect, but with a fraction of the drain on the earth's resources. And, crucially, at lower running costs to the user. You could call it 'The self-preservation society'.

WPP companies are increasingly charged by our clients with the task of explaining the sustainability benefits to consumers and promoting brands that offer a genuine advantage. In response, we are expanding and developing our specialist knowledge in many teams across our networks. This work demands

particular expertise and sensitivities. The problems are real and complex and demand real solutions: 'greenwashing' is counter-productive and we invariably counsel against it.

This report also outlines our continuing work to ensure that we run our own operations responsibly. I'm pleased to report that we have reduced our carbon footprint per head by 23% since 2006, and continue to work towards an inspirational goal of a 63% reduction by 2020.

We strengthened our approach to privacy and data protection this year: key issues for our research and digital companies. Our companies continue to get involved in initiatives to increase choice and control for consumers and help maintain their trust in digital marketing.

In employment, our companies continued to promote diversity in the workplace and to deliver innovative, high-quality training to our people. At the back of this report we profile a few examples of the many pro bono projects that our companies do on behalf of charities and the social sector.

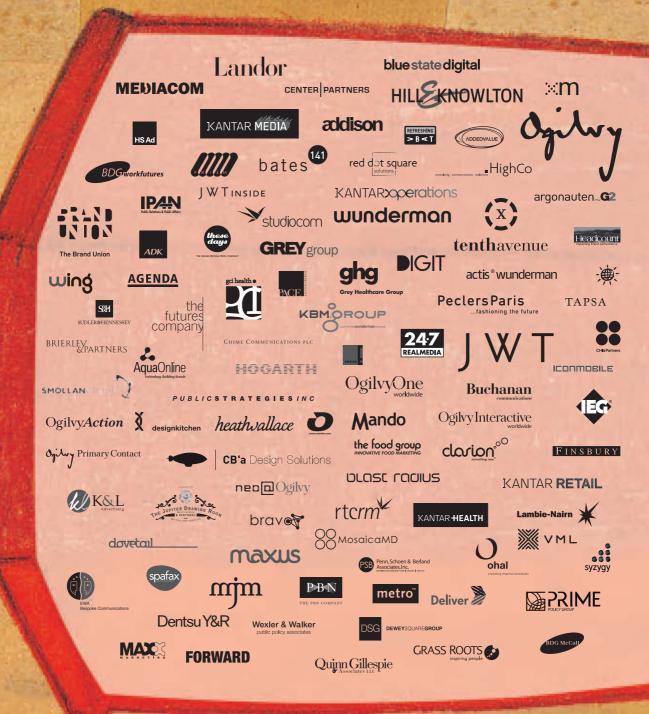
The consumer society has to change to survive – and I'm determined that our brightest talents should be equipped and available to work with our clients to help bring that change about.

I hope you find this report at least in part encouraging. Please let me have any comments or suggestions you may have. They will be most welcome.

Marti Somu

Sir Martin Sorrell Group chief executive msorrell@wpp.com

# Who we are





# Our companies & associates

#### **Advertising**

ADK1 www.adk.jp Bates 141 www.bates141.com www.brandbuzz.com www.chiandpartners.com Dentsu Y&R1,2,■ www.yr.com www.grey.com HS Ad www.hsad.co.kr www.jwt.com Ogilvy & Mather www.ogilvy.com

www.sohosq.com Tapsa

www.santo.net

www.scangroup.biz

Scangroup<sup>1</sup>

Soho Square

www.tapsa.es TAXI. www.taxi.ca Team Detroit www.teamdetroit.com The Jupiter Drawing Room & Partners www.jupiter.co.za United Network

www.theunitednetwork.net

Y&R■ www.yr.com



#### Media Investment Management

GroupM: www.groupm.com Maxus www.maxusglobal.com MediaCom www.mediacom.com www.mecglobal.com Mindshare www.mindshareworld.com

www.outrider.com Catalyst

www.catalystsearchmarketing

Other media agencies **KR** Media

www.krmedia-france.com tenthavenue:

www.tenthavenue.com Kinetic Worldwide www.kineticww.com Quisma

www.quisma.com Spafax

www.spafax.com

#### Consumer Insight

Kantar:

www.kantar.com Added Value www.added-value.com Center Partners www.centerpartners.com **IMRB** International www.imrbint.com Kantar Health www.kantarhealth.com

Kantar Japan www.jp.kantargroup.com Kantar Media www.kantarmedia.com

Kantar Operations www.kantaroperations.com

www.kantarretail.com Kantar Worldpanel www.kantarworldpanel.com

Kantar Retail

Lightspeed Research www.lightspeedresearch.com

Millward Brown www.millwardbrown.com

The Futures Company www.thefuturescompany.com

www.tnsglobal.com

Other marketing consultancies

Everystone\* www.everystonegroup.com

www.ohal-group.com

#### Public Relations & **Public Affairs**

Blanc & Otus+ www.blancandotus.com **Buchanan Communications** www.buchanan.uk.com Burson-Marsteller www.bm.com Chime Communications PLC www.chime.plc.uk Clarion Communications www.clarion.comms.co.uk Cohn & Wolfe www.cohnwolfe.com Dewey Square Group

www.deweysquare.com Finsbury www.finsbury.com Hill & Knowlton

www.hillandknowlton.com Ogilvy Government Relations www.ogilvygr.com

Ogilvy Public Relations Worldwide www.ogilvypr.com

The PBN Company www.pbnco.com

Penn Schoen Berland www.psbresearch.com Prime Policy Group

www.prime-policy.com Public Strategies

www.pstrategies.com Quinn Gillespie

www.quinngillespie.com

Robinson Lerer & Montgomery www.rlmnet.com

Wexler & Walker Public Policy Associates\* www.wexlergroup.com

#### **Branding & Identity**

Addison Corporate Marketing® www.addison.co.uk BDGMcColl www.bdg-mccoll.com **BDGworkfutures** www.bdgworkfutures.com

Coley Porter Bell www.cpb.co.uk Dovetail

www.dovetailfurniture.com

www.fitchww.com Lambie-Naim® www.lambie-nairn.com Landor Associates<sup>■,●</sup> www.landor.com

PeclersParis® www.peclersparis.com The Brand Union®

www.thebrandunion.com The Partners® www.thepartners.co.uk

www.vbat.nl

#### Healthcare Communications

Feinstein Kean Healthcare www.fkhealth.com GCI Health www.gcihealth.com www.ghgroup.com Ogilvy CommonHealth Worldwide www.ogilvychww.com Sudler & Hennessey www.sudler.com

#### Direct, Digital, Promotion & Relationship Marketina

A. Eicoff & Co www.eicoff.com Actis Systems www.actis.ru AGENDA<sup>4</sup> www.agenda-asia.com Aqua Online www.aquaonline.com Blast Radius www.blastradius.com Brierley & Partners www.brierley.com Designkitchen<sup>\*</sup> www.designkitchen.com Dialogue 141

www.dialmkg.com www.digitlondon.com

**EWA** www.ewa.ltd.uk

FullSIX3 www.fullsix.com

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

www.g2.com

- G2 Branding & Design

- G2 Interactive

- G2 Direct & Digital

G2 Promotional Marketing

Headcount Worldwide Field Marketing

www.headcount.co.uk

High Co www.highco.fr

Kassius

www.kassius.fr

**KBM** Group www.kbmg.com

Manda

www.mando.co.uk Maxx Marketing

www.maxx-marketing.com

OgilvyAction

www.ogilvyaction.com OgilvyOne Worldwide

www.ogilvy.com OgilvyAction Sports &

**Entertainment Marketing** www.ogilvyaction.com

OOT2

www.oot.it

www.rtcrm.com

Smollan Group www.smollan.co.za

Studiocom\*

www.studiocom.com

These Days

www.thesedays.com

Vice Media<sup>3</sup> www.viceland.com

VML.

www.vml.com

Wunderman\*

www.wunderman.com

7.A A 7.

www.zaaz.com

#### Specialist Communications

Corporate/B2B

Ogilvy Primary Contact www.primary.co.uk

Custom media

www.theforwardgroup.com

Demographic marketing

The Bravo Group

www.thinkbravo.com

Kana & Lee

www.kanalee.com

MosaicaMD

www.mosaicamd.com

UniWorld1

www.uniworldgroup.com

WING.

www.insidewing.com

Employer branding/recruitment

.IWT Inside

www.jwtinside.com

Event/face-to-face marketing

MJM

www.mjmcreative.com

Metro

Foodservice marketing

The Food Group www.thefoodgroup.com

Sports marketing

9ine Sports & Entertainment<sup>2</sup> www.9ine.com.br

PRISM Group

www.prismteam.com

**Entertainment marketing** 

Alliance

www.alliance-agency.com

#### Youth marketing

The Geppetto Group www.geppettogroup.com

Real estate marketing

www.paceadv.com

Technology marketing

Banner Corporation www.bl.com

Media & production services

The Farm Group

www.farmgroup.tv Hogarth Worldwide<sup>2</sup>

www.hogarthww.com

Imagina<sup>3</sup>

www.mediapro.es

MRC<sup>3</sup>

www.mrcstudios.com

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

#### WPP Digital

24/7 Real Media www.247realmedia.com

Blue State Digital

www.bluestatedigital.com

www.deliveroffshoring.com

Fabric Worldwide www.fabricww.com

www.iconmobile.com

Johannes Leonardo<sup>3</sup>

www.johannesleonardo.com

Possible Worldwide

www.possibleworldwide.com

www.syzygy.net

The Media Innovation Group www.themig.com

True Worldwide<sup>3</sup>

www.true-ww.com

#### WPP Digital partner companies

Ace Metrix<sup>3</sup>

www.acemetrix.com

Buddy Media<sup>3</sup>

www.buddymedia.com

eCommera<sup>3</sup>

www.ecommera.com

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

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

www.invidi.com

Jumptap<sup>3</sup>

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

www.miaozhen.com

nPario<sup>3</sup> www.npario.com

Proclivity Systems<sup>3</sup>

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

www.saymedia.com

Visible Technologies<sup>1</sup>

www.visibletechnologies.com

Visible World<sup>3</sup>

www.visibleworld.com

WildTangent3 www.wildtangent.com

Vield Software

www.yieldsoftware.com

#### WPP knowledge community

The Store droth@wpp.com gmorrison@wpp.com

#### Кеу

- Joint venture Investment
- ▲ A Brand Union company ◆ A Hill & Knowlton
- A Hill & Knowlton company
  An Ogilvy company
  A Young & Rubicam Brands company
  A member of B to D Group
  Part of the Wunderman network
- As at June 2011

# CR at WPP

responsibly towards people and the environment helps us achieve our business goals and maintain strong relationships with clients, our people, regulators, suppliers and investors.



GRI indicators covered in this section: 1.2, 3.5, 4.1, 4.4, 4.8, 4.9, 4.11, 4.12, 4.14, 4.16, HR6, HR7, SO3, SO5.

#### CR and our business strategy

Our goal is to be the world's most successful provider of communications services to multinational and local companies, not just the largest.

We will achieve this through a focus on our three key strategic priorities:

Short term, to continue to emerge from the 2008 financial crisis successfully. Our 2010 results are an encouraging sign that we will or even have.

Medium term, to build upon the successful base we have established while integrating our most recent acquisitions effectively.

Long term, increase the combined geographic share of revenues from the faster-growing markets from around 27% to 35-40%; increase the share of revenues of new media from 29% to 35-40%; and maintain the share of more measurable marketing services – such as Consumer Insight and direct, digital and interactive – at 50% of revenues.

Our CR activity enables us to take advantage of new opportunities and to manage social and environmental risks connected to our strategy. It supports our business goals directly in a number of areas, including:

Generating new business opportunities. Major brands are increasingly focused on managing their reputation and, in particular, positioning themselves as responsible members of society and stewards of the environment. This trend, which is evident in both Western and fast-growing economies, is creating opportunities for our companies, from research to advice on communications and marketing. Our companies have responded, developing skills and services to meet the needs of clients aiming to establish credentials for environmental, social and ethical excellence. WPP's status as the early mover in CR in our sector helps our companies enter green and ethical markets with confidence and credibility.

#### Attracting and retaining the best people.

There is fierce competition for talent in our industry. Creating a diverse company culture and adopting leading employment practices can help us to attract and retain the best people. A diverse workforce also enhances our understanding of consumers in all markets, while our investment in training helps us to develop the skills needed to grow our business in key areas such as digital marketing. The future generations that will eventually become our talent pool, view CR issues as central to business. Questions relating to CR are frequently raised – demonstrating that our commitment to social and environmental issues supports recruitment and retention. Our pro bono work and support for charities and community organisations reinforces our reputation for making a positive contribution to society.

- Reputation risk management. We manage a number of potential risks to minimise the possibility of damage to our reputation. We ensure that our work complies fully with regulations and marketing standards. We evaluate carefully the risk associated with new commissions. Meeting best practice standards for privacy and data protection enable us to reduce risks associated with the increased volumes of data handled by our growing insight and digital marketing businesses. As we expand our business in new regions, or acquire new businesses, we apply the same high ethical standards to our work and our interactions with clients.
- Meeting investor and client expectations. WPP share owners and clients are showing interest in our CR practices and we aim to respond constructively to their requests for information.
- Improving efficiency. Our climate change strategy is reducing costs associated with business travel and energy use. Investment in videoconference facilities enables an increasing number of meetings to be held without the cost and carbon footprint of flights.

#### How we manage risk and opportunity

Our approach to CR reflects the decentralised structure of our Group, with many CR issues managed at operating company level. WPP the parent company complements this activity. Our Group CR function determines CR policy, monitors risks and opportunities and coordinates data collection. It helps raise awareness within our companies and provides advice and guidance on CR issues.

Corporate responsibility is included in our Group risk management processes. This includes the 'Brand Check' review of each of the business' operations presented by the Group chief executive at each Board meeting.

Our approach to CR focuses on the issues that are most material (relevant and significant) to WPP. Our assessment of materiality is informed by the feedback we receive from stakeholders particularly investors, clients and our people.

Paul Richardson, the Group finance director, is the Board director responsible for CR and is chair of our Corporate Responsibility Committee. He provides an annual assessment of corporate responsibility risks and performance to the Audit Committee. From 2011, he will report CR risks and performance to the Nomination Committee.

Elements of the variable compensation for some executives are linked to CR performance.

Issue	Materiality rating	How it is managed	Aims
The social and environmental impact of our work for clients.	1	Opportunities to advise clients on marketing with a social or environmental dimension are identified by our companies.	Be a centre of excellence for sustainability communication.
Risk to WPP's reputation from undertaking controversial client work.	<b>High.</b> Significant potential impact on the reputation of the Group and/or our companies.	Upward referral within operating companies and consideration by the Group CEO and/or WPP's ethical review committee.	Protect WPP's reputation by taking decisions at the appropriate level.
Marketing ethics, compliance with marketing standards, and transparency about our marketing practices.	High. Failure to comply with marketing standards could have financial, legal and reputational impacts on the Group.	Managed by our operating companies with referral to WPP directors as necessary.	Comply with all laws and industry codes governing marketing material. Improve standards and measurement in marketing practices.
Privacy and data protection.	High. Increasingly important issue as we pursue our business strategy to expand our digital and insight (research) businesses.  Associated with contractual, financial and legal risks to the Group.	The Group assists our operating companies in developing principles on privacy. Our key digital marketing and research companies have nominated senior executives to provide leadership on privacy and to work with other companies in the Group.	Meet best practice standards, contribute to the debate on privacy, increase transparency for consumers on how their data is obtained and used.

