



PEOPLE
PLANET
CLIENTS
COMMUNITIES

WHO WE ARE

WPP IS A CREATIVE TRANSFORMATION COMPANY.

WE USE THE POWER OF CREATIVITY TO BUILD BETTER FUTURES FOR OUR PEOPLE, PLANET, CLIENTS AND COMMUNITIES.

OUR PEOPLE ARE OUR COMPANY. THEIR TALENT AND DIVERSITY DRIVE OUR CREATIVITY.

INTRODUCTION

| | |
|--|----|
| Chief Executive's statement | 2 |
| Sustainability Committee Report | 4 |
| Sustainability governance and management | 5 |
| WPP at a glance | 7 |
| Sustainability and our strategy | 8 |
| Quantifying our impacts | 10 |
| United Nations SDGs | 12 |

PEOPLE

| | |
|--|----|
| Our people are our company | 15 |
| Reward and remuneration | 15 |
| Skills, training and development | 16 |
| Diversity, equity and inclusion | 18 |
| Our workforce diversity data and commitments | 19 |
| Employee listening and engagement | 24 |
| Labour relations | 25 |
| Health, safety and wellbeing | 25 |

PLANET

| | |
|---------------------------------------|----|
| Our climate strategy | 30 |
| TCFD summary | 31 |
| Reducing emissions from our buildings | 32 |
| Renewable electricity | 32 |
| Reducing value chain emissions | 33 |
| Air travel and offsetting | 34 |
| Circular economy | 35 |

CLIENTS

| | |
|-------------------------------------|----|
| Work with impact | 39 |
| Compliance with marketing standards | 42 |
| Ethical decisions in our work | 42 |

COMMUNITIES

| | |
|--------------------------|----|
| Investing in communities | 45 |
| What we gave in 2020 | 45 |
| Social impact | 46 |

RESPONSIBLE BUSINESS

| | |
|-------------------------|----|
| Transparency and trust | 51 |
| Public policy | 52 |
| Our supply network | 53 |
| Human rights | 54 |
| Privacy and data ethics | 56 |
| Tax policy | 57 |

ABOUT OUR REPORTING

| | |
|--|----|
| Guidelines and reporting frameworks | 58 |
| Our materiality process | 59 |
| Independent limited assurance statement | 60 |
| Quantifying our impacts: methodology and results | 61 |
| Where to find us | 64 |

To find out more about:

- our corporate strategy;
- business model;
- principal risks and how they are managed;
- Task Force on Climate-related Disclosures statement; and
- carbon emissions statement

Download our Annual Report 2020



To learn more see [wpp.com](https://www.wpp.com)



This icon denotes more information within the report

CHIEF EXECUTIVE'S STATEMENT



"WE ARE WORKING CLOSELY WITH OUR CLIENTS AS THEY ENDEAVOUR TO LIVE UP TO THEIR PURPOSE."

Mark Read
Chief Executive Officer

2020 tested and challenged everyone.

The pandemic reshaped our daily lives, forced us to give up what we once took for granted, and distanced us from our families, friends and colleagues. It continues to have a terrible human cost around the world. The killing of George Floyd created a wave of hurt and protest, and reminded us once again of the deep-seated inequities faced by our Black communities. Political division and the climate crisis loomed ever larger.

We have learned that life is fragile. But we have also discovered how resilient and inventive we are, and how much we can achieve when people come together.

It has been a time of great endeavour. The world's development and deployment of vaccines in record time has been little short of miraculous. Forced to work at home, people adapted fast, and so did businesses. We saw five years' worth of innovation in five weeks.

As society and the economy digitised almost overnight, at WPP we helped clients respond to changing consumer needs and the rapid rise of ecommerce. We put our skills to work by helping organisations around the world to communicate public health messages and build confidence in vaccines.

Creativity – and our capabilities in media, public relations, data and technology – have never been more important. Marketing and communications have the power to shift opinion and change behaviour at the scale needed for a more sustainable and equitable future. We are working closely with our clients as they endeavour to live up to their purpose.

Our purpose is to use the power of creativity to build better futures for our people, planet, clients and communities, and this report sets out the various ways in which we are working to do that.

PEOPLE: EMPLOYER OF CHOICE FOR ALL

Since March 16 2020 the overwhelming majority of our people have been working from home, dealing with all the difficulties that brings. Their safety and wellbeing has been our top priority. We invested in wellbeing resources and initiatives, especially in relation to mental health (see page 26) and created new ways to connect and collaborate across WPP. A personal highlight was speaking with more than 39,000 colleagues through a series of 28 virtual townhalls during the year, something we will continue.

In May, the killing of George Floyd compelled us to face the truth that racial injustice is pervasive and endemic. In response, we announced a series of commitments designed to use our creativity, our scale and our influence to tackle racism and invest in Black talent. We formed WPP's first Global Inclusion Council to work with me and the rest of the Executive Committee to help us deliver these commitments. You can read about our goals and progress towards them, including the publication of our US and UK ethnicity diversity data, on pages 18-20 of this report.

Much work remains, but we have made good progress in driving gender equality. Women now represent 51% of our senior managers and, at the most senior executive level, this figure is 40%, up from 37% in the previous year. Our aim is to achieve parity. We have increased the proportion of women on our Board to 43%. In 2020 we were named a Forbes Top 20 Employer for Women in the United States, and in 2021, an industry leader in the Bloomberg Equality Index for the third year running.

Our UK gender pay gap narrowed between 2019 and 2020, but for as long as there is any gap, we cannot, of course, be satisfied.