Issue	Materiality rating	How it is managed	Aims
Employment, including diversity and equal opportunities, business ethics, employee development, remuneration, communication and health and safety.		Human resources policies are set and implemented at operating company level. WPP's chief talent officer assists the operating companies in attracting, developing and retaining our talent.	Support our companies' talent recruitment and retention through our reputation for corporate responsibility. Improve standards and measurement in employment.
Social investment, including pro bono work, donations to charity and employee volunteering.	Low-medium. Pro bono work supports employee development and retention, and the Group's reputation. Significant beneficial impact on charities we support.	Pro bono projects are agreed directly between WPP companies and charities. Many of our companies have long-standing relationships with their pro bono partners. WPP the parent company helps to coordinate pro bono projects involving multiple WPP companies or cross-Group collaborations.	marketing skills and direct donations to charity.
Climate change, including the emissions from energy used in our offices and during business travel.	Medium. Our climate strategy enables us to comply with regulation, reduce costs, and achieve our ambition to be a centre of excellence for sustainability communication. Likely to become more significant over time.	Cross-functional, Group-wide Energy Action Teams and a network of agency Climate Champions help implement our climate change strategy. Some agencies have appointed environmental managers.	Reduce per head carbon intensity to 1.2 tonnes by 2020 (from 3.3 tonnes in 2006).
Other environmental impacts including waste and recycling and water use.	Low. As an office-based company our resource use is relatively low.	Group strategies in place to manage waste and water use at key locations. Other impacts managed by our companies.	Establish preferred suppliers of recycling services in major markets. Reduce water consumption by 20% per capita by 2015 at 11 offices in areas of water scarcity.
Supply chain including supplier standards and sustainable sourcing.	<b>Low.</b> A relatively low risk to WPP as a service company.	WPP's Group Procurement team use ethical and environmental criteria in the selection of preferred suppliers. Other suppliers managed at operating company level.	All new preferred suppliers to complete our CR questionnaire. Source 50% of paper from recycled sources by 2015.

#### Corporate Responsibility Committee

Our Corporate Responsibility Committee, established in 2003, is made up of senior representatives from our companies and Group functions. It met once formally in 2010 when the main topics discussed were:

- Sustainability communications services
- nvironment and procurement
- Marketing ethics and risk management
- Human resources
- Privacy and security.
- Its current members are:
- Sudler & Hennessey

  Craig Branigan, chairman & CEO, B to D Group
- Owen Dougherty, chief communications officer, Grey Group
- Chris Graves, CEO, Ogilvy PR Worldwide
- 👊 Julie Halpin, CEO, The Geppetto Group
- Mandy Pooler, development director, Kantar
- nominic Proctor, worldwide CEO, Mindshare
- Vanessa Edwards, head of Corporate Responsibility, WPP
- Tom Kinnaird, head of Global Commercial & Procurement Services, WPP
- Mark Linaugh, chief talent officer, WPP
- Howard Paster, executive vice president,

WPP Public Relations & Public Affairs

Paul Richardson, Group finance director, WPP (chair).

#### Stakeholder engagement

Feedback from our clients, investors, employees and other stakeholders helps us to improve how we manage social and environmental issues and to identify emerging risks and opportunities.

Our approach to stakeholder engagement in 2010 included responding to the growing number of requests for information on CR at WPP from clients and potential clients.

We assist investors to understand the issues material to our business and provide information on performance whenever this is available. In 2010 we responded to engagement by the following investment organisations:

- **BNP** Paribas
- Carbon Disclosure Project
- Dow Jones Sustainability Index
- Ethical Investment Research Service (EIRIS)
- EthiFinance
- FTSE4Good
- Goldman Sachs
- 🐂 Trucost
- ROBECO
- Sustainanalytics
- 🦊 Vigeo.

We engage with our people through regular meetings and our employee surveys (conducted at operating company level). We aim to raise awareness of CR among our employees and to involve them in our programs. We improved the WPP CR website and Group intranet site this year to make it easier for visitors to find information on our CR activities.

We distribute our Corporate Responsibility Report to 2,000 senior managers and send copies to WPP CR representatives, communications departments, key account executives and new business directors. Articles on CR are included in *The WIRE* (WPP's global newspaper and eBook) and our magazine for procurement professionals (*Buy-in*). In 2010 this included articles on environmental management, sustainable workspaces, pro bono campaigns, sustainability in marketing and charity support.

We are members of Business in the Community, the Employers Forum on Disability, the Institute of Business Ethics and the Media Trust.

#### Awards and rankings

WPP is included in the Dow Jones Sustainability Index and the FTSE4Good Index. WPP was one of the top 10 UK companies included as a regional leader in the new FTSE4Good ESG Rating. We achieved a score of 4.6 out of 5.

In 2010 WPP was ranked first out of eight in our sector by Triodos Bank and ranked 22 out of 350 in the FTSE CDP Carbon Strategy Index Series,

an index rating all FTSE 350 companies according to their carbon risk exposure and carbon management performance.

We won a Gold Award at the International ARC Awards in the Green/Environmentally sound Annual Report category, as well as a Silver Award at the Astrid Awards in the CR report website category.

We aim to make our website, including our online CR report as accessible as possible. In Q2 2011 our site was rated 5th out of 558 sites assessed for accessibility by SiteMorse. See www.sitemorse.com

#### Monitoring performance

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

CR data is collected quarterly through our Group financial reporting system. This is helping to embed CR into our operating company management systems.

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

Reviews of CR risks such as those relating to employment policies, privacy and data security, marketing and business ethics may be included in the scope of internal audits. Significant findings are reported to the audit committee.

#### **Business ethics**

All employees are expected to comply with the standards set out in our Code of Conduct and CR Policy. These provide guidance for our people in dealing with a wide range of ethical, social and environmental subjects and are available on our website and intranet. Both are regularly updated.

To reinforce the importance of meeting high ethical standards, the senior management of each WPP company is required to sign a statement annually confirming that they comply with WPP's Code of Conduct. Employees can report any concerns or suspected cases of misconduct in confidence through our third party-managed Right to Speak facility,

overseen by our internal audit department. This is publicised through induction packs, the Group intranet and the WPP Policy Book. Our Code of Conduct is supported by more detailed policies on issues such as gifts and entertainment and the appointment of advisors.

#### Ethics training

All employees (about 104,000, excluding associates) must undertake our online ethics training. This uses scenarios to help employees identify and respond appropriately to ethical issues they may encounter in their work. It covers a wide range of issues including privacy, diversity, responsibility to stakeholders, and avoiding misleading work. It reminds employees that they should always 'Stop, Think and Consult' when faced with an ethical dilemma and should always report concerns to a manager or to our Right to Speak helpline.

The online training is available on our intranet in English, Spanish, Chinese, Vietnamese, Japanese, French, Arabic, Polish, Hebrew, Flemish, Korean, German and Portuguese and has been completed by 85,930 employees at the time of going to press.

#### Anti-corruption and bribery

We strengthened our anti-corruption and bribery procedures in 2010. In 2011 we appointed a chief compliance officer (CCO) and compliance team to work with our legal and internal audit teams to lead our efforts. The CCO is responsible for policy and compliance, and will investigate any suspected cases of misconduct. We have reviewed corruption and bribery risks for our business and have incorporated these into our risk management processes. We launched an online anti-bribery training course at the end of 2010 which is accessed via our intranet. The interactive course is available in 12 languages, and the content is translated into a further 23 languages. The course is mandatory for all employees. Over 91,428 employees have completed the course at the time of going to press. Additional face-to-face training is being rolled out to all senior managers.

We believe our business policies and procedures comply with the requirements of the proposed UK Bribery Act and we will ensure compliance with the Ministry of Justice guidance when this is finalised.

There were 42 calls to our Right to Speak helpline in 2010. We investigate all suspected cases of misconduct and take appropriate action. This can include retraining, formal warnings and dismissals. The details of all calls are reported to the Audit Committee.

#### Corporate governance

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

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

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

#### Tax policy

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

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

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

#### Lobbying and political contributions

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

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

On occasion, WPP engages in the debate on public policy issues relevant to our business, sometimes operating through our public affairs companies. For example, during 2011 Sir Martin Sorrell is participating in a round table advising the UK Government's communications review. Our operating companies also engage on relevant issues. For example, our digital and research companies give their views on proposed changes to privacy and data protection regulation.

Several WPP companies have public affairs practices which lobby governments on behalf of clients, see page 37.

#### Managing CR in our supply chain

WPP spends around \$6 billion with suppliers of goods and services each year. We aim to do business with suppliers that protect the environment and meet high standards on employment practices. We are committed to managing CR risks in our supply chain, both for ourselves and for our clients.

We also look for opportunities to increase the proportion of environmentally-preferable products and services we buy and/or reduce demand, see page 61.

#### Our supply chain

We currently focus our CR efforts on preferred suppliers that provide centrally purchased goods and services such as IT, travel, telecommunications, professional services (for example, consultancy and recruitment) and facilities management. We spend around \$3 billion with these suppliers each year and contracts are negotiated by WPP Commercial & Procurement Services. The size of these contracts, and the fact that they are negotiated centrally, means that we can use our commercial influence to bring about CR improvements.

For goods and services used in client work, contracts are more usually negotiated by our individual operating companies. Suppliers of these goods and services are generally not included in our Group CR program, although individual operating companies may engage these companies on CR. Where WPP Procurement lead projects to select preferred suppliers for client work, CR selection criteria are applied.

#### Selecting preferred suppliers

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

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

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

- Policy. Does your company have a CR policy?
- Responsibility. Is a senior executive (or executives) responsible for CR performance? Does your company have a CR manager or equivalent?
- Key issues. Please identify the environmental issues most relevant to your company. Please identify the social issues most relevant to your company (social issues include employment, health & safety and community).
- Reporting. Does your company publish a CR report? Supply chain. Does your company have a process for implementing CR standards in its supply chain?

The answers help us to evaluate a potential supplier's approach to CR. In 2010 all new preferred Group suppliers in Asia Pacific, EMEA, the UK and US completed our CR questionnaire.

#### **Embedding CR**

CR is included in the personal objectives for our regional heads of procurement and purchasing managers in our major markets. Objectives are aligned with our three main themes of supplier selection, managing supply chain risk and helping operating companies to integrate CR into their local procurement. We raise awareness of CR through quarterly reporting, our regular cross-Group sourcing team activities and newsletters.

# Code of Conduct

- PP and its companies operate in many markets and countries throughout the world. In all instances, we respect national laws and any other laws with an international reach, such as the US Foreign Corrupt Practices Act, where relevant, and industry codes of conduct. We are committed to acting ethically in all aspects of our business and to maintaining the highest standards of honesty and integrity.
- We, the officers and staff of all companies in the WPP Group ('the Group'), recognise our obligations to all who have a stake in our success including share owners, clients, staff and suppliers.
- Information about our business shall be communicated clearly and accurately in a non-discriminatory manner and in accordance with local regulations.
- We select and promote our people on the basis of their qualifications and merit, without discrimination or concern for race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.
- We believe that a workplace should be safe and civilised; we will not tolerate sexual harassment, discrimination or offensive behaviour of any kind, which includes the persistent demeaning of individuals through words or actions, the display or distribution of offensive material, or the use or possession of weapons on WPP or client premises.
- We will not tolerate the use, possession or distribution of illegal drugs, or our people reporting for work under the influence of drugs or alcohol.
- We will treat all information relating to the Group's business, or to its clients, as confidential. In particular, 'insider trading' is expressly prohibited and confidential information must not be used for personal gain.
- We are committed to protecting consumer, client and employee data in accordance with national laws and industry codes.
- We will not knowingly create work which contains statements, suggestions or images offensive to general public decency and will give appropriate consideration to the impact of our work on minority segments of the population, whether that minority be by race, religion,

- national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.
- We will not undertake work which is intended or designed to mislead, including in relation to social, environmental and human rights issues.
- We will consider the potential for clients or work to damage the Group's reputation prior to taking them on. This includes reputational damage from association with clients that participate in activities that contribute to the abuse of human rights.
- We will not for personal or family gain directly or indirectly engage in any activity which competes with companies within the Group or with our obligations to any such company.
- We will not give, offer or accept bribes, whether in cash or otherwise, to or from any third party, including but not restricted to government officials, clients and brokers or their representatives. We will collectively ensure that all staff understand this policy through training, communication and by example.
- We will not offer any items of personal inducement to secure business. This is not intended to prohibit appropriate entertainment or the making of occasional gifts of minor value unless the client has a policy which restricts this.
- We will not accept for our personal benefit goods or services of more than nominal value from suppliers, potential suppliers or other third parties.
- We will not have any personal or family conflicts of interest within our businesses or with our suppliers or other third parties with whom we do business.
- No corporate contributions of any kind, including the provision of services or materials for less than the market value, may be made to politicians, political parties or action committees, without the prior written approval of the WPP Board.
- We will continue to strive to make a positive contribution to society and the environment by: maintaining high standards of marketing ethics; respecting human rights; respecting the environment; supporting community organisations; supporting employee development; and managing significant corporate responsibility risks in our supply chain. Our Corporate Responsibility Policy provides more detail about our commitments in these areas.

# **CR Policy**

Te believe our business can make a positive contribution to society and the environment by managing our activities with care and by working with responsible organisations that promote social and environmental causes. Our operating companies are required to comply with this CR Policy and report performance to the parent company quarterly. We recognise that many different stakeholders have an interest in our business and we welcome discussion of our policies and performance.

#### Social investment

WPP companies are encouraged to:

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

#### Managing relationships

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

#### Employee development

WPP companies:

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

#### Marketing ethics

WPP companies:

Will comply with applicable regulations and self-regulatory codes of practice in the countries in which they operate.

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

#### Environment

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

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

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

#### Human rights

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

# The impact of our work

arketing has the power to change attitudes and to influence behaviour. Used appropriately, and alongside changes in technology and regulation, we believe it can play an important role in helping consumers to adopt more sustainable lifestyles.



ur goal is for WPP to be a centre of excellence for sustainability communication, giving our clients the best advice and enhancing consumers' understanding of social and environmental issues. We will not underwrite 'greenwashing' and recognise the challenges in distilling complex sustainability issues into simple marketing messages. For more information on our commitment to meeting high ethical standards in our work, see pages 33 and 34. This section covers three areas of our work:

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

#### Sustainability in marketing

Our companies advise clients on sustainability, help them to understand changing societal expectations and to communicate the social and environmental credentials of their products and services.

There is growing demand for these services, as major brands in both Western economies and fast-growing markets seek to embed social and environmental values into their products and services. Effective marketing is needed to help them communicate the benefits of their products to a wide audience – clearly and credibly.

Sustainable marketing represents an important and growing opportunity for WPP. It is one of the key ways that CR is aligned with and supports our business strategy.

We are developing a sustainability directory, to help us catalogue and communicate the sustainability expertise that exists across WPP companies, and to make it easier for our companies and clients to access this resource.

#### What we do

WPP companies in all disciplines are involved in sustainability marketing. This includes:

- Research and insight our research companies help clients to understand changing attitudes to social and environmental issues and the role of business and government in tackling these issues, and to test the impact of different sustainability communications approaches.
- Branding and strategy our companies work with clients to develop their sustainability strategies and to embed social and environmental values into their brands and marketing.
- Consumer communications our advertising, digital, and direct communications companies help clients to communicate credibly with consumers and business customers on sustainability issues and to promote the green or ethical credentials of their products and services.
- Rand public affairs companies help clients to communicate with regulators, the media, NGOs and the public on sustainability issues.

A number of our companies have developed bespoke sustainability services for their clients. Current examples include Hill & Knowlton's CR & Sustainability Communications offering, JWT Ethos, Kantar Sustainability, OgilvyEarth, P&G's S-Team (including Added Value, Bridge, FITCH, G2, The Futures Company, Hill & Knowlton, Landor and Penn Schoen Berland); and PSB Green.

## **Perspectives**

hina and India are the engines of growth for the whole world and this creates a huge sustainability challenge.

Marketers can encourage the shift to more responsible consumption in these markets by helping people to re-evaluate their needs and by identifying sustainable commercial opportunities. It is time to stop



presenting sustainable behaviour as an ideal and attempting to appeal to altruism or morality. The bravery of eco-warriors only creates distance between them and ordinary people.

In China, mainstreaming green behaviour starts by recognising that sustainability is already part of many people's lives. They recycle for economic reasons. They sleep on straw mats in summer rather than turn on the air-conditioning. These behaviours need to be encouraged and the benefits need to be personalised. Most people won't change how they live because it's good for the planet.

OgilvyEarth, our sustainability practice, identifies opportunities for brands within the sustainable economy, and helps them to facilitate change and extract value. We offer a suite of services: audit of sustainability activities; program design; research to identify marketplace opportunities; access to sustainability experts; and communications strategies that place sustainability at the heart of the brand.

Kunal Sinha, regional cultural insights director, OgilvyEarth

xperience has taught us that most people want to be more sustainable and responsible, but often don't behave in ways that are coherent with their declared desires. Marketing services can help to align desires with behaviours by:



Understanding the barriers to behaviour change and designing strategies to overcome them.

Ruilding bridges between sustainability and core consumer benefits (making healthy products taste better... recycled furniture look great... durable clothes sexier...)

Creating new social norms that drive behaviour change. The job of marketers is not just to respond to consumer demand, but also to drive change by generating awareness, creating a buzz and lobbying opinion leaders and regulators.

At Added Value, we try to help our clients define the sustainability issues or opportunities embedded in their value chain so as to develop the sustainability strategies with the best revenue generation potential.

The biggest risk lies with companies who attempt to sell sustainability without making the necessary changes to their business models. Consumers expect honesty and demand transparency. The only thing worse than not going down the sustainable path is trying to fake it.

**Leslie Pascaud**, global director of Sustainable Marketing Practice, **Added Value** 

owhere is the gap between what consumers say and what they actually do more evident, than in sustainability. This is not duplicity – but in a world where economic pressures are severe, the trade-off between good intentions and price is very evident. The great challenge is to make sustainable products and practices affordable to the majority of people.



Marketing services needs to perform its classic role of creating demand. As corporations make their supply chain and products more sustainable, the role of marketing is to tell the brand stories that will create consumer demand.

Kantar Sustainability brings the perspective of the consumer (or citizen) into the sustainability decisions of corporations, brand owners and institutions. Our companies conduct research on a global basis into what people think of sustainable issues and offers and, via our behavioural panels, into what they are actually doing. Through the sustainability practices of our companies, we help our clients to identify the opportunities for future business growth. And we advise on the differences that will impact consumer behaviour and attitudes, and how and where to communicate those differences.

Mandy Pooler, development director, Kantar

Sustainability in marketing can be about self-denial and doing less. But if we want people to change how they live and consume, we have to make that transition desirable and compelling. It's not necessarily just about doing less but about doing things better and differently. Marketing can be the creative engine behind the shift to sustainable development, providing inspiration and motivation and helping to clarify

and demystify the complex issues involved.

A multi-layered approach is needed. Most customers don't want to know the technical detail. It doesn't mean anything to them. On the other hand, there are a small group of consumers and opinion leaders who do want the detail, and will be vocal if they don't get it. As marketers we need to reach people on their own terms, and show why sustainability is relevant to their lives.

Through our Corporate Responsibility and Sustainability practice, Hill & Knowlton helps our clients to understand and communicate on these issues. Our services cover the spectrum of communications from issues analysis to brand and corporate campaigns. CR and sustainability mean different things in different sectors. So we create a bespoke team for each client that combines the right sector expertise, the right policy and technical understanding and if needed, colleagues from around the H&K global network.

Flic Howard-Allen, lead counsel on sustainability, Hill & Knowlton

here is a tendency for companies to pay lip-service to sustainability and initiate corporate and social responsibility (CSR) activities or green initiatives just for the sake of saying they've done it. They don't know if these are the right initiatives to take, or if they've had any real positive impact. Did they increase the company's corporate reputation? Did they help the bottom line from the long-term perspective? Have they been communicated properly?





PSB has worked on sustainability projects in the political and corporate spheres for a very long time, helping clients understand how sustainability can complement corporate and political strategy. Our *Green Brands* study, produced in partnership with Landor, Cohn & Wolfe and Esty Environmental Partners, explores the intersection between environmentally-friendly initiatives and branding.

Alex Braun, vice president, Penn Schoen Berland

# Sustainability in marketing - case studies

Case study:

Closing the sustainability gap

China is the world's largest emitter of greenhouse gases, and its demand for energy continues to grow. The Chinese Government's green stimulus package, worth \$221 billion, is designed to help the country achieve more sustainable development. But it will only succeed if the estimated 1.5 billion Chinese consumers embrace sustainability, and sustainable consumption.

In 2010, OgilvyEarth published *Get Going* with Green that examines consumer perceptions and the barriers to sustainable consumption in China. The study notes that China, like most countries has a 'sustainability gap' – many people claim to be green consumers but this isn't reflected in their actual behaviour. It argues that the sustainability gap is an opportunity, since it demonstrates that many Chinese understand sustainability and want to change their behaviour. However, they feel powerless or lack the means to do so.

Ogilvy makes 10 suggestions for how businesses and governments can encourage the transition to sustainability from incentivising the purchase of more sustainable products and services, to offering more green choices and to recognising and reinforcing existing good behaviour.

Campaign: Let's Go

Client: Shell

WPP company: JWT London

With the world's energy demands set to double by 2050, Shell is looking to open new, more efficient energy frontiers and deliver cleaner-burning natural gas to more countries around the world.

In 2010, JWT London launched Shell's new corporate communications campaign, 'Let's Go'. The campaign focuses on showing the benefits of Shell's innovative energy solutions to help deliver energy for the next generation. For example, Shell has created a fuel oil that can cut soot emissions from oil-burning factories by up to 75%, helping improve local air quality.







View the video at wpp.com/cr



More examples at wpp.com/cr

#### Campaign: Ecology meets economy

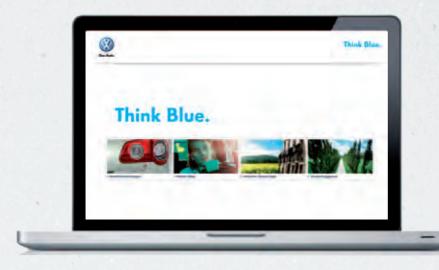
Client: Volkswagen WPP company: G2 Berlin

BlueMotion Technologies is the umbrella brand for Volkswagen's fuel-efficient products and technologies. In 2010, G2 Germany was asked to raise consumer awareness of BlueMotion and communicate Volkswagen's commitment to sustainability to a wider audience.

G2 created an online campaign platform to communicate the complex technologies involved in BlueMotion and the money consumers can save through better fuel efficiency. The site, which has been rolled out to more than 20 markets, also enables drivers to share experiences and to learn fuel-saving tips.







## Sustainability in marketing - case studies

#### Campaign: Don't Consume the Nature

Client: Arcelik

WPP company: Y&R Istanbul

Arcelik is a leading household appliances brand in Turkey, with products ranging from dishwashers to televisions and air conditioners. In 2010, with the help of Y&R Istanbul, Arcelik launched a series of advertising campaigns to demonstrate the environmental credentials of its products.

For example, Arcelik produces a range of 'eco' LCD televisions which consume 45% less energy than standard LCD TVs, and consume no energy when left on standby. Another 40" LED TV uses green production technology that is mercury-free.

Arcelik's new washing machine, 'Economist', consumes 50% less energy than a standard A energy class washing machine. It is also one of the quickest in the world, with an option to wash 2kg of laundry in just 14 minutes.







#### Campaign: Will anyone cook in 2030?

Client: Sainsbury's

WPP company: Added Value London

Today one in four UK adults are obese, and obesity levels could rise to over 50% by 2050. Leading UK retailer Sainsbury's is committed to taking action to help reverse this trend, in line with its goal to be 'Best for food and health'.

In 2010, Added Value UK was commissioned by Sainsbury's to research attitudes among children and their families towards cooking and healthy eating. The research revealed significant issues that prevented children aged 5-16 from cooking and eating healthily, with 37% claiming they seldom cooked with their parents.

The research supported the investment of a further £3 million by Sainsbury's to enable schools to purchase essential cooking equipment and ingredients through its 'Active Kids Get Cooking' campaign.



#### Campaign: Future Friendly

Client: P&G

WPP company: Hill & Knowlton London

Procter & Gamble's Future Friendly initiative aims to highlight environmental improvements to P&G brands and raise consumer sustainability awareness. The campaign was originally launched in 2007 in partnership with WPP companies Added Value and FITCH, today it runs in Europe and the US. Future Friendly supports P&G's goal to sell \$50 billion-worth of Sustainable Innovation Products – products that have demonstrated meaningful improvements to their environmental profile, with no trade-offs for consumers – by 2012.

In the UK, Hill & Knowlton has been working with P&G to raise the profile of Future Friendly through an awards scheme that provides financial support to community groups across the UK implementing sustainable activities.

In 2010, to further raise awareness Hill & Knowlton appointed two Future Friendly ambassadors to generate interest by discussing their green lifestyles and sharing their tips on how to live more sustainably. The ambassadors appeared in a range of high-profile media, and this was supported by a range of advertorials, print specials, social media outreach and an online partnership with the popular website, Mumsnet. Award winners were also featured in national and regional media.

To date Future Friendly has achieved 659 pieces of media coverage, with a combined reach of 611.1 million. It has helped to maintain P&G's credibility in sustainability, and to raise the profile of local community groups on national scale.



# Social marketing - case studies

#### Social marketing

Many of our companies develop social marketing campaigns for government and non-governmental organisation (NGO) clients. These campaigns often tackle issues related to public health, safety or the environment, and are designed to raise awareness or encourage people to change their behaviour.

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

Some examples of social marketing campaigns by WPP companies in 2010 are summarised here.

#### Campaign: Your Help Can Keep Us Going

Client: Cruz Roja Mexicana (Red Cross)
WPP company: JWT Mexico City

In 2010, Red Cross Mexico partnered with JWT Mexico City to promote its annual national fundraising campaign and make sure that collections did not drop due to the economic downturn.

JWT replaced the usual Red Cross collection boxes with coin-operated children's rides featuring Red Cross ambulances, helicopters and boats. These were placed in parks, stores and malls across Mexico to remind people that the Red Cross needs donations from the public to keep going. The campaign was supported by press, print and TV, and helped to increase donations by 23% compared to 2009. The campaign won three Cannes Lions awards.



View the video at wpp.com/cr









More examples at wpp.com/cr

#### Campaign: Umshini Wakho

Client: Gun Free South Africa WPP company: Y&R Cape Town

In the run up to the 2010 FIFA World Cup, the South African Police Service held a gun amnesty to help reduce the large number of illegal weapons in circulation. Y&R Cape Town worked with Gun Free South Africa and Art South Africa to raise awareness of the amnesty and the dangers of owning an unlicensed firearm.

To illustrate the fact that with so many guns circulating the streets, there is a bullet out there with every South African's name on it, over 15,000 bullet cases engraved with common South African names were scattered in the streets of Cape Town. A flier rolled up in each case detailed the dangers of owning an illegal gun and the specifics of the Amnesty program. Train commuters on busy routes were issued with two travel tickets; one actual ticket and one representing a one-way ticket to prison for 15 years, the usual conviction for possession of an unlicensed firearm.

To further promote the amnesty, the popular Zulu call to arms 'struggle' song used by the ANC during apartheid, was re-recorded editing the lyrics to call people to disarm. Y&R published and sent a letter to President Zuma asking him to stop singing Umshini Wami ('Bring Me My Machinegun') and to rather sing Umshini Wakho ('Bring Us Your Machineguns') instead. The campaign created some controversy in the press and got the attention of the President's office.

Gun Free South Africa believes the campaign helped remove over 32,000 unlicensed guns and 348,000 rounds of ammunition from the streets of South Africa. The campaign was awarded the Bronze Loerie in the Ubuntu category, an award aiming to recognise the positive influence of brands on the social and physical environment.



View the video at wpp.com/cr



## Cause-related marketing – case studies

#### Cause-related marketing

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

Executed sensitively, these campaigns can successfully raise awareness and funds for charity, while increasing sales and customer loyalty. Consumers are able to buy something they want and benefit a good cause. We help our clients create brand-charity partnerships that are meaningful and appropriate.

We profile two recent examples here.

Campaign: Team 28 Mosaic

Client: Radio Shack & LIVESTRONG Foundation WPP company: Mindshare Chicago

RadioShack Corporation, a US-based chain of electronic retail stores, has been supporting the LIVESTRONG Foundation since 2009. The charity, founded in 1997 by professional cyclist Lance Armstrong, supports the estimated 28 million people worldwide who live with cancer.

On 2 October 2010, to mark LIVESTRONG Day and celebrate all those fighting cancer, RadioShack partnered with Mindshare Chicago and imc2 to launch the Team 28 Mosaic campaign. This included the unveiling in New York's Times Square of a giant digital photo of Armstrong taken at the final stage of the 2010 Tour de France, created from a mosaic of thousands of Facebook and Twitter supporters.

RadioShack donated \$1 for every person who tagged their social media profile with the Team 28 Mosaic over a 24-hour period. With the help of Mindshare's media buying and planning team the campaign generated over 30 million media impressions and raised over \$29,000 for LIVESTRONG. RadioShack has generated more than \$7 million in contributions for LIVESTRONG to date.





More examples at wpp.com/cr

#### Campaign: American Express Members Project

Client: American Express

WPP company: O&M and Mindshare New York

Members Project® is an American Express initiative providing customers a means for giving to the causes they care about. Initially introduced in 2008, in 2010 O&M and Mindshare helped American Express re-launch the Members Project, raise its profile and encourage more cardholders to get involved.