We are working hard at WPP to improve in all aspects of diversity, equity and inclusion (DE&I). While recognising that we still have much to do, we have improved the disclosure of WPP's workforce ethnicity data and, for the first time, included DE&I goals in the remuneration plans of our senior executives, beginning in 2021.

As a member of the UN Global Compact we remain committed to embedding its 10 principles for human rights, labour, environment and anti-corruption in our business. This report shows our progress.

i Read more on pages 13-27

PLANET: NET ZERO BY 2030

In 2020 we saw a record drop in global emissions, driven by an estimated 3.5% contraction in the global economy as people around the world stayed at home to limit the spread of Covid-19. But low economic growth is not the way to tackle climate change. We need to rebuild our economies without driving up carbon emissions and, thereby, decouple emissions and growth.

Although we have been managing our carbon footprint for 15 years, we know we must all accelerate the pace of change. That is why in 2020 we amended our purpose statement to make it explicit that our commitment to the planet is integral to our business.

We have since committed to reach net zero emissions in our operations by 2025 and our supply chain by 2030, including emissions from media investment – an industry first. Our new goals are underpinned by targets that are in line with the Paris Climate Agreement and will be verified by the Science Based Targets initiative.

A significant challenge for reducing carbon emissions is being able to measure them with confidence, which is why we are determined to use our buying power to work with suppliers to develop more robust protocols for measuring emissions, particularly for the media space we buy. This work will benefit our whole industry and, with it, our clients and the wider public.

i Read more on pages 28-36

CLIENTS: WORK WITH IMPACT

Our client work reaches billions of people every day, and the examples in this report demonstrate its wider impact and contribution towards the UN Sustainable Development Goals.

As clients look again at their business models in preparation for a post-Covid world, many have already set ambitious sustainability targets. We continue to strengthen our expertise and offer so we can help them achieve these goals.

In 2020 we created a playbook to embed inclusive marketing principles in everything we do, and established a Diversity Review Panel to provide a forum to escalate and address concerns around potentially offensive or culturally insensitive work. We also launched a community private marketplace (PMP) to financially support Black journalism and community voices.

i Read more on pages 37-42

COMMUNITIES: PLAYING OUR PART

We aim to use the power of our creativity and voice to support healthy and vibrant communities. While our industry is not on the front line of tackling the pandemic, we do have an extremely important role to play in shaping consumer behaviour and actions.


During 2020, we worked with governments, commercial clients, NGOs and international health bodies, including the World Health Organization (WHO), to produce public awareness campaigns to help limit the spread and impact of Covid-19.

GroupM secured and delivered more than \$45 million in advertising space and pro bono work to help the WHO reach the public with its vital communications promoting social distancing and good hygiene (see page 47).

Many of our agencies have also added their creativity and expertise to the efforts to roll out and build public confidence in vaccines, again working with a range of public and private sector organisations.

i Read more on pages 43-48

There are many challenges ahead, but 2020 gives us reason to be optimistic. At WPP, we will continue to work with our people, clients and partners to take action in the ways that we need to create a better and more sustainable future.



Mark Read
Chief Executive Officer

SUSTAINABILITY COMMITTEE REPORT

Committee members in 2020

- Sally Susman (Co-Chair)
- Keith Weed (Co-Chair)
- Angela Ahrendts (appointed 1 January 2021)
- Jasmine Whitbread

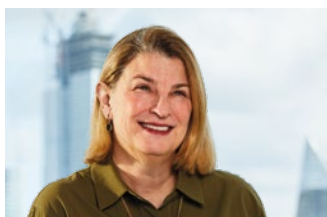
Regular attendees include the Chief Executive Officer, the Chief Financial Officer, the Chief People Officer, the Director of Sustainability, the Global Corporate Affairs Director, the Senior Independent Director and the Group Chief Counsel.

The Company Secretary is Secretary to the Committee and attends all meetings.

Key responsibilities

- Understanding the sustainability risks and opportunities for the Group
- Assisting the Board in its oversight of corporate responsibility, sustainability and reputation matters taking into account the Group's purpose, strategy and culture
- Assessing the Group's current sustainability footprint, reviewing sustainability targets and commitments and materiality

Attendance at Committee meetings during the year can be found on page 123 of our Annual Report 2020.



SALLY SUSMAN
CO-CHAIR OF THE
SUSTAINABILITY COMMITTEE

DEAR SHAREHOLDER

As the Co-Chairs of the Sustainability Committee, we are pleased to present the Committee's 2020 report.

The challenges created by the Covid-19 pandemic, racial unrest, political division, and climate-related disasters around the globe have accelerated focus on environmental, social and governance (ESG) matters and sustainability, with significant risks and opportunities for our business and our clients.

The Committee was formed in December 2019 to give increased focus on sustainability for the Board and the Company to strive to meet the expectations of our stakeholders as well as to ensure we are managing our risks and taking advantage of the opportunities.

In its inaugural year, the Committee first identified what was material in forming WPP's sustainability strategy, with an in-depth review of sustainability workstreams in January. The Committee also reviewed WPP's sustainability assessment.

SUSTAINABILITY FRAMEWORK

The focus for the Board and the Company in 2020 has been the development of a new sustainability strategy for WPP, set out on page 8. In July, the Sustainability Committee discussed a sustainability framework with workstreams focused on environmental reset, social impact and governance. The framework was designed to deliver a new sustainability objective and targets for the Company. The Committee reviewed progress against these workstreams in December. Critical to this programme of work has been a sustainability audit across 21 markets to establish a "baseline" of ESG performance across the Company.



KEITH WEED CBE
CO-CHAIR OF THE
SUSTAINABILITY COMMITTEE

CLIMATE CHANGE

Recognising the growing urgency of the climate crisis, and as part of the Company's sustainability strategy review, WPP revised its purpose to include the word "planet". The Committee had regular in-depth progress reviews as the Company's built an inventory of its value chain emissions (scope 1, 2 and 3). The "planet" section on pages 28-36 sets out the Company's new commitment to reach net zero emissions across its value chain by 2030, an ambition which will be underpinned by science-based targets in 2021.

LAUNCH OF SUSTAINABILITY STRATEGY

In December, our attention turned to the launch of WPP's sustainability strategy. The Committee will continue to monitor sustainability KPIs to measure delivery against the Company's strategy and targets, and supporting management's engagement strategy on sustainability.

We would like to thank the members of the Committee and the management team for their continued commitment throughout the year and look forward to continuing our work in 2021.

Sally Susman **Keith Weed**
Co-Chairs of the
Sustainability Committee
29 April 2021

SUSTAINABILITY GOVERNANCE AND MANAGEMENT

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

ROLES AND RESPONSIBILITIES

At Board level, the Sustainability Committee steers our approach and is attended by both the CEO and CFO, as well as experienced Non-Executive Directors.

i See Sustainability Committee Report on page 4

The WPP Executive Committee, comprising agency CEOs and key central function leads, meets regularly to review performance, enhance collaboration and develop strategy. Its working group on sustainability guides our sustainability strategy and oversees our approach across agencies.

Our Group Corporate Affairs Director has operational responsibility for sustainability, supported by our Group Director of Sustainability, who heads our central sustainability team. The team develops strategy and coordinates data collection and sustainability projects, which in 2020 included developing WPP's net zero strategy (see page 30). The sustainability team also communicates on related matters on behalf of the Company and works with our agencies and other corporate functions, such as our talent, audit, legal, real estate, IT and procurement teams, to embed our standards.

Progress relies on accountability so, for the first time, we have included diversity, equity and inclusion goals in our incentive plans for senior executives from 2021. We have also included our carbon reduction targets in incentive plans for Executive Directors from 2021.

EMBEDDING SUSTAINABILITY IN OUR COMPANIES

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

Our internal sustainability advisors are working to ensure consistent implementation of our standards. In 2020, we launched a sustainability audit across 21 countries to establish a baseline of sustainability policies and performance.

We also established new green teams in India and the Netherlands to share best practice and encourage collaboration (see page 24).

RISK MANAGEMENT

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

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

STAKEHOLDER ENGAGEMENT

Dialogue with our stakeholders, including our people, clients and shareholders, provides valuable feedback and insight into sustainability risks and opportunities, for our Company and our clients.

Most stakeholder engagement takes place in the course of doing business. The table on page 6 summarises how we engage with our most important stakeholders on sustainability.

In 2020, as part of our sustainability strategy review, we conducted a formal sustainability stakeholder mapping exercise with H+K to help strengthen the effectiveness of our engagement on sustainability issues.

In 2021, we will hold our first ESG investor day in recognition of the growing importance our investors place on this topic.



For more information on our most important stakeholders, what is important to them and how, as a Company, we engage with these stakeholders, see page 15 of our Annual Report

How we engage with stakeholders on sustainability.

STAKEHOLDER GROUP

HOW WE ENGAGED ON SUSTAINABILITY IN 2020



SHAREHOLDERS

Our shareholders provide the capital to invest in the business. Shareholders benefit from the Board acting in the best interests of the Company and investors for long-term value generation.

- We have an extensive investor relations programme, including ESG engagement, comprising investor days, AGMs, investor and analyst meetings, webcasts and ongoing email exchanges
- In 2020, we engaged with rating agencies and benchmarking organisations on sustainability, including: Bloomberg Gender-Equality Index; Ecovadis; Ethibel; Vigeo Eiris; FTSE Russell; Human Rights Campaign Foundation's Corporate Equality Index; MSCI Research Inc.; Sustainalytics; Thomson Reuters D&I index; and Workforce Disclosure Initiative (WDI)



CLIENTS AND SUPPLIERS

Our clients come from businesses across every sector. The work we do for clients provides our revenue and helps them to grow their businesses, build relationships with their customers and ready themselves for future success. We want to support our clients in delivering their sustainability goals.

Our suppliers range from small businesses to the world's largest technology partners. They provide us with the products and services we need to meet our clients' needs.

- We engage with clients and partners on sustainability issues and briefs
- We participate in initiatives and collaborations to achieve common sustainability goals, for example through AdGreen (see page 33)
- We disclose our own sustainability policies and performance through RFIs and in pitches
- We have established due diligence processes to help us select suppliers that meet our responsible sourcing standards
- In 2020 we launched new Mindful Purchasing guidelines and a Supplier Diversity Programme
- We aim to buy responsibly and build a diverse supplier network



GOVERNMENTS AND REGULATORS

Governments receive the tax contributions we make to public finances, enabling them to invest in public services. Governments and regulators determine the policy frameworks that impact on us and our stakeholders.

- We participate in company and industry meetings with governments and regulators to ensure policies are developed taking into account the interests of our clients and the industry
- Our public affairs agencies engage in public policy activity on behalf of clients, including direct lobbying of public officials and influencing public opinion

i For more information on our engagement with governments and regulators, see page 52



PEOPLE

We want to become the employer of choice for all. We depend on the talent, creativity and technology skills of our people. We aim to ensure an inclusive working environment and fair representation. And we want our employees to embrace our purpose, culture and values. In return, our people receive salaries, pension contributions, employee benefits, career development and training.