Ogilvy created TV spots featuring the inspiring life stories of Yvon Chouinard, founder of Patagonia, and Geoffrey Canada, founder of the Harlem Children's Zone, encouraging people to get involved and join the Members Project community. Another series featured cast members from the popular FOX TV series Glee, which encouraged hundreds of thousands of new Member Project community members and enabled fans to join members of the Glee cast to work with children and build instruments. Mindshare developed a comprehensive social media strategy that encouraged cardholders to share stories about the causes they support on the Members Project Facebook page.

Over \$4.2 million was set aside to donate to 61 selected charities throughout the year. Visitors to the MembersProject.com or Facebook page could vote weekly on which charities American Express should support. The sites also allowed visitors to volunteer or donate to selected charities, and receive Membership Rewards points for doing so. In the first three weeks, Members Project website visits increased by 1,600% due in a large part to 43.2 million PR impressions generated. The Glee campaign generated 49,000 new Facebook fans in one week alone – resulting in over 400,000 new fans by the end of the year. In total, \$6,000,000 and 648 million Membership Rewards points were donated to almost 7,000 charities.



View the video at wpp.com/cr







# Marketing ethics

arketing can be a powerful tool and should be used responsibly. It's important that we meet high ethical standards in all our work to protect the interests of consumers, and ultimately the reputation of WPP and our clients.



GRI indicators covered in this section: 4.8, 4.11, 4.12, 4.13, HR3, SO5, PR6, PR7, PR8. Il marketing produced by WPP companies should present products fairly and accurately, comply with the relevant laws and marketing codes, and reflect changing public attitudes to questions of taste and decency. This includes not producing work for our clients that overstates the environmental performance of the company or brands.

Certain categories of sensitive products require particular care and are subject to additional restrictions. We assess the ethical issues that can arise in connection with the markets in which we operate, the clients we work for and the campaigns we undertake and consider high risk cases before accepting new commissions.

Our research and digital marketing companies manage the issues associated with digital data protection and privacy when collecting, using and storing consumer information.

#### Our standards

There are numerous regulations and industry codes covering all aspects of marketing. Our companies are expected to understand and comply with their requirements and to take particular care in areas such as advertising to children and marketing of sensitive products such as tobacco.

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

Key extracts are shown right:

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

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

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

WPP companies will not undertake work designed to mislead in any respect, including social, environmental and human rights issues.

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

#### Marketing ethics

Many professionals from our companies participate in industry groups and help to develop and evolve marketing codes of practice. For example, John Seifert, chairman of Ogilvy North America is on the Board of Directors of the American Association of Advertising Agencies (AAAA).

#### Ethical decision-making

The countries we work in, the clients we work for and the type of work we undertake can sometimes raise ethical issues. Examples include: work undertaken for government clients or clients in sensitive sectors; operating in countries with a poor human rights record; and marketing for sensitive or controversial products.

#### Representative infringements in 2010

WPP company	Country	Regulatory organisation	Туре	Ruling
Ogilvy & Mather	Ireland	ASAI	Press	Advertisement was deemed misleading as the car featured was not related to the price stated in the advertisement offer.
Grey	Israel	ASA	TV	An advertisement was found to be misleading because it exaggerated the likely amount that customers could win through an online gambling site.
Ogilvy & Mather	New Zealand	ASA	TV	Health claims in a milk advertisement could not be substantiated.
Ogilvy & Mather	UK	ASA	Press	An advertisement was found to be untruthful as it wrongly implied that a company's products were hand-stitched.
Ogilvy & Mather	UK	ASA	TV	An advertisement was found to be misleading because it claimed a product was the first of its type, when a previous model had similar features.
Ogilvy & Mather	UK	ASA	Press, Radio and TV	An advertisement was deemed misleading because it made claims about an expected financial saving that couldn't be substantiated.
RKCR/Y&R	UK	ASA	TV	An advertisement was found to be misleading because it contained claims about policing levels that couldn't be substantiated.

We have established a review and referral process to help us identify these cases, to manage any risks to WPP or our clients and to make sure our decisions reflect the standards in our Code of Conduct and CR policy. Before accepting work that may be a risk to WPP's reputation, employees are required to elevate the decision to the most senior person in the relevant office and then to the most senior executive of the WPP operating company in the country concerned, who will decide if further referral to a WPP director is required.

WPP has established an Ethics Committee which meets on a monthly basis or more often if required. These senior managers at Group level discuss cases of concern and identify new risk areas. The internal audit program of work now incorporates a review of the considerations given by management to possible impacts on the Group's reputation prior to accepting new clients.

Our ethics training includes a module to help employees identify ethical risks associated with client work, and to make sure they understand the correct referral procedures. See pages 78 and 79.

## Compliance with marketing codes

We expect all our companies to comply with marketing regulations and industry codes of practice. However, out of the many thousands of campaigns our companies produce each year, a small number do give rise to complaints that are upheld by authorities.

We track and report upheld complaints against work by WPP companies but our data is not complete. The table (opposite) shows a representative sample of infringements identified and publicly reported by regulatory authorities or through our internal data collection system during 2010.

#### Privacy

Privacy and data protection are important issues for all our companies and we aim to meet best practice standards. Our companies collect consumer data via a number of traditional channels such as consumer research, direct marketing and PR but also via the growing number of digital channels. For example, some companies use consumer data to study attitudes and purchasing habits to create targeted digital and direct marketing campaigns.

Privacy is a complex issue to manage. Regulation and standard practices vary significantly between the many different markets we operate in and depending on the type of data collected. Changes in technology have significant implications for how data is collected, processed, used and stored. In many markets there is growing awareness of privacy issues and some consumers and interest groups are concerned about the collection and use of personal data for marketing purposes, including practices such as behavioural targeting and the use of social media.

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

#### Our approach

We expect our agencies to comply with all applicable privacy and data protection laws and marketing codes of practice. Many of our companies have policies and procedures covering how data (including protected types of personal data) should be handled, and some have developed their own technology and tools to improve transparency.

Our key digital marketing and research agencies have nominated senior executives to provide leadership on privacy and to work with other agencies in the Group.

#### Internal communication

During 2009, our internal audit function assessed privacy practices as part of its reviews of Group companies. This identified a need for more education and awareness raising on privacy issues.

We held a series of privacy road shows for employees around the Group during 2010 to improve their understanding of privacy issues and changes in regulation.

We have produced a series of briefing documents on the privacy obligations relevant to employees in different functions. These will be available on the Group intranet.

In 2011 we will be introducing a global training module for privacy to be completed by all WPP employees, building on the global training platform established in 2010 for ethics and anti-bribery.

#### Clients and suppliers

We communicate regularly with clients on privacy issues to explain our approach and to help them keep abreast of current thinking and best practice. We are reviewing the privacy and data protection clauses (and related IT clauses where appropriate) in our supplier and client contracts to clarify our respective roles and responsibilities and to make sure these are appropriate and consistent.

#### Engagement and lobbying

We collaborate with others in our industry to improve privacy standards and ensure that information is accessible to consumers. A number of our companies are members of the online Behavioural Advertising Self Regulation Coalition (BASRC) and many of our people are active participants in organisations such as the Interactive Advertising Bureau (IAB), Network Advertising Initiative (NAI) and Association of National Advertisers (ANA). John Montgomery, COO at GroupM Interaction, has been appointed chair of the 4A's new Privacy Committee to help direct the trade association's work in this area.

A number of countries have introduced or plan to introduce strengthened regulation on privacy and data protection that could impact the use of consumer data for marketing purposes. These include the EU, Japan, Singapore and the US. Our digital and research companies meet with regulators and participate in consultation exercises to give their views on proposed regulation. In 2010, John Montgomery testified at the Senate Commerce Committee as an expert witness on self-regulation in behavioural advertising.

Our companies are involved in efforts to find new solutions that increase transparency for consumers on how their data is obtained and used. For example, in 2010 a number of companies continued to collaborate with the Future Privacy Forum and others to enhance consumer information on privacy through use of the privacy icon in the US. This appears on adverts that are served based on behavioural data, and enables consumers to click to find out more information and/or to opt out of having behavioural data collected online.

In April 2011, the Interactive Advertising Bureau of Europe (IAB Europe) unveiled the Online Behavioural Advertising Framework. This new self-regulatory framework was developed with support from major online advertising and publishing companies, including WPP company 24/7 Real Media. It will introduce a privacy icon, similar to that used in the US. When users see the icon appearing on an online ad, they can click to learn how and why their data is being collected, and to opt out. This will give European consumers greater choice about how their data is collected, and used in online advertising.

#### Public affairs

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

- 🧢 Burson-Marsteller, and its subsidiaries:
  - Prime Policy Group
  - Direct Impact
  - Penn Schoen Berland
- Hill & Knowlton, and its affiliate,

Wexler & Walker Public Policy Associates

- Ogilvy Government Relations
- Quinn Gillespie & Associates
- Dewey Square Group.

WPP companies comply with all applicable laws and regulations governing the disclosure of public affairs activities.

In the US, this includes the Lobby Disclosure Act and the Foreign Agent Registration Act, which are designed to achieve maximum transparency on client representation and require lobby firms to register the names of clients on whose behalf they contact legislators or executive branch personnel. It is WPP's practice that those of its US companies whose sole or primary business is lobbying have representatives of both major political parties among senior management.

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

# **Employment**

e draw on the talents and creativity of the Group's employees to exceed our clients' expectations.



he geographical footprint of our business is changing, as we expand our presence in fast-growing economies and maintain or reduce our presence in more established markets. The skills we need are changing too as we grow key areas of business such as digital and insight. We need to create a mobile, international workforce with the right skills and outlook to meet the changing needs of our clients in all our markets. There is strong competition for talent in our industry and we anticipate this will increase.

To enable us to recruit the best, WPP companies invest a significant proportion of revenues in developing and rewarding our people. They offer competitive remuneration and innovative, high-quality training and development programs. The Group and its companies are committed to creating an inclusive workplace culture where people from all backgrounds can flourish. We believe that a reputation for environmental and social responsibility enhances the appeal of our companies to prospective recruits.

146,000 WPP employees (including associates)

(2009: 138,000)

WPP's chief talent officer, Mark Linaugh, and our talent team assist our operating companies to attract, develop and retain our talent. Human resources policies are agreed and implemented at operating company level. WPP employs over 146,000 people (including employees in our associate companies) in almost 2,400 offices in 107 countries.

### Diversity and inclusion

Workplace diversity enables us to better understand the interests and expectations of consumers in the many different countries we operate in. An inclusive workplace culture helps us to attract talented people from all backgrounds and to create an environment where they can do their best work.

Our non-discrimination policy, introduced in 1992, commits all WPP companies to select, develop and promote people based on merit and regardless of factors such as race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability. Policies on harassment and nondiscrimination are included in our Code of Conduct.

Our people can report any concerns or suspected cases of discrimination or misconduct confidentially (and anonymously if desired) through our Right to Speak helpline.

The CEOs of our operating companies are ultimately responsible for diversity and inclusion. Many operating companies have appointed chief diversity officers or other senior managers to lead their efforts on diversity. We review our companies' diversity programs as part of our annual talent review process.

#### **Employment**

All of our major companies have internal programs to promote diversity and inclusion in their workforce. These include:

- Partnerships: our operating companies work with diversity organisations and participate in initiatives to encourage diversity. In the US, these include Diversity Best Practices; The Leadership, Education and Development Program in Business; The National Black Public Relations Society; National Association of Black Journalists; National Association of Hispanic Journalists; City College of New York; the LAGRANT Foundation and the American Association of Advertising Agencies' (AAAA) Operation Success.
- enternships and school programs: In the US several operating companies participate in the AAAA's Multicultural Advertising Internship Program (MAIP) (NY City Capital Internship Program) and other initiatives that allow minority students to gain experience in the marketing industry. In many countries our companies have developed partnerships with local schools to encourage students from a wider range of backgrounds to consider a career in communications services.
- Targeted recruitment: to help diversify their recruitment pools, many of our companies use specialist recruitment agencies and publications and attend minority recruitment fairs. A number of agencies have established diversity recruitment plans. For example, Millward Brown North America implemented a diversity recruitment plan in 2007 which has helped it to increase workplace diversity.
- Communication and training: our companies use training and awareness campaigns to help employees understand the importance and business benefits of diversity and inclusion. For example, GroupM organises 'Respect in the Workplace' seminars that provide direction and guidelines regarding how employees should treat each other and help to create a friendly and professional work environment. Ogilvy in North America hosts mandatory 'Diversity & Inclusion: Our Competitive Advantage' training for employees, and a range of other courses such as 'Effectively Managing Diverse Teams' and

'Managing Generational Diversity'. The company's 20-person employee diversity council helps the agency to develop its diversity strategy and engage with employees on diversity-related issues. Diversity and inclusion is included in WPP's online ethics training. We also provide focused training and mentoring to help women and diverse employees progress to senior positions. For example, 'X Factor', is our senior management mentoring and development program for women executives led by Charlotte Beers, formerly global CEO of Ogilvy & Mather and chairman of JWT. So far, 36 women have completed the program.

**31%**female Board members in 2010
(2009: 32%)

WPP is one of just 10 FTSE 100 companies where women make up more than 20% of Board members. WPP's CEO, Sir Martin Sorrell was invited to take part in a debate on gender diversity with other business leaders during the World Economic Forum in 2010. Entitled 'Why Sex Matters', the discussion was broadcast on CNBC, and explored the case for increasing gender equality in the boardroom. Following on from this, WPP is participating in The Gender Equality Project to help establish a new methodology for assessing progress on gender equality in the workplace. It is hoped this will lead to development of a new global certification system. Ogilvy & Mather has been piloting the assessment methodology during 2010.

We provide additional support for disabled employees where appropriate and, where existing employees become disabled, our policy is to provide continuing employment and training wherever practicable. For example, Genesis Burson-Marsteller in India has introduced specialist software to make it easier for employees who are blind or visually impaired to work at the company.

Gender equality doesn't just make business sense – it must become a key strategic priority and a corporate governance issue. The work that The Gender Equality Project is developing in partnership with key private sector companies is critical in this regard. It represents the first global initiative in the field that can be applied across industries and regions

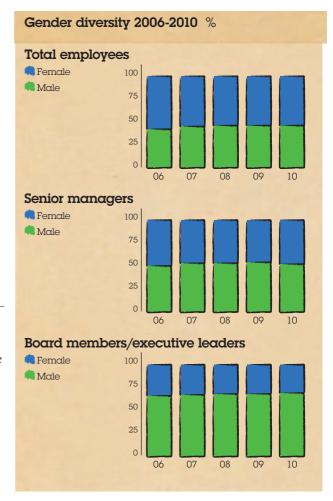
Sir Martin Sorrell, CEO WPP

#### Performance

In 2010, women accounted for 31% of Board members/executive leaders, 48% of senior managers and 54% of total employees. There are currently three women on WPP's Board, Esther Dyson, Orit Gadiesh and Lubna Olayan; and a female Company Secretary, Marie Capes; Group communications director, Feona McEwan; and Group chief counsel, Andrea Harris.

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

- Eileen Campbell, CEO, Millward Brown
- Kim Dedeker, chairman, Kantar Americas
- 👊 Janine Hawkins, global CEO, Added Value
- Mary Ellen Howe, COO, WPP Specialist Communications, North America
- Lois Jacobs, CEO, FITCH
- Donna Imperato, CEO, Cohn & Wolfe
- Tamara Ingram, president, Team P&G
- Shelly Lazarus, chairman, Ogilvy & Mather Worldwide
- Bessie Lee, CEO, GroupM China
- Ann Newman, executive vice president, WPP Latin America
- Lynn O'Connor Vos, president & CEO, ghg
- 👊 Linda Gosden Robinson, chairman, RLM
- Stacey Singer, CEO, Chemistry.



54%

total female employees in 2010

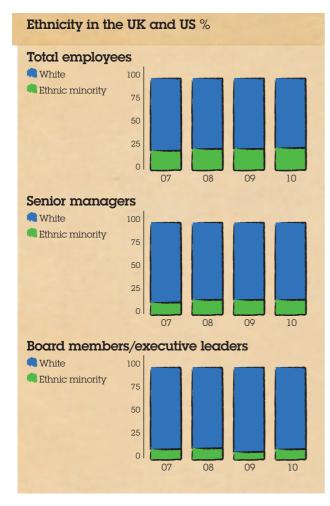
(2009: 54%)

48%

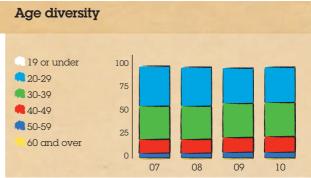
female senior managers in 2010

(2009: 46%)

### Ethnicity and age diversity



There are 41 nationalities represented among WPP Leaders and Partners, the senior echelon of our business.



Our data on age diversity shows that the majority (76%) of employees in the Group are under 40. The industry has traditionally employed a young workforce. This trend is reinforced by the fact that the communications sector is a relatively new business in developing markets, and therefore has a disproportionate amount of entry-level employees. Age diversity within our workforce helps us to understand consumers of all age groups.

#### Helping clients with diversity

As well as embedding diversity across our businesses, we also have a number of specialist companies which help their clients to implement diversity strategies and reach a multicultural audience. For example:

- 🦍 The Bravo Group
- **Etcom**
- Rang & Lee
- MosaicaMD
- Ogilvy Noor
- UniWorld
- **WING.**

# **Employee infringements**

We strive to treat all our people fairly and with respect. Occasionally things do not go according to plan. We may get things wrong or the overall interests of a company or the Group may be incompatible with requirements of local employment legislation. We monitor the number of employment cases involving WPP. In 2010 there were 101 newly-reported cases, compared to 671 cases in 2009. During the year, 190 cases were concluded. Of these 29 were withdrawn, 115 agreed between parties, 20 judged against WPP and 26 judged in favour. All cases are carefully evaluated to ensure that we have the right policies and procedures in place to reduce infringements wherever possible.

## Development and training

We invest in high-quality training to enable our people to gain new skills, keep up with changes in our industry (such as the development of digital marketing) and to advance their careers within the Group. Our goal is for our people at all levels to receive regular performance appraisals.

Several thousand people take part in training and professional development opportunities each year at both the parent and operating company levels. These cover all aspects of company business and creative skills. In 2010, WPP companies invested £48.9 million in training and wellbeing – a 22% increase over the previous year.

22%

increase in training and welfare expenditure in 2010

Executive education helps our senior talent develop creative, client and personal leadership skills. Our flagship program is 'Maestro: Orchestrating Client Value' – a five-day course aimed at strengthening the ability of our most senior client leaders to be valued and trusted advisers to their clients, colleagues and teams; and to use the many talents within our companies to best serve our clients. Since the program's inception in 2003, it has been held in 19 countries, has reached more than 2,100 participants and involved 80 different WPP operating companies.

WPP has its own 'Mini MBA' program, designed to build functional knowledge and abilities. It combines online tutorials and simulations with instructor-led classroom training. Business disciplines covered are growing and winning business, strategy, marketing, people and organisational development, commercial acumen and working across cultures. Approximately 800 people have participated in the program.

WPP worked throughout the year in close collaboration with Young & Rubicam Brands – and in partnership with some of our largest clients – on a new approach to developing multidisciplinary global client leaders. It is an industry-leading initiative that goes beyond traditional training. Starting with a 360 degree assessment of 'The Ten Things Great Global Client Leaders Do' and the 'Super Skills' needed for roles of this size and complexity, participants develop plans tailored to their personal needs and aspirations. They learn by doing things that help them in their current roles. They join a social networking site that ensures easy accessibility to their peer group and promotes collaboration and knowledge sharing.

A steering group of some of the most senior leaders within WPP and Young & Rubicam Brands help advance their skills, knowledge, and expertise while actively developing the next generation of talent. In doing this, our teams continue to differentiate themselves by their ability to navigate changing market conditions, translate insights into powerful ideas, mobilise resources and deliver exceptional work.

In 2010, WPP's Executive Development program was recognised with an award of excellence from the American Society for Training and Development (ASTD), the world's largest professional association dedicated to the training and development field.

#### Case study:

## A focus on young people

Our companies offer internships, apprenticeships and other extra-curricular activities to bring young creative talent into the industry and help them to develop their skills. Many programs also support our efforts to encourage greater workforce diversity.

For example, most of our North American offices participate in Ladders for Leaders, providing seven-week internships and professional development workshops for New York City high school and college students. This joint program with the NYC Department of Youth and Community Development and the NYC Commission on Women's Issues is targeted at students from diverse backgrounds. Our agencies also support the American Association of Advertising Agencies' Multicultural Advertising Intern Program (MAIP) which has helped more than 2,000 individuals from ethnic minorities begin a career in advertising since 1973. Each year, undergraduate and graduate students are selected for a 10-week paid internship. Students gain practical work experience, establish key industry contacts, and become better prepared to land a full-time job in advertising when they graduate.

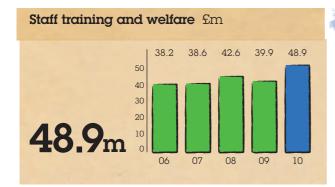
Other examples from our companies include:
In 2010 Wunderman created the Z Academy<sup>SM</sup>, an international apprenticeship program in partnership with the best design and digital marketing universities around the world.



Z Academy's total immersion approach gives students international work experience on multimillion dollar accounts that goes well beyond the experience typical of traditional corporate internships. 'Zeds', as they are called, join a Wunderman office for a three- to six-month commitment and they are immediately assigned to client-serving digital or creative teams. They are aspiring professionals looking to leverage their skills in real work experience. Graduating Zeds are then evaluated and assessed to see if there is a fit for a full-time opportunity at a Wunderman office. Since the program's launch in 2010, Wunderman has selected only schools that meet its criteria in collaboration, digital and design skills. In 2011, Wunderman partners with nine schools from the US, UK and Singapore; and more than 75 students are expected to cycle through the program this year. The Wall Street Journal highlighted the Wunderman program for recognising that keeping up with digital trends requires aligning with talent from the best digital schools in the world.

IWT companies run a number of different internships and mentoring programs to help young people get a foothold in advertising. For example, in 2010 XM-Asia, a JWT company, collaborated with one of Singapore's local universities to allow 18 students to apply their knowledge and find out more about the marketing industry. Students were tasked with developing their own research, strategy, creative ideas and execution to meet the brief 'Engaging Asia-Pacific Youth with Technology', before presenting their ideas to XM. Throughout the process XM staff members acted as mentors, offering guidance and advice.

Y&R Brands North America runs an internship program with Hampton University's Scripps Howard School of Journalism and Communications which helps students from diverse backgrounds learn more about developing careers in the fields of marketing, advertising, branding and communications.



Below is a small selection of the training programs delivered by our operating companies in 2010:

- in 2010, MEC Learning launched its global e-learning program, providing training in a variety of formats covering multiple disciplines. Alongside traditional classroom-style lessons, MEC Learning now offers online courses using audio, video and quizzes to test employees' knowledge of media terminology, digital media, sales and consumer insights. Also available are 'virtual' classes where MEC people can meet instructors remotely through their computers. These courses are available 24/7 to all MEC employees worldwide.
- Wunderman has launched a new Learning Management System to manage and track training across the network. Sessions currently available include negotiation training, talent management, skills sessions, mentor programs, intern programs and digital marketing training. Wunderman is also working with a number of clients, including Nokia, to develop joint training for agencyclient teams.
- Raymond Rubicam University is Young & Rubicam Brands' cross-disciplinary client partnership program. It brings together groups of Y&R Brands' most talented individuals to solve a client's strategic challenge during a four-day workshop. Key global clients such as Danone, Kraft, Chevron, Land Rover and Ferrero have participated in the program since it began in 2008. The program benefits clients and provides development opportunities for employees.

### Remuneration and share ownership

Given the competition for talent in our industry, providing competitive remuneration is essential. We regularly benchmark our compensation against other companies in our sector to ensure our packages are competitive. Performance-related remuneration is provided for most employees in addition to basic salaries, and senior employees are eligible for incentives based on their performance against annual or multi-year goals for the operations they lead.

Share ownership gives our people a financial stake in the company and a share in its success. WPP's Worldwide Ownership Plan, introduced in 1997, typically makes share awards to approximately 45,000 eligible employees per year in over 76 countries and, since inception, has made awards to over 97,714 of our people.

#### Communication

Regular communication helps our people in all markets to keep up to date with Group news and changes in the business. We encourage employees to provide feedback through regular surveys. Communications channels include:

- WPP's public website (www.wpp.com), Group intranet site, social media channels and professional knowledge communities.
- WPP's multi-award-winning global newspaper and eBook, *The WIRE*; WPP's public monthly online news bulletin *e.wire*.
- WPP's annual journal of original thinking, the *Atticus Journal*.
- The WPP Reading Room, an extensive online library of thinkpieces (both public and original) from WPP professionals worldwide.
- Our multi-award-winning Annual Report & Accounts, financial statements and this report, which are distributed across the Group and are available on our websites.
- Regular *FactFiles* profiling specialist services and resources within the Group.

#### **Employment**

- Regular communication on Group initiatives such as the Worldwide Partnership Program, BrandZ<sup>TM</sup>, the Atticus Awards, the WPPED Cream awards, the WPP Marketing Fellowship Program and professional development workshops.
- Periodic reports from Sir Martin Sorrell on topics of importance.
- Formal and informal meetings at operating company level.

Our companies keep in touch with our people's views through regular opinion surveys. These cover issues such as ethics, training, wellbeing and corporate responsibility. In 2010, results relating to these issues from surveys covering around 30% of all employees, included:

% Employees who c	agreed
Attracting and retaining people with a diverse	74
background is encouraged at my location	
I have the opportunity for personal development and growth at this company	61
My work schedule allows me sufficient flexibility	60
to meet my personal/family needs	
Generally we are encouraged to be 'green'	59
in our office	
My performance in my job is evaluated fairly and regularly	60
My company is trying to cut its carbon footprint	58
The support my company gives to charities and good causes is appropriate	58

#### Health and wellbeing

Our companies invest in initiatives to improve the health of their workforce and to mitigate any health and safety risks. This contributes to employee productivity and reduces the costs of people taking time off work due to illness.

As an office-based business, the main health and safety risks to our workforce are injuries connected to workstation ergonomics and work-related stress.

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

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

Initiatives to combat workplace stress vary by company but include:

- Employee Assistance Programs a source of confidential advice, support and counselling.
- Flexible benefit programs, including subsidised childcare.
- Flexible work arrangements enabling people to work part-time or from home.
- Medical checks and health screening.
- Training on stress and time management.
- Sabbaticals and career breaks.
  - Examples from our companies include:
- Burson-Marsteller (US) hosts an annual health fair providing health screening, blood pressure checks, advice on dental stress reduction, acupuncture, massage therapy and nutrition.
- Ogilvy New York has an on-site full service medical centre, on-site fitness centre and 50 company-owned bikes that employees can borrow. Its H2O program of wellness initiatives cover financial, health and emotional fitness, as well as physical fitness.
- Team Detroit offers on-site fitness classes, and hosts weekly Weight Watchers meetings. The cafeteria offers reduced-calorie meal options to help employees eat more healthily.

We collect health and safety data through our financial reporting system. In 2010 there were 327,656 days lost due to sickness, including injuries and stress, equivalent to 3.2 days per employee.

#### **Awards**

Many of our companies have received accreditation for their human resources programs. For example, in the UK, H&K London is accredited to the Investor in People standard, and MEC UK and JWT Prism have achieved IPA CPD Gold Accreditation for their people development programs.

Our companies received a number of awards during the year, including:

- Millward Brown Mexico was nominated as one of the Best Companies to Work For and Best Companies for Women to Work For in Mexico by the Great Place to Work Institute.
- TNS Australia received the Employer of Choice for Women Award from the Australian Government.
- Hill & Knowlton New York received The Breaking Barriers Award for Partnership in Work Readiness for expanding employment opportunities for youth and adults who are blind or deaf-blind.
- Ogilvy New York was the first corporate winner of the National Multicultural Institute's Leading Lights Diversity Award.
- TNS Hong Kong was awarded the Caring Company award by the HK Council of Social Service.
- MEC and Kantar Worldpanel were named in the Sunday Times' Best Companies to Work For, with MEC ranked in the top 10 for investment in training.
- The Futures Company London was named one of the *Sunday Times*' Best Small Companies to Work For.
- Team Detroit was named one of Michigan's 'Top Work Places' by the *Detroit Free Press*.
- Hill & Knowlton Canada was named one of the Best Workplaces in Canada, a Top 100 Employer in Canada for the eighth time; the Toronto office was named one of Greater Toronto's Top Employers for the fourth consecutive year.

# **Environment**

The aim to make WPP a low-carbon Group, and to reduce the resources we use and the waste we create.



GRI indicators covered in this section: 2.10, 3.9, 3.10, 3.11, 4.8, 4.12, N2, EN3, EN4, EN5, EN7, EN16, EN18, EN29. mproving our environmental performance enhances our credibility as communications advisors on climate change, and supports the recruitment of environmentally-aware graduate talent. It also helps us to reduce costs and to respond to new regulations.

Our environmental strategy is set at Group level and covers energy and climate change, water use, waste and recycling. We look for opportunities to purchase more sustainable goods and services, and to work with suppliers who meet high environmental standards. Other environmental issues are managed by our operating companies, and we provide support and guidance to help them reduce their impacts.

Some of our companies operate accredited environmental management systems. For example, BDGworkfutures, EWA Bespoke Communications, Headcount's UK headquarters and Ogilvy London have achieved certification to international standard ISO 14001.

In the UK, WPP met its current obligations under the CRC Energy Efficiency Scheme (formerly known as the Carbon Reduction Commitment) and achieved the Carbon Trust Standard.

#### **Energy and climate change**

#### Our climate strategy

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

- Improving the energy efficiency of our buildings and IT (pages 52 and 54).
- Reducing non-essential flights (page 54).
- Purchasing renewable electricity where available (page *55*).
- Offsetting a portion of our unavoidable  $CO_2$  emissions (page 56).