- We regularly survey our staff about their experiences at work
- We have extensive internal communications programmes and platforms to keep staff informed
- In 2020 we launched new wellbeing resources, including in relation to mental health, and held CEO virtual townhalls and "safe rooms" for open and candid discussions
- In 2020 we spent £19.7 million on staff training

i For more information about how we engage with our people, see page 24



THE PLANET

We are committed to responsible and sustainable business practices. We take steps to optimise our own environmental impact, but recognise that our greatest contribution to the planet is through our work with clients, which can shift attitudes and change behaviours to build a sustainable future.

- We aim to reach net zero carbon emissions across our value chain by 2030, and to reach net zero emissions across our owned operations and 100% renewable electricity by 2025
- We are committed to phasing out our use of single-use plastics by the end of 2021
- We engage with corporate, government and NGO clients on issues ranging from climate action to biodiversity to the circular economy during the development of their campaigns
- We regularly engage with investors, rating agencies and benchmarking organisations on environmental issues: we participate in CDP climate change and were an early adopter of Task Force on Climate-related Financial Disclosures (TCFD) reporting



COMMUNITIES

We can help boost the impact of charities and non-governmental organisations by providing marketing and creative services, often on a pro bono basis, enabling them to raise awareness and funds, recruit members and achieve campaign objectives. We believe, and so do many of our stakeholders, that acting responsibly is both the right thing to do and in our long-term interests.

- We work closely with communities and NGO partners to increase our understanding and amplify the impact of their work
- Our total social contribution in 2020 was £76.2 million, including: pro bono work for NGOs and charities; negotiating free media space on behalf of pro bono clients; and cash donations to charities
- In 2020, we secured and delivered more than \$45 million in free media space and pro bono work to help the WHO reach the public with its vital communications promoting social distancing and good hygiene
- In 2020 66% of our agencies took part in organised volunteering activities as part of their support for local communities

WPP AT A GLANCE

ABOUT WPP

111
Countries

20
Shared Campuses

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

OUR GLOBAL BRANDS

GLOBAL INTEGRATED AGENCIES

PUBLIC RELATIONS

SPECIALIST AGENCIES

Creative
Hogarth
Ogilvy
VMLY&R
Wunderman Thompson
Grey¹

Media
GroupM
Essence
Mediacom
Mindshare
m/SIX
Wavemaker
Xaxis

BCW
Finsbury Glover Hering
Hill+Knowlton Strategies

AKQA
GTB
Landor & Fitch
Superunion
VMLY&R Commerce¹

FINANCIAL PERFORMANCE

£46.9bn
Billings
(2019: £53.1bn)

£12.0bn
Revenue
(2019: £13.2bn)

£9.8bn
Revenue less pass-through costs
(2019: £10.8bn)

CLIENTS

325 of the Fortune Global 500

30
of the Dow Jones 30

62
of the NASDAQ 100

61
of the FTSE 100

PEOPLE

100,000
People

40%
Women in executive leadership roles
(2019: 37%)

33%
Employees in shared Campuses
(2019: 26%)

¹ This summary reflects the structure of the Company in 2020. Following the alignment of AKQA and Grey, and the creation of VMLY&R Commerce, from January 2021 AKQA and VMLY&R Commerce are reported within Global Integrated Agencies.

SUSTAINABILITY AND OUR STRATEGY

At WPP, we use the power of creativity to build better futures for our people, planet, clients and communities.

We have set a new sustainability strategy that directs us to use the power of creativity to build better futures for our people, planet, client and communities, and supports all five elements of our corporate strategy (see table on page 9).

The strategy sets out the action we are taking to make sure we are the employer of choice for all people – a company in which a sense of belonging is felt by everyone and our differences are celebrated. And it shows how we are tackling the greatest













environmental challenges we face, committing to reach net zero carbon emissions across our value chain by 2030.

We know our clients also recognise these challenges and are looking for support and advice. That is why we are increasing our skills and capacity to assist them to make the transition to a more sustainable world. As an employer of 100,000 people in more than 100 countries, we are using our unique convening power and global partnerships to effect positive change for society as a whole.

That is why we are proud to partner with the United Nations, especially the World Health Organization and UN Women, to provide our skills in creativity, communications, data and technology to support them as they support the world.

There has never been a better time to seize the opportunities before us. We are determined to do our very best to realise this potential.

OUR SUSTAINABILITY STRATEGY

| |  PEOPLE |  PLANET |  CLIENTS |  COMMUNITIES |
|---------------------|---|--|---|--|
| MISSION | Become the employer of choice for all. | Maximise our positive impact on the planet. | Enable our clients on their sustainability journeys. | Use the power of our creativity and voice to create healthy and vibrant communities. |
| |    |  |   |   |
| DELIVERED BY | DRIVING DIVERSITY, EQUITY AND INCLUSION | | | |
| | Ensuring an inclusive working environment with fair representation. | Building Campuses which make a positive contribution to local communities. | Ensuring our client work is inclusive and accessible. | Advancing equity and inclusion through our work, external partnerships and initiatives. |
| | ACCELERATING THE SUSTAINABLE ECONOMY | | | |
| | Growing sustainability skills and knowledge across our industry. | Reaching net zero across our value chain by 2030. | Supporting our clients to reduce their emissions and deliver their sustainability goals. | Working with partners, social enterprises and clients to drive sustainability. |
| | ENSURING TRUST, FAIRNESS AND GOVERNANCE | | | |
| | A culture where everyone is treated with dignity and respect. | Developing common carbon metrics as we move to integrated reporting. | Ensuring fairness and high privacy and data ethics standards in our work. | Buying responsibly and building a diverse supplier network. |
| METRICS | <ul style="list-style-type: none"> Proportion of women in senior leadership positions Continued improvement of diversity data disclosure Employee participation in listening and engagement programmes Number of participants in sustainability or DE&I training programmes Sustainability strategy embedded in executive remuneration | <ul style="list-style-type: none"> Progress towards net zero carbon emissions in our operations by 2025 (scope 1 and 2) and in our value chain by 2030 (scope 3) Progress towards 100% renewable electricity Phase out single-use plastics in our offices by 2021 | <ul style="list-style-type: none"> Roll out diversity evaluation scores to track progress in inclusive marketing Rate of growth in sustainable and inclusive client briefs Building common standards to measure carbon emissions in media and production | <ul style="list-style-type: none"> Investment in pro bono work and free media space Progress towards investing \$30 million in racial equity initiatives |

Our sustainability strategy is aligned to all five elements of our corporate strategy.

| STRATEGIC ELEMENT | SUSTAINABILITY STRATEGY | | |
|-------------------|--|--|---|
| VISION & OFFER | <p>SUSTAINABILITY AT THE HEART OF OUR OFFER FOR CLIENTS</p> <p>A growing number of clients are embracing sustainability and are looking to articulate the purpose of their brands. They look for partners who share their sustainability values and aspirations. Our commitment to</p> | <p>responsible and sustainable business practices helps us to broaden and deepen these partnerships, and to meet the growing expectations and sustainability requirements in client procurement processes.</p> | <p>Sustainability at the heart of our offer for clients, see pages 37-42</p> <p>Transparency and trust, see page 51</p> |
| | <p>SOCIAL INVESTMENT</p> <p>Our pro bono work can make a significant difference to charities and NGOs, enabling our partners to raise awareness and funds, recruit members and achieve campaign objectives.</p> | <p>Pro bono work benefits our business too, providing rewarding creative opportunities for our people that often result in award-winning campaigns that raise the profile of our agencies.</p> | <p>Investing in communities, see pages 43-48</p> |
| CREATIVITY | <p>DIVERSE, EQUITABLE AND INCLUSIVE TEAMS</p> <p>Diversity and difference powers creativity. We foster an inclusive culture across WPP: one that is equitable, tolerant and respectful of diverse thoughts and individual expression. We want all of our people to feel valued and able to fulfil their</p> | <p>potential, regardless of background, lived experience, sex, gender, race and ethnicity, thinking style, sexual orientation, age, religion, disability, family status and so much more.</p> | <p>Employer of choice for all, see pages 13-27</p> |
| | <p>PRIVACY AND DATA ETHICS</p> <p>Data - including consumer data - can play an essential role in our work for clients. Data security and privacy are increasingly high-profile topics for regulators, consumers and our clients. We have a</p> | <p>responsibility to look after this data carefully, to collect data only when needed and with consent where required, and to store and transfer data securely.</p> | <p>Privacy and data ethics, see page 56</p> |
| DATA & TECHNOLOGY | | | |
| SIMPLER STRUCTURE | <p>GREENER OFFICE SPACE</p> <p>Our work to simplify our structure and consolidate our office space is driving a positive impact on our energy use and carbon footprint. We continue to move employees into Campuses, closing multiple</p> | <p>smaller sites and replacing them with fewer, larger, more environmentally friendly buildings that offer modern, world-class workspaces.</p> | <p>Planet, see pages 28-36</p> |
| PEOPLE & CULTURE | <p>SHARED VALUES ACROSS OUR BUSINESS AND SUPPLY CHAIN</p> <p>Strong employment policies, investment in skills, and inclusive working practices help us recruit, motivate and develop the talented people we need to serve our clients in all disciplines across our locations.</p> | <p>Selecting suppliers and partners who adopt standards consistent with our own can reduce costs, improve efficiency and protect our reputation.</p> | <p>Employer of choice for all, see pages 13-27</p> <p>Supply network, see page 53</p> |

QUANTIFYING OUR IMPACTS

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

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

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

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

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

ECONOMIC IMPACTS

The economy

The direct contribution our activities made to the global economy

Governments

Our contribution through taxes to national and local governments

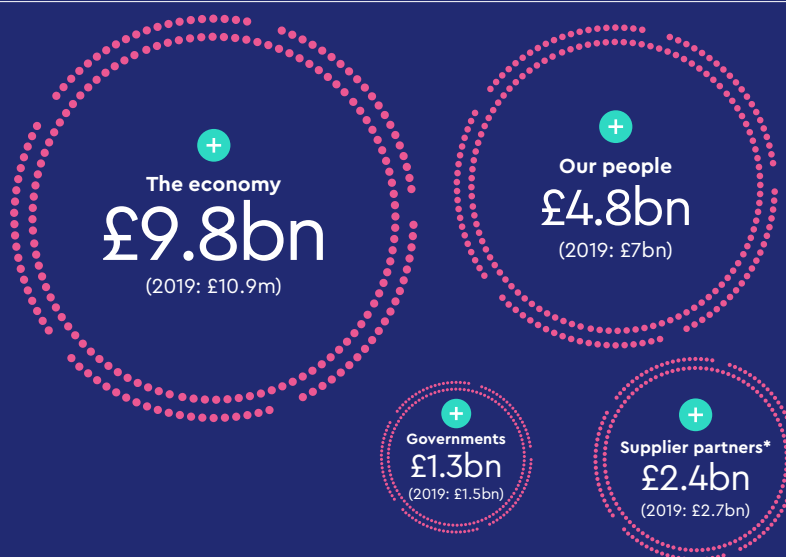
Our people

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

Supplier partners

Our indirect economic impact through our spend with supplier partners. This procurement spend provides additional indirect benefits to economies by supporting livelihoods and job creation