To implement our strategy, we have established Energy Action Teams in North America, Europe, Asia Pacific and Latin America. These include members of our IT, real estate and procurement functions. They identify energy and carbon reduction measures and provide technical guidance to our agencies. They are supported by a network of Climate Champions, who help to implement these measures and raise awareness of our climate change program in our companies.

We encourage our operating companies to take ownership of energy and carbon management. We produce an individual carbon footprint for every company annually, which is distributed to the operating company CEO to raise awareness and help them to monitor progress.

We report our greenhouse gas emissions to the Carbon Disclosure Project (CDP), a collaboration of institutional investors, and participate in the CDP's Supply Chain Program. We are helping with the development of the Prince of Wales' Accounting for Sustainability Programme. In the UK, WPP met its current obligations under the CRC Energy Efficiency Scheme (formerly known as the Carbon Reduction Commitment) and achieved the Carbon Trust Standard.

In 2010, WPP was ranked 22 out of 350 in the FTSE CDP Carbon Strategy Index Series, an index rating all FTSE 350 companies according to their carbon risk exposure and carbon management performance.

## Our climate target

Our target is to reduce carbon emissions per person to 1.2 tonnes by 2020, a 63% reduction from our 2006 baseline. We have set interim targets for 2012 and 2015 to help us track progress.

1.2

tonnes of CO<sub>2</sub> target per person by 2020

Our previous target was based on the Group's absolute carbon footprint. We challenged ourselves to reduce this by 20% by 2010 and 40% by 2020, matching advice from the Intergovernmental Panel on Climate Change (IPCC) on the required scale of global emissions reductions. By the end of 2010, we achieved a 7% reduction over our 2006 baseline, (adjusted for acquisitions), missing our 20% target.

This is due to a number of factors including higher than expected organic growth in our businesses and difficulties in accurately adjusting our baseline to reflect the full impact of frequent acquisitions around the Group.

We believe a carbon intensity target is more appropriate for WPP, as Group headcount is closely linked to levels of business activity. Using an intensity measure also allows us to reflect the impact of acquisitions and disposals without needing to adjust our baseline.

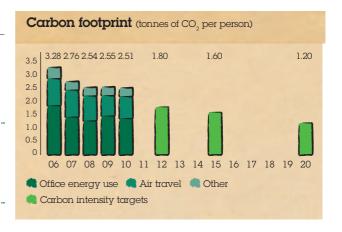
#### Our carbon footprint in 2010

In 2010, our carbon footprint was 261,004 tonnes of  $CO_2$ , an increase of 4% over 2009. Our carbon footprint per head was 2.51 tonnes, down 1.7% on 2009 and 23% lower than 2006.

261,004

tonnes of CO<sub>2</sub> emitted in 2010

(2009: 252.111)



2.51

tonnes of CO<sub>2</sub> generated per person in 2010

(2009: 2.55)

The main contributors to our carbon footprint are office energy use (54%) and business air travel (33%). The footprint of our offices reduced by 1.4% in 2010 but emissions from air travel increased by 12.8% reflecting the upturn in business as the global economy emerged from recession.

When calculating our carbon footprint we rate renewable electricity as zero emissions.

If the renewable energy we purchase globally is rated as using the same emissions factors as standard grid electricity, as recommended in the UK, our total carbon footprint in 2010 was 289,767 tonnes of CO<sub>2</sub>.

### WPP's carbon accounts 2006-2010

#### Detailed emissions breakdown

				ton	nes of CO2
Emission source	2010	2009	2008	2007	2006
Scope 1 – Stationary combustion					
Gas combustion	7,193	4,889	4,537	6,178	N/A
Heating oil combustion	2,182	1,393	1,400	1,547	N/A
Total scope 1 emissions	9,375	6,282	5,938	7,725	2,479
Scope 2 – purchased electricity					
Total purchased electricity (gross)	156,749	160,414	135,658	121,648	141,875
Less purchases of:					
Renewable electricity <sup>1</sup>	(25,011)	(23,542)	(20,024)	(5,038)	-
Scope 2 emissions (net)	131,738	136,872	115,634	116,611	141,875
Combined scope 1 and 2 emissions (net)	141,113	143,154	121,572	124,335	144,354
Scope 3 – other indirect emissions					
Air travel	85,848	76,073	89,500	92,269	81,733
Other indirect emissions <sup>2</sup>	34,044	32,884	31,661	32,491	33,913
Total scope 3 emissions	119,892	108,957	121,161	124,760	115,646
Total CO <sub>2</sub> emissions (net)	261,004	252,111	242,733	249,095	260,000

# Carbon intensity

			tonnes of CO <sub>2</sub> per person		
Emission scope	2010	2009	2008	2007	2006
Scope 1	0.09	0.06	0.06	0.09	0.03
Scope 2 (net)	1.27	1.39	1.21	1.29	1.79
Scope 3	1.15	1.10	1.27	1.38	1.46
Total (net)	2.51	2.55	2.54	2.76	3.28
Percentage change from base year (net)	-23%	-22%	-22%	-16%	-

# Office energy use

			megawatt hours		
	2010	2009	2008	2007	2006
Total office energy use	350,724	340,647	284,930	272,545	297,406

 $<sup>^{\</sup>rm l}$  When calculating our carbon footprint we rate renewable electricity as zero emissions.

 $<sup>^{2}</sup>$  We add an additional 15% to our carbon footprint to account for unmeasured impacts, such as couriers and taxis.

#### Office energy efficiency

#### Smart metering

In 2010, we continued to operate smart meters at 55 of our top strategic locations, accounting for around 25% of our total floor space. These provide detailed monthly energy use reports, enabling us to identify inefficiencies, implement cost-effective reduction measures and achieve typical energy savings of 5-10% in each building.

Measures we are taking as part of our smart metering program include:

- Fitting timer switches to ensure lights are not left on overnight.
- Adding movement and daylight sensors to ensure lights are only on when needed.
- Installing energy-efficient lamps.
- Fitting movement sensors to turn off equipment such as printers and copiers when offices are unoccupied.
- Improving temperature controls on heating, ventilation and air-conditioning systems.
- Fitting flow restrictors to hot water taps and upgrading boiler controls.

Improved metering also ensures that we are being charged accurately by our energy suppliers.

In 2011, we plan to install smart meters at additional locations focusing on newly acquired buildings and major refurbishments.

#### **Energy-efficient lighting**

We are installing energy-efficient light fittings with a target to complete installation in 80% of our buildings by the end of 2011. These fittings enable us to achieve typical savings of 5-10% in total energy consumption at each location. We have identified preferred suppliers in all regions, which our operating companies can use to buy and install energy-efficient light fittings.

#### Green buildings

We are integrating energy efficiency and other environmental considerations into our property acquisition process so that where possible any property we lease or purchase meets advanced standards such as Leadership in Energy and Environmental Design (LEED) and BRE Environment Assessment Method (BREEAM). We estimate that 7% of our total floor space is currently certified to such standards.

We have also developed a scorecard which is used to assess the environmental performance of new offices over 25,000 square feet which have not been certified to standards such as LEED or BREEAM. This covers six criteria: energy, carbon, water, materials/waste, travel and health and safety.

#### Efficient use of office space

We aim to make efficient use of office space and encourage flexible working where appropriate, enabling us to reduce our overall space requirements. This reduces costs and contributes to improved environmental performance.

**55** 

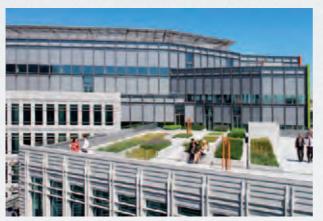
strategic locations equipped with smart meters (25% of total floor space)

80%

of buildings to have energy-efficient light fittings by the end of 2011

# Green buildings - case studies

Central St Giles, London



In 2011, Mindshare and Burson-Marsteller moved into new offices at Central St Giles, London. The new building, designed by Italian architect Renzo Piano, is rated 'Excellent' under BREEAM. Its environmental features include a water recycling system for both rainwater and cooling water, a biomass boiler that uses sustainably-sourced wood pellets, and green roofs that will soak up excess rainfall and prevent heat build-up in the summer.

The Mindshare and Burson-Marsteller offices were fitted out with energy-efficient lighting and air conditioning throughout, as well as low-flow water fittings and sustainably-sourced construction materials. All hardwood used for the fit-out was either reclaimed or came from certified sustainable forests. Mindshare and Burson-Marsteller are also certifying their office fit-out to the Ska Rating – an environmental labelling system designed to rate and compare the environmental performance of fit-out projects.

A green lease has also been negotiated to encourage greater co-operation between the landlord and tenants on reducing environmental impacts.

Milanofiori 2000, Milan



GroupM and WPP Group Real Estate participated in the design of GroupM's new Milan office at the Milanofiori 2000 complex to help create a more energy-efficient workplace.

The building will be equipped with energy-efficient lighting and heating and cooling systems that include heat-recovery chillers. This energy-efficient equipment requires higher levels of capital expenditure but will bring considerable savings over the length of the lease from reduced energy and maintenance costs.

The building management system will enable energy use to be accurately measured and monitored on each floor, helping to achieve further savings.

#### Sustainable IT

WPP's personal and network IT equipment accounts for a large proportion of our energy use. We have introduced requirements to improve the energy efficiency of our IT equipment. This means that:

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

Using server virtualisation and energy-efficient blade-based server technology, we aim to achieve up to a 40% reduction in power consumption for key IT applications. Successfully piloted in 2009 with the Group financial reporting IT systems, this combined approach is being adopted as standard for server installations and upgrades.

## Managing print

In 2010, we continued to implement our managed print program to reduce the amount of energy, ink, toner and paper used by our printers. The program involves:

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

The program, now covering more than 13,000 employees, typically helps us to achieve savings of 20-30% on paper, toner and energy use in each office. In 2011 we will continue to expand our managed print program across key markets. Ultimately we aim to extend it to all suitable locations around the Group, covering 70% of employees.

#### Travel and videoconferencing

We encourage our people to meet via videoconferencing, avoiding the cost and environmental impact of travelling to meetings. We are setting up facilities in key cities around the world. By the end of 2010, we had set up more than 75 shared high-definition videoconferencing units in 51 major cities which can be used by any WPP company. These are linked to a further 175 non-shared videoconferencing units owned by our companies.

.....

**75** 

shared high-definition videoconferencing units in 51 major cities around the world

(2009: 40)

In 2010, we introduced a 24-hour, five-day-a-week helpdesk to support the increased number of employees in North America, Europe and Asia Pacific using the system, and to help organise complex calls, involving multiple systems, users and content types. We also launched a web portal which enables desktop and laptop users to access our videoconferencing network from wherever they are.

The network was used for a wide range of meetings including our Group strategy and budget review meetings, business pitches, casting sessions, and educational webinars. It helped our companies cope with the impact of severe air travel disruption in Europe caused by the Icelandic volcanic ash cloud.

In 2010, our companies held 11,000 hours of meetings via our videoconferencing network, about

# Worldwide videoconferencing facilities



50% of which involved external links to clients. However, business air travel also increased during the year. In 2011 we will continue our communications plan to raise awareness and further increase use of the facilities. We aim to further increase the number of videoconferencing units owned by our companies.

#### Buying renewable electricity

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

We estimate that around 16% of the total electricity we purchase is generated from renewable sources. The table (right) shows the main countries in which we source green electricity and the percentage purchased.

estimated total electricity purchased from renewable sources (2009: 15%)

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

### Green electricity sourcing by country

Country	% renewable
UK	70
Italy	57
Switzerland	28
Ireland	26
Austria	20
Germany	19
Norway	17
Peru	15
USA	15
Belgium	14
New Zealand	12
Indonesia	8
Australia	7

#### Case study:

# **Kotmar Waste Heat Recovery Project**

One of the offset projects we supported in 2010 is a waste-heat recovery project at a steel plant, in the state of Chhattisgarh, India. Flue gases from the steel kiln were previously released directly into the atmosphere. A waste-heat recovery boiler that extracts the heat from the flue gases to create steam and generate electricity has now been installed. This is used on-site, replacing electricity generated from fossil-fuel sources, with the excess supplied into the local electricity grid.

The project has created employment opportunities for around 50 people and reduced emissions of pollutants such as sulphur and nitrogen oxides. It has also helped to improve and stabilise the local electricity supply, which benefits other businesses in the area.

Our support is also used to provide seed funding to Green Light, a project providing solar-powered headlamps for midwives working in rural areas in Gujarat. The lamps provide a clean, safe and sustainable alternative to kerosene lamps currently used by many midwives. The project which is run by SELCO, a social enterprise providing sustainable energy services, and The Self-Employed Women's Association, is being piloted with 50 midwives in Gujarat and may be extended to other areas if successful.



## Offsetting CO<sub>2</sub> emissions

We offset a proportion of our unavoidable  $CO_2$  emissions. This means paying someone else to reduce their carbon emissions by a specified amount.

In 2010, we offset 70,000 tonnes of CO<sub>2</sub>, over 80% of our emissions from air travel. This is less than in previous years, as we have decided to focus more of our investment on improving the energy efficiency of our buildings and IT. Our operating companies meet the cost of offset.

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

## Waste and recycling

We aim to use resources efficiently, to reduce waste and increase recycling. Our key commitments include:

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

Establish electronic equipment recycling contracts.

Encourage local arrangements for computer re-use.

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

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

#### Kitchen waste

Phase out disposable crockery and drinking cups.

In 2010, we focused on establishing preferred suppliers of waste and recycling services across our top

18 markets (representing over 70% of our headcount). This makes it easier for our operating companies to manage their waste efficiently and set up recycling. We also continued to focus on reducing waste and increasing recycling at our top 100 locations.

We are in the process of appointing a global IT vendor to manage our obsolete IT equipment including laptops, desktops, phones and servers. Our goal is for obsolete IT equipment to be refurbished and sold for reuse or, if this is not possible, to be broken down for recycling. Disposal is a last resort and must be done in an environmentally-responsible way, in line with regulatory requirements and data security best practice.

WPP companies use mobile technology extensively and handsets are frequently upgraded. Employees in Europe can recycle their used mobile equipment with Regenersis. We have similar arrangements for mobile phone recycling in Asia Pacific.

We aim to reduce paper waste through our managed print program, see page 54.

Waste recycling data for 2010 is as follows:

Waste recycled	kg
Mobile/cell phones	787
Computer equipment	101,912
Paper and cardboard	3,972,994
Printer cartridges	61,424
Other waste recycled	602,752
Total recycled	4,739,869

#### Water use

As an office-based company, WPP is not a major water user. However, we recognise the importance of water conservation, particularly in areas of water scarcity. We estimate that 20% of our operations are located in such areas.

In 2009, we launched a water conservation strategy that targets our largest locations in areas of water scarcity. This will ensure that our investment in water management produces the most environmental benefit. We have identified 11 offices in China, India, Mexico, the United Arab Emirates and the US.

#### Campaign: iFOLD

#### WPP company: OgilvyEarth, India

iFOLD is a new initiative at Ogilvy and OgilvyEarth, India, that encourages everyone to save paper by using smaller envelopes.