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



SOCIAL IMPACTS

Diverse suppliers

Our spend on diverse suppliers in the United States

Social investment

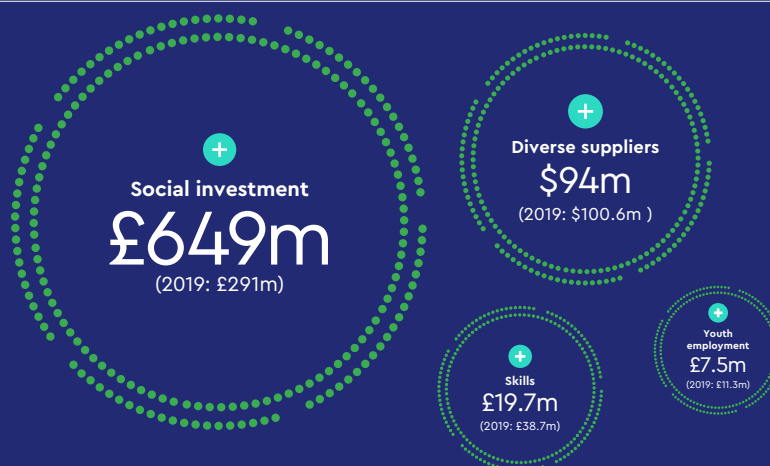
Our contribution to society through charitable donations, pro bono spend and providing free media space

Youth employment

Our contribution to young people through internships and apprenticeships

Skills

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



ENVIRONMENTAL IMPACTS

Carbon emissions

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

Waste

The societal cost of our landfill and incineration impacts



KEY

+ Positive impact - Negative impact

QUANTIFYING OUR IMPACTS CONTINUED

ECONOMIC IMPACTS

WPP makes a significant direct and indirect positive contribution to economies throughout the world.

The salaries and payments we make enable our people to buy goods and services and our suppliers to create, or at least maintain, jobs and spend in the economy.

WPP directly contributes to the global economy through its Gross Value Added and tax payments to national and local

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

Analysis of the economic impact relating to our work on Covid-19 is outlined further on page 47.

i To learn more about:

- Our approach to taxation, see page 57
- Our approach to reward and remuneration, see page 15

SOCIAL IMPACTS

We support social and charitable activities through cash donations, by undertaking pro bono work and negotiating free media space for charity campaigns. This year we started to track our social investment contributing to diversity, equity and inclusion, and we committed to investing \$30 million over the next three years to fund anti-racism programmes.

In addition, in 2020 we provided support for mitigating the social impact of Covid-19 (see page 47).

We build human capital through providing internship and apprenticeship opportunities, as well as by training our staff at all levels.

The former enhances young people's future prospects while the latter increases the valuable skill base within the company helping to improve WPP's future performance.

In the United States, we continue to track certified diverse supplier spend, including women- and minority-owned businesses. This spend, though small, benefits poorer communities and regional economies; and brings value to WPP through enabling us to incorporate different and innovative perspectives within our work.

Increasing demand for a product may also bring social and environmental costs. These are hard to quantify because the impacts vary greatly depending on the brief.

i To learn more about:

- Our social investment, see pages 43-48
- Our approach to training and development, see pages 16-17
- Our approach to diversity, equity and inclusion, see pages 18-23, and supplier diversity, see page 53

ENVIRONMENTAL IMPACTS

Businesses still do not bear the true societal costs incurred as a result of their greenhouse gas (GHG) emissions. Our analysis calculates the hidden cost of our contribution to climate change through our scope 1 and 2 carbon emissions.

Waste generation causes further societal costs linked to GHG and other air emissions, as well as potential odour and visual impacts from landfill and incineration. Details of our commitment to phase out single-use plastics in our offices are included on page 35.

Water and biodiversity impacts are excluded from this impact valuation as they are not considered material issues for WPP. However, we recognise that these issues may be material at a local level, especially for our Campuses. These are all designed to a high internationally recognised green building standard and many provide green space which, amongst other things, helps support local biodiversity, improve air quality, slow water run-off and enhance employee wellbeing.

i To learn more about:

- Our net zero carbon reduction targets, see page 30
- Our plastics initiative and approach to waste and recycling, see page 35
- The environmental impact of our Campuses, see page 32
- The methodology used to evaluate our impacts, see pages 61-63

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs)

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

As part of our strategy review, we analysed the 17 Global Goals and the 169 targets which sit behind them to identify those which are most relevant for our business.

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

We work directly with the UN through our Common Ground initiative, partnering with UN Women to tackle gender inequality.

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

RELEVANT SDGs

OUR RESPONSE



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

Relevant targets: 4.5, 4.7

We partner with schools, colleges and universities, helping to develop and support training in marketing communications skills. Diversity and difference powers creativity, so we are partnering with organisations like Brixton Finishing School, RARE recruitment, the One For Creativity and adfellows to develop a diverse talent pipeline.



Achieve gender equality and empower all women and girls

Relevant targets: 5.1, 5.5

51% of senior managers, 40% of our executive leadership and 43% of WPP Board members are women. We aim to achieve parity. Through the Common Ground partnership, we are helping to tackle gender stereotypes in the media and supporting the work of UN Women.



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

Relevant targets: 8.2, 8.4

We provide employment for 100,000 people across 111 countries. In 2020, our agencies offered paid internships and apprenticeships providing work experience and development opportunities for 7,190 young people.



Reduce inequality within and among countries

Relevant target: 10.2

WPP and its agencies made a series of commitments to fight for racial equity, including publishing workforce diversity data (see page 19) and investing \$30 million over three years to fund inclusion programmes within WPP and support external organisations. As an inclusive business we have signed up to The Valuable 500, a global initiative that is putting disability on the boardroom agenda. Read about our approach to inclusive design and inclusive remote working on page 21.



Ensure sustainable consumption and production patterns

Relevant targets: 12.2, 12.6, 12.8

We are taking action against plastic waste and to promote a circular economy (see page 35). In 2020 we became a founding member of AdGreen, a new industry initiative to eliminate the negative environmental impacts of production (see page 33).

We partner with clients on campaigns that help raise awareness of sustainable development and encourage sustainable lifestyles. Examples can be found throughout this report including our work with H&M on page 29.



Take urgent action to combat climate change and its impacts

Relevant target: 13.3

Scope 1 and 2 market-based carbon emissions fell by 41% compared with the previous year and our use of renewable energy rose to 65%. We aim for net zero carbon emissions across our value chain by 2030.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Relevant targets: 16.6, 16.7, 16.10

We continue to build on our established foundations for data protection and particularly for data privacy (see page 56). In 2020, we secured and delivered more than \$45 million in free media space and pro bono work to help the World Health Organization (WHO) reach the public with vital communications promoting social distancing and good hygiene (see page 47).



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

Relevant targets: 17.16, 17.17

We use our pro bono work and social investment to support progress on the UN Sustainable Development Goals, partnering with organisations working in areas such as health, human rights and the environment. This had estimated wider social benefits of £649 million in 2020.



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

PEOPLE



We foster an inclusive culture across WPP: one that is equitable, tolerant and respectful of diverse thoughts and individual expression.

WHO'S IN CHARGE?

Our Chief People Officer sets our global talent strategy in support of leadership and our global people teams, and champions diversity, equity and an inclusive culture across our companies. The Chief People Officer also promotes our core values of being open, optimistic and committed to extraordinary work throughout WPP, which enables us to attract, retain and grow the best diverse talent.

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

HOW ARE WE DOING?

40%

women in executive leadership (2019: 37%).

51%

women in senior management (2019: 50%).

28

CEO virtual townhalls in 2020, with over 39,000 total participants, part of a series of new channels to connect with our people.

IN THIS SECTION

OUR PEOPLE ARE OUR COMPANY

Overview of our values and how our people strategy is critical to our success.

REWARD AND REMUNERATION

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

SKILLS, TRAINING AND DEVELOPMENT

Creating opportunities for our people to learn and develop.

DIVERSITY, EQUITY AND INCLUSION

Increasing diversity and creating equitable, inclusive, values-led workplaces.

Includes gender and ethnicity diversity data.

EMPLOYEE LISTENING AND ENGAGEMENT

How we listen to, and engage with, our people.

LABOUR RELATIONS

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

HEALTH, SAFETY AND WELLBEING

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

I AM

AGENCY
VMLY&R BRAZIL

CLIENT
STARBUCKS

In Brazil, trans people often suffer prejudice when they don't have their new names on official documents. The process for legally changing names is expensive and bureaucratic, and the registry offices where it happens are intimidating environments for this community.

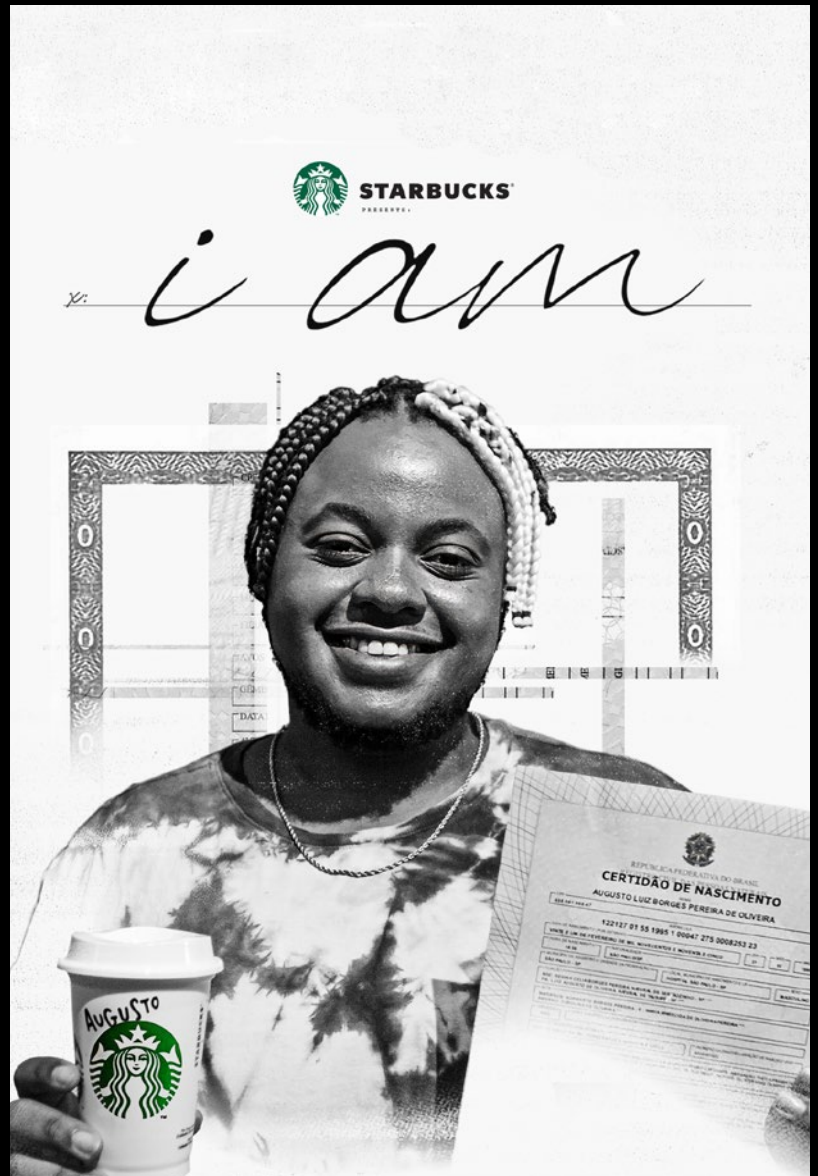
At Starbucks, anyone who orders a drink at the counter has their name respected and written on the cup without question.