The campaign reminds employees to ask themselves "can it be folded once more?" One extra fold means you can use a smaller envelope and create less paper waste.

Various Ogilvy India clients have already signed up, including Vodafone, KFC and Coca-Cola.







To start using the iFOLD envelope in your office, visit **www.ifold.in** and download the template View the video at **wpp.com/cr** 

#### **Environment**

At these locations, we are:

- Measuring and reporting water consumption.
- Establishing pilot projects for water conservation.

#### Our performance

In 2010, we measured our water use at all 11 locations which was 65,864 cubic metres or 14.3 cubic metres per head. We have set a target to reduce per head consumption at these locations to an average of 11.5 cubic metres by 2015 – a 20% reduction from 2010.

We have nominated water champions at each location to identify and implement water-saving measures, and raise awareness of water issues among employees. They are supported by members of our IT, real estate and procurement functions who provide technical guidance on water management.

We have developed a series of water conservation guidelines that our champions will implement to reduce water use. These focus on:

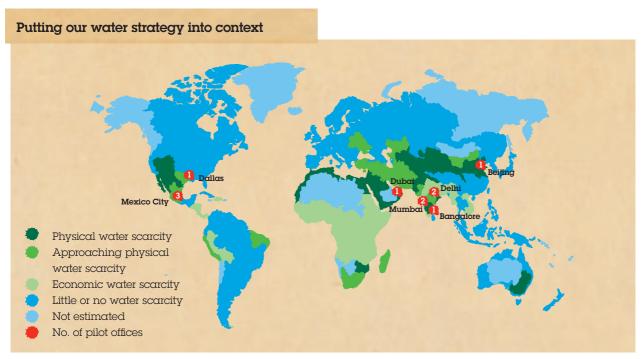
- Reducing water loss by identifying and repairing leaks.
- Upgrading inefficient water fixtures and equipment during renovations.
- Reusing and recycling rainwater and wastewater where feasible.

We will use what we learn at these locations to inform how we manage water in other offices located in areas of water scarcity.

#### Water conservation targets

	2010	2012	2015
Water intensity (m³ per person)	14.3	12.9	11.5
Water intensity	Base	10%	20%
(% reduction from 2010)	year		

In addition, our companies undertake pro bono projects for organisations promoting water conservation. Two examples are featured on the following two pages.



Source: Comprehensive Assessment of Water Management in Agriculture, International Water Management Institute, 2007.

# Water conservation - case studies

### Campaign: Undrinkable 'Tea'

Client: The Lotus Light Charity WPP company: Grey Hong Kong

Ten million people living in the arid regions of northwest China have little access to clean water. It is one of the driest regions in the world with an annual rainfall of about 300mm and an annual evaporation rate as high as 1,500-2,000mm. The Lotus Light Charity, a group that builds water cellars, works to help alleviate this situation.

In 2009, Grey Hong Kong created an award winning campaign – 'umbrella bags' for The Lotus Light Charity. The umbrella bags featured either a bucket, a glass or a bowl graphic and were placed in public stands in Hong Kong. As rainwater filled the bags, shoppers got the message that drops of rainwater could alleviate the drought in northwest China.

In 2010, Grey Hong Kong worked pro bono for The Lotus Light Charity distributing specially-designed tea bags filled with mud to urge city dwellers to donate. When placed in a cup of clean water, the teabag quickly turned the water into a muddy mixture, highlighting the contamination of drinking water in China and the reality for many people living in northwest China.

To date the tea-bag campaign has helped provide clean water to over 20,000 people in northwest China and this number is set to increase as distribution continues in 2011.

The pro bono campaign was worth \$30,000 in agency time.





# Water conservation - case studies

### Campaign: One Week For Water

Client: One Campaign

WPP company: VML Kansas City

In March 2011, 25 NGOs and charitable organisations came together to activate a social media campaign to celebrate Water Day and raise awareness of the millions of people who don't have access to safe water and sanitation.

VML partnered with water.org, a US-based non-profit organisation committed to providing safe drinking water to people in developing countries, to create the One Week For Water website which invited people to 'donate' their voice on Twitter or Facebook.

Each day for a week, simple messages were posted to user accounts helping to raise awareness of this important issue. Examples of posting include:

- The water I have in my toilet is cleaner than nearly a billion ppl have to drink."
- "More people have cell phones than a toilet. Let's change this."
- "Water is life. Let's solve the crisis with sustainable solutions."

People could then follow the #water2011 hashtag on Twitter, or visit the real-time reporting system online. Over the campaign period waterday.org received 40,215 visitors and 4,250 individuals donated their voice to the campaign. Tweets posted by the campaign were re-Tweeted approximately 5,400 times and VML estimates the campaign generated 11.3 million impressions for the water crisis. In total the pro bono campaign was worth \$36,000 in agency time.



#### Sustainable sourcing

We encourage our operating companies to purchase environmentally-preferable products and services and to set up waste and recycling contracts. In 2010, we launched an internal Global CR Charter with the goal of implementing preferred suppliers in each of our major markets for the following key areas – procurement of recycled paper, recycling/reusing (paper, office waste, IT waste) and buying green electricity. We are approximately one third of the way through implementation.

#### Sustainable paper

Our target is to source 50% of the paper we use for copying and printing from recycled sources by 2015. We have preferred paper suppliers in 89% of our major markets which our companies are encouraged to use, many of which now provide paper and paper products with recycled content.

50%

of paper used for copying and printing to come from recycled sources by 2015

On average, in 2010, 32% of the paper purchased by WPP companies from our preferred paper suppliers contained recycled content. In China the total was 11%, India 13%, South Africa 78%, the UK 30%, and the US 72%.

32%

of paper purchased by WPP companies in 2010 contained recycled content

(2009: 36%)

#### Sustainable office furniture and carpet

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

We have chosen carpet suppliers that focus on reducing the amount of carpet sent to landfill by:

- Recycling old carpet materials back into carpet production.
- Recycling old carpet into alternative uses such as building materials.
- Refurbishing old carpet into new carpet tiles. We have chosen furniture suppliers that provide products:
- 삈 With a high recyclable content.
- natare manufactured from recycled products.
- That use timber sourced from certified sustainable forests.
- That opt for low-VOC paints and adhesives.
- That come from environmentally-responsible manufacturers.

In 2011, we plan to pilot a new approach to increasing the reuse of furniture in the UK. It will involve setting up a website where our companies and charities can view and post details of surplus furniture and fittings.

#### Pro bono work

WPP companies also make a positive contribution to protecting the environment through their probono work. There are a number of examples in the Probono showcase on pages 67 to 77.

# Social investment

ur companies support hundreds of charities and good causes every year through pro bono work – providing creative services for little or no fee.





Pro bono work helps charities with limited financial resources to recruit new members, raise awareness of their work and progress their campaign objectives. It benefits our companies by showcasing their creative skills and ability to create compelling communications on a wide range of social and environmental issues. It can also contribute to employee retention and motivation, by providing our people with a breadth of experience and the chance to contribute to their communities. Many of our companies have long-standing pro bono relationships with their charity partners, supporting their campaigns over several years.

We also support charities through cash donations and employee volunteering.

Examples of recent visual pro bono work by our agencies are included in the Pro bono showcase, pages 67 to 77.

#### Performance

In 2010, the total value of our social investment was £14.3 million compared with £14.9 million in 2009. This is equivalent to 1.7% of reported profit before tax and includes direct cash donations to charities of £5.0 million and £9.3 million worth of pro bono work. These figures are based on fees the organisations would have paid for our work.

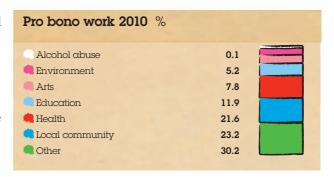
£14.3m

Total value of social investment (2009: £14.9m)

In addition, WPP media agencies negotiated free media space worth £20.2 million on behalf of pro bono clients.

£20.2m

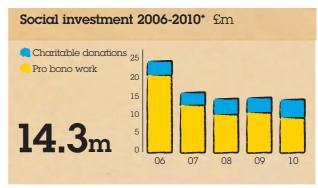
Free media space negotiated on behalf of pro bono clients (2009: £27.3m)



### WPP, parent company activities

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

- entral St. Martins
- in INSEAD Trust for European Management Education
- NABS (a charity which offers financial, practical and emotional support to those in the advertising industry)
- London Business School
- 🧢 The National History Museum
- . The National Portrait Gallery.



\* Excludes free media space donations.

#### Volunteering

Many of our employees volunteer in their local community, giving their time to benefit a wide range of charitable causes. Many of our companies give employees paid time off to volunteer, recognising the benefits this brings to charities and the contribution it can make to employee development and job satisfaction.

Many of our executives also give pro bono advice and support and serve as charity trustees and advisors. For example, Sir Martin Sorrell is an active participant in programs at the following international business schools: London Business School; IESE, Spain; Indian Business School; and Harvard Business School. He is also chairman of the Executive Committee of the World Economic Forum International Business Council and a member of the Business Council in the US. He is a Patron of the British Museum, a member of the corporate Advisory Group of the Tate Gallery, vice chairman of the Mayor of Shanghai's International Business Leaders Advisory Council and on the International Advisory Board of The Russian Museum in St. Petersburg.

#### Supporting relief efforts in Japan

WPP companies have been involved in raising awareness and funds for relief efforts following the devastating earthquake and tsunami that struck Japan in March 2011. Our agencies including Burson-Marsteller, Grey, JWT, Kantar, Ogilvy & Mather, Wunderman and Y&R, raised over \$200,000 through company and employee donations by mid April. JWT London also created a pro bono video to help Shelter Box, an international charity bringing emergency shelter and life saving supplies to people affected by disasters, raise funds. This was screened in cinemas across the UK for two weeks in April 2011. Some of our employees within Japan also gave their time as volunteers to deliver food to affected areas and help clean up efforts.

## Campaign: Brighter Futures

Client: UNICEF

WPP company: Kantar

In October 2010, Kantar launched Brighter Futures, a partnership with UNICEF to help give underprivileged children a better life and allow them to fulfil their true potential. The partnership has committed to raise \$1 million by 2014 to support projects in Bangladesh, Bolivia and Malawi. Most money will be raised through employee fundraising.

To launch the program, in celebration of Universal Children's Day, Kantar employees worldwide sold 'Brighter Futures' wristbands in their offices. This will be followed by a series of events throughout 2011. Following the success of a fundraising initiative in 2010, when a team of Kantar employees trekked up Mount Kilimanjaro in a tough five-day climb that raised more than \$85,000, Kantar have just finalised a 40-strong team of individuals who will cycle from the Andes to the Amazon in November 2011 and raise funds for the partnership.

All these initiatives are supported across Kantar by an online quarterly employee publication called *Bright* available on the Kantar intranet. There are also hundreds of charity champions working across the Kantar network to gain support for the program.

Kantar has been working with UNICEF since 2008, building on a previous long-standing partnership between TNS and the UN agency. Since then, Kantar corporate and employee fundraising events have raised more than \$450,000 for the Malawi's Children's Corners project, where children who have lost their parents to AIDS can receive basic medical help, practical advice and access to a dedicated support worker.







# Campaign: Bridging the Gap

Client: Mekong Trust

WPP company: Wunderman

Bridging the Gap Mekong Trust is a charity spearheaded by now-retired head of Wunderman Bangkok, Geoff Collins, and strongly supported by Wunderman chairman and CEO, Daniel Morel. The Trust aims to improve the education and potential employment prospects of underprivileged, isolated village children along the Mekong River in northern Laos.

In northern Laos, villagers live a subsistence lifestyle, isolated between the river and the jungle, with the river providing the only access to the outside world. There are no roads, no cars, no phones and no distributed electricity. Schools are often overcrowded and lack basic resources; many children use pieces of slate the size of CD cases and stubs of chalk to record their lessons.

In 2008, Wunderman began sponsoring the Trust's school-building initiative in Ban Lad Hane. Once complete the school will be known as the Lester Wunderman School, in honour of Wunderman's founder.

With Wunderman's support, Bridging the Gap Mekong Trust will help provide the resources needed to teach children essential life skills and give them the opportunity to become self-empowered in their life choices and better equipped to prosper in jobs that will bring a stable income back to their families.

So far Wunderman has raised \$17,500 for the Trust. The project aims to be completed by August 2011 and Lester has been invited to the school's opening where 160 secondary students will attend school.

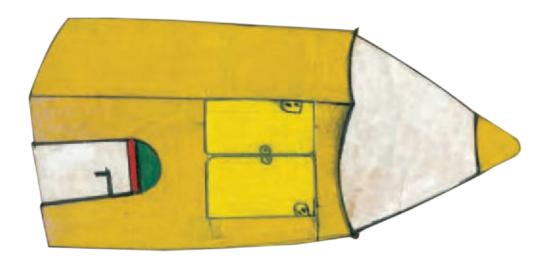


# Pro bono showcase

of pro bono campaigns for good causes every year – tackling a wide range of social and environmental issues. Here we feature a small selection produced during 2010 and spring 2011. More examples are available online.\*



\* wpp.com/cr



## Campaign: SleepSmart

Client: StreetSmart

WPP company: Forward London

Set up in 1998 with the support of Forward UK, StreetSmart raises money for homeless charities in London and the North East by asking diners to pay an extra £1 when they eat at participating restaurants throughout November and December. Supported by leading chefs and restaurants, StreetSmart has raised over £4.2 million since its launch.

In 2010, Forward helped the charity launch SleepSmart, which asks guests to pay an extra £1 when they stay at participating hotels. Forward designed a new logo and promotional material to communicate the new campaign to hoteliers and their guests. So far 20 hotels have joined and raised an estimated £40,000 for homeless charities in 2010.



Visit the site at www.streetsmart.org.uk





# Pro bono case studies 2010-2011

### Campaign: JAWS Never Return

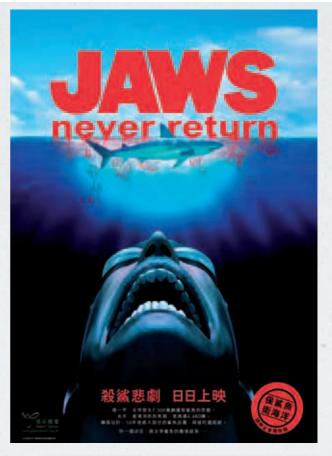
Client: Green Sense

WPP company: Grey Hong Kong

Shark fin soup is a luxury dish popular in many Asian countries and typically served at special occasions such as weddings or corporate banquets. According to Green Sense, an environmental NGO based in Hong Kong, over 70 million sharks are killed each year for their fins, and studies indicate that some species have been depleted by over 90% in the past 20 to 30 years. Fishing techniques are also cruel, with fins removed from live sharks which are then thrown back into the sea to die. In 2010, Grey Hong Kong worked pro bono with Green Sense to raise awareness of this issue and encourage people to stop consuming shark fin soup.

Grey Hong Kong created a campaign called JAWS Never Return which included a spoof JAWS film poster portraying humans as the predator as well as a series of point-of-sale communications highlighting that if you consume shark fin soup, their blood is on your hands.

The campaign extended to over 10 Hong Kong schools to educate students about the impact of the shark fin trade. The JAWS film poster was also used at a demonstration at the Hong Kong Wedding Expo, to encourage couples not to choose shark fin soup for their wedding. To date over 40 organisations in Hong Kong have pledged to avoid ordering shark fin soup at their corporate functions.







### Compaign: Plant Spike and Virtual Light Switch

Client: Earth Hour, WWF

WPP company: Wunderman Sydney

Earth Hour is held each year on the last Saturday of March, encouraging households and businesses around the world to turn off their lights for one hour to raise awareness of climate change. A number of WPP companies participate in this global event.

To encourage participation in Earth Hour 2010, Wunderman Sydney created the Plant Spike, which was added to office plant pots around Sydney by plant hire companies. Not only printed on FSC-certified paper, Wunderman partnered with an ink technician to invent a printing ink containing organic plant fertiliser. The spike generated awareness about Earth Hour while providing nutrients to the plants.

Wunderman Sydney also developed a Virtual Light Switch that, when flicked, turns off the lights on your computer screen, and displays information about Earth Hour. The Facebook version of the app was flicked off nearly 32,000 times spreading to over four million Facebook users.

The Plant Spike was awarded a Silver Echo award and the prestigious Echo Green Marketing Award 2010.



Visit the site at http://earthhour.wwf. sg/fun\_light\_switch.php











# Pro bono case studies 2010-2011

# Campaign: Aquatic animals and oceans initiative

Client: Surfrider Foundation Europe

WPP company: Y&R Paris

Research for the UN shows that every kilometre of ocean contains over 120,000 pieces of floating plastic, which kills millions of birds and aquatic creatures each year.

Y&R Paris has a long-standing pro bono partnership with Surfrider Foundation Europe, which works to tackle this issue. In 2010, Y&R Paris created a campaign for the Surfrider Foundation, in celebration of the 'International Year of Biodiversity' which encouraged people to sign a petition asking for increased regulation of plastic pollution. More than 48,500 signatures were collected.

Y&R also created a campaign to promote the Surfrider Foundation Ocean Initiative, an annual event in which thousands of volunteers help clean Europe's beaches. Over 40,000 people volunteered (double the number in 2009) to clean up almost 4,900 square metres of waste. The campaign won numerous awards, including a Cannes Bronze Lion, a Cannes Silver Lion, a Eurobest Silver Award and a Eurobest Bronze Award.

Collectively the two campaigns were worth about €24,000 of agency time.













# Pro bono case studies 2010-2011

# Campaign: Air Guitar

Client: The Song Room

WPP company: BADJAR Ogilvy Melbourne

Around one in four children in Australia don't have access to a music or art teacher. The Song Room (TSR) is a not-for-profit organisation that provides a range of free educational arts programs to disadvantaged schools and communities across Australia. In 2010, BADJAR Ogilvy Melbourne worked pro bono to highlight the importance of music education for children and to raise funds for TSR. As well as print ads and television commercials, a set of five vacuum-moulded 'Air Instruments' were sold across Australia at participating retailers, 'Air Buskers' performed along one of Australia's busiest streets in Melbourne, and people were invited to post videos of them playing air instruments online at playair.com.au.

Over a six-week period, the campaign raised over AU \$500,000 for TSR, helping to put real instruments into the hands of disadvantaged children.

The campaign was worth AU \$121,000 of agency time.



View the video at wpp.com/cr



# Campaign: Together We're Stronger

Client: Pink Ribbon magazine WPP company: Grey Amsterdam

Pink Ribbon magazine donates its profits to the Pink Ribbon Foundation, a global trust that funds charities that work to lower the number of patients with breast cancer, encourage early diagnosis and improve patient care. The magazine was launched in 2009 with the help of Grey Amsterdam, and raised over €900,000 in its first year. In 2010 the magazine enlisted the help of Grey Amsterdam to raise over €1,000,000 through an inspiring advertising campaign.

This featured the experiences of real women, and encouraged others to come together in the battle against breast cancer. The 'Together We're Stronger' campaign, worth \$313,342 of agency time, has helped the magazine raise €536,525 to date.









# Pro bono case studies 2010-2011

Compaign: United Nations' Decade of Action for Road Safety campaign

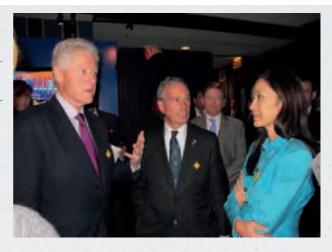
Client: FIA Foundation

WPP company: The Partners London

Nearly 1.3 million people are killed in road traffic accidents every year, with 90% of deaths in developing countries. Road traffic injuries are the number one cause of death for young people worldwide.

The UN's Decade of Action for Road Safety 2011-2020 will attempt to raise awareness of this issue and encourage new ways of tackling it. In 2010, The Partners worked pro bono with the Road Safety Fund to unveil a new global symbol for road safety to support this work.

The launch of the initiative is being marked with events around the world, from Sydney to Rio. In the US, the 'road safety Tag' was launched by Former President Bill Clinton and New York Mayor Michael Bloomberg at a special road safety ceremony during the Clinton Global Initiative. In the UK, Prime Minister David Cameron launched the program at Downing Street alongside F1 champions Lewis Hamilton and Jenson Button.









**WEAR. BELIEVE. ACT.** 

DECADE OF ACTION FOR ROAD SAFETY 2011-2020



# Campaign: Generation Rwanda

Client: Generation Rwanda WPP company: O&M Los Angeles

Generation Rwanda helps orphans and vulnerable young people in Rwanda to pursue a university education. In 2010, the organisation changed its name from 'Orphans of Rwanda', and approached Ogilvy LA to help rebrand the organisation.

Ogilvy LA worked pro bono to design a brand that reflects the positive potential and talent of Rwanda's orphans, rather than focusing on their vulnerability. The work included development of a new look and feel, logo, tagline, print collateral, a new website where current students tell their stories via short video blogs, and also hosted a fundraising event in LA.

Currently 170 students are enrolled at Rwandan universities through Generation Rwanda scholarships. With the support of Ogilvy LA the fundraiser raised enough money to pay for an additional six students for a year.



Visit the site at

www.generationrwanda.org







# Pro bono case studies 2010-2011

## Campaign: Piece of Responsibility (PoR)

**Client:** FREELAND Foundation **WPP company:** JWT Bongkok

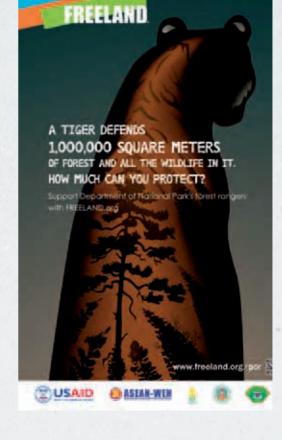
The FREELAND Foundation is the only Asia-based international NGO working across Asia to stop wildlife trafficking, conserve natural habitats and protect human rights. In 2010, JWT Bangkok created a public awareness campaign for the foundation entitled 'Piece of Responsibility' (PoR) which encouraged people to consider how their lives depend on nature and take action to protect it.

The pro bono campaign, worth \$28,000, included posters, an interactive website and advertising on Bangkok's Skytrain commuter train, educating people about the importance of environmental conservation and the impact of the illegal wildlife trade on our ecosystem. Since the campaign launched, the number of visitors to the FREELAND Foundation website has doubled. The campaign succeeded in drawing support from *Marie Claire*, *Elle* magazine, the *Bangkok Post* and Levi's through donations and CSR support. A similar campaign has now been adopted in the Philippines.





Visit the site at http://freeland.org/por View the video at wpp.com/cr





# Campaign: Domestic violence, It rarely stops

**Client:** National Domestic Violence Hotline **WPP company:** Y&R Chicago

The National Domestic Violence Hotline provides 24-hour support to people affected by domestic violence, including advocacy, safety planning, crisis intervention and referral.

In 2010, Y&R Chicago worked pro bono to create a public service announcement (PSA) to raise awareness about the hotline service.

The video shows a victim of domestic violence attempting to cover up her wounds, only to see fresh bruises appear for every one that she hides. The video speaks to the silence in which victims suffer and demonstrates that domestic violence is a cycle that rarely stops.

The PSA to date has had more than 250,000 views on YouTube and over 2.5 million free online media impressions. It featured in the *Chicago Tribune*, various advertising websites and countless blogs.

The campaign was worth \$54,000 of agency time.



View the video at wpp.com/cr





# Data file

This section provides a summary of our performance this year, key performance data and our plans for the year ahead.

## Performance and plans

#### Issue and goals

#### The impact of our work

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

#### Marketing ethics

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

### Privacy

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

#### **Employment**

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

#### Environment

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

#### Social investment

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

Summary of progress in 2010	Our plans			
Our companies continued to advise clients on corporate responsibility and sustainability issues, and published research on related topics.	Continue to support our companies and to promote their sustainability expertise.			
84,238 employees took our online ethics training. Our Ethics Committee met monthly to discuss any ethical issues related to client work. Many professionals from our companies participated in industry groups and helped to develop and evolve marketing codes of practice.	Continue to protect WPP's reputation by taking decisions at the appropriate level. Continue to comply with all laws and industry codes governing marketing material and to improve standards and measurement in marketing practice.			
We held a series of road shows and produced a series of briefing documents to improve employee understanding of privacy issues. We are reviewing the privacy and data protection clauses in our supplier and client contracts.  We collaborated with others in our industry to improve privacy standards and ensure that information is accessible to consumers.	Introduce a global training module for privacy to be completed by all WPP employees.			
Women accounted for 31% of Board members/executive leaders, 48% of senior managers and 54% of total employees.  Participated in The Gender Equality Project to help establish a new methodology for assessing progress on gender equality.  41 nationalities represented among WPP Leaders and Partners, the senior echelon of our business.  £48.9 million invested in training and wellbeing.	Continue to support our companies' talent recruitment and retention and to improve standards and measurement in employment.			
Our carbon footprint was 261,004 tonnes of CO <sub>2</sub> , an increase of 4% over 2009. Our carbon footprint per head was 2.51 tonnes, down 1.7% on 2009 and 23% lower than 2006. WPP was ranked 22 out of 350 in the FTSE CDP Carbon Strategy Index Series.  Group strategies now in place to manage waste and water use at key locations.	Reduce per head carbon intensity to 1.2 tonnes by 2020 (from 3.3 tonnes in 2006). Establish preferred suppliers of recycling services in major markets. Reduce water consumption by 20% per capita by 2015 at 11 offices in areas of water scarcity. Source 50% of paper from recycled sources by 2015.			
Our social investment was worth £14.3 million compared with £14.9 million in 2009. This is equivalent to 1.7% of reported profit before tax and includes direct cash donations to charities of £5.0 million and £9.3 million worth of pro bono work. In addition, WPP media agencies negotiated free media space worth £20.2 million on behalf of pro bono clients.	Continue to make a significant contribution to good causes through pro bono application of our marketing skills and direct donations to charity.			

## Data file

# Key data

	2010	2009	2008	2007	2006
Financial overview	2010	2007	2000	2007	2000
Revenue (£m)	9,683	8,684	7,477	6,128	5,908
Headline PBIT (£m)	1,229	1,017	1,118	928	859
Market capitalisation at year-end (£m)	9,982	7,658	5,052	7,709	8,566
Number of employees (including associates)	146,000	138,000	135,000	110,000	100,000
Employment 1					
Gender diversity – Employees (% female)	54%	54%	54%	55%	_
Gender diversity – Senior managers (% female)	48%	46%	47%	47%	_
Gender diversity – Board members/executive leaders (% female)	31%	32%	32%	33%	-
Ethnic diversity in the UK and US – Employees (% ethnic minority)	24%	23%	23%	21%	_
Ethnic diversity in the UK and US – Senior managers (% ethnic minority)	16%	16%	16%	13%	_
Ethnic diversity in the UK and US – Board members/executive leaders (% ethnic minority)	11%	8%	12%	11%	_
Staff training and welfare (£m)	48.9	39.9	42.6	38.6	38.2
Environment					
Office energy use (tonnes CO <sub>2</sub> )	141,113	143,154	121,572	124,335	144,354
Air travel (tonnes CO <sub>2</sub> )	85,848	76,073	89,500	92,269	81,733
Other (tonnes CO <sub>2</sub> )	34,044	32,884	31,661	32,491	33,913
Total carbon footprint (tonnes CO <sub>2</sub> )	261,004	252,111	242,733	249,095	260,000
Total energy use (MWh)	350,724	340,647	284,930	272,545	297,406
Carbon intensity (tonnes of CO <sub>2</sub> per employee)	2.51	2.55	2.54	2.76	3.28
Social investment					
Total social investment (£m)	14.3	14.9	14.6	16.3	24.9
% of total revenue	0.15	0.17	0.19	0.3	0.42
% of profit before tax	1.7	1.8	2	2	3.7
Value of pro bono work (£m)	9.3	10.8	10.3	12.8	21
Charitable donations (£m)	5.0	4.1	4.3	3.5	3.9

 $<sup>^{\</sup>scriptscriptstyle 1}$  Data covers the 104,052 employees from wholly-owned WPP companies.

# About this report

his report describes WPP's corporate responsibility activities in the calendar year 2010 and the first quarter of 2011. It is our ninth report.

Data relates to the calendar year 2010. Most CR data is collected quarterly through our financial reporting system. This includes data on energy and CO<sub>2</sub> from our buildings, air travel, social investment, employment infringements, employee diversity, training and wellbeing, recycling and paper use. The data covers 104,052 employees from whollyowned WPP companies.

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

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

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

## Parent company centres

#### WPP Ireland

6 Ely Place Dublin 2, Ireland Tel +353 1669 0333 Fax +353 1669 0334

#### WPP New York

100 Park Avenue New York NY 10017 Tel +1 (212) 632 2200 Fax +1 (212) 632 2222

#### **WPP** London

27 Farm Street London W1J 5RJ Tel +44 (0)20 7408 2204 Fax +44 (0)20 7493 6819

#### **WPP** Asia Pacific

Yebisu Garden Place Tower, 30/F 4-20-3 Ebisu Shibuya-ku Tokyo 150-6030 Tel +813 3280 9506 Fax +852 2280 5412

#### WPP China

31/F The Center 989 Changle Road Shanghai Tel +86 21 2405 1649 Fax +86 21 2405 1600

## About the images

In recent years, WPP's Corporate Responsibility Reports have drawn inspiration from markets important to our clients and our companies. This year we take our visual cue from Eastern Europe (one of the fastergrowing regions of the world) and feature the vibrant work of the acclaimed Czech artist, Květa Pacovská.

This report has been printed on Revive 50:50 White Silk paper. This paper is made from 50% pre- and post-consumer waste and 50% virgin wood fibre, independently certified in accordance with the FSC (Forest Stewardship Council). It is manufactured at a mill that is certified to ISO14001 environmental management standards. The pulp is bleached using an elemental chlorine free (ECF) process. The inks used are all vegetable oil based. Printed at St Ives Westerham Press Ltd, ISO9001, ISO14001, FSC certified and Carbon Neutral®.

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