So, VMLY&R decided to invite trans people to have their names legally changed in a place where they are always welcome. The agency transformed a local Starbucks into a registry office, and participants were able to leave the store with official documents in their new names - free of charge.

The result was a seven-times increase in daily legal name changes for the city of São Paulo.

Winner

Grand Prix El Ojo 2020



OUR PEOPLE ARE OUR COMPANY

At WPP we know that our people are our Company. As we transform and help our clients to do the same, we need three key attributes: a clear purpose; a set of values that guide us; and a strong strategy for growth. All three come together in our people.

Our core values inform how we work, who we hire and the way we operate as a business. We foster an inclusive culture across WPP, one that is equitable, tolerant and respectful of diverse thoughts and individual expression. We aim to create a work experience where people are **open** to new ideas; **optimistic** about the future; and empowered to do **extraordinary** work.

Our people strategy is central to WPP's vision as a creative transformation company. At its heart is our goal to attract, retain and grow the most talented, creative and inspired people on the planet, those who are drawn to WPP by our purpose of building better futures. The strategy is based on three key pillars: being the employer of choice for all, modernisation of experiences and growth.

i Read more about our People strategy in our Annual Report 2020, pages 46-49

"OUR GOAL IS TO ATTRACT, RETAIN AND GROW THE MOST TALENTED, CREATIVE AND INSPIRED PEOPLE ON THE PLANET."

Jacqui Canney
Chief People Officer



REWARD AND REMUNERATION

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

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

Senior people may participate in share-based incentive plans that align their reward with that of our shareholders. WPP has operated worldwide stock option plans since 1997 and made grants to more than 42,000 eligible employees in 2020. Since 1997, approximately 197,000 employees have been granted over 100 million shares.

Executive pay is set in accordance with our Directors' Compensation Policy and the UK Corporate Governance Code. The Policy is designed to attract and retain the best available talent by incentivising Directors to develop their skills and their teams, and so deliver excellent client service and sustainable shareholder returns.

For the first time, from 2021 we have included diversity, equity and inclusion goals in our incentive plans for senior executives.

i Find information about the CEO pay ratio in our Annual Report 2020, page 154

42,000+
employees eligible for
WPP stock option plans
(2019: 38,000+)

2021
diversity, equity and inclusion
goals included in incentive
plans for senior executives
for the first time

SKILLS, TRAINING AND DEVELOPMENT

Talent is the life-force of WPP. When we ask our people what they want, opportunities to grow and learn rank near the top. That is why we invest in new hires, training and skills development, to help us compete and to grow our people, teams and business.

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

We spent £19.7 million on training in 2020 (2019: £29.6 million) with 77% of our people taking part in formal training programmes. With 95% of employees working from home at the peak of the Covid-19 pandemic, we have moved our training online. Our people can access online courses through LinkedIn Learning, which provides access to thousands of courses via desktop or mobile devices.

Development needs are assessed during a formal appraisal process. In 2020, 89% of our people had a formal appraisal at least once a year (2019: 86%), including 360-degree appraisals for 69% of employees (2019: 65%).

During 2020 we continued to work with our leading technology partners such as Adobe, Amazon, Google, Microsoft and Salesforce to enhance our technical expertise and gained over 21,000 accreditations and certifications.

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

This year, we are increasing our investment in development programmes to hone the skills and capabilities we need to transform and deliver on our business strategy. We are investing more in leadership development programmes for women, people from underrepresented ethnic groups and the next generation of leaders, because our growth depends on effective, diverse leadership for many years to come.

And we have launched our new Career Explorer platform, which will provide greater transparency into job openings so current and prospective employees have access to more career paths across WPP.

We plan to invest an additional £150 million annually by 2025 in our people. This will be targeted at increasing talent and skills in the fast-growth areas of the industry – such as experience, commerce and technology – and boosting our capabilities in AI and machine learning.

The goals are simple: strengthen skills that unlock better client relationships and results, make it easier for our people to move around our agencies, and ensure more opportunities for growth are open to all our people.

INTERNSHIPS AND APPRENTICESHIPS

Internships and apprenticeships provide young people with valuable experience and WPP with access to an additional talent pool. All our internships and apprenticeships are paid positions that are accessible to people from all backgrounds. Many of our internships are designed to attract diverse candidates. In 2020, the Company offered 7,190 paid internships and apprenticeships (2019: 11,000) in 56 countries, primarily in Brazil, China, Germany, South Africa and the United States.

[Read more about our NextGen Leader Series on page 17](#)

EDUCATION PARTNERSHIPS

We partner with non-profit organisations to promote careers in our industry and help develop a future talent pool with the skills we need. Our efforts range from large-scale corporate partnerships to support provided by our offices to local education providers. Many senior staff share their time and expertise as visiting lecturers and teachers.

Examples include The LAGRANT Foundation, Brixton Finishing School, RARE recruitment, the One For Creativity and adfellows.

£150m

planned investment annually by 2025 in our people

21,000+

employee accreditations and certifications earned from our leading technology partners such as Adobe, Amazon, Google, Microsoft and Salesforce in 2020

NEXTGEN LEADERS SERIES

Young people have been hit hard by the economic impact of the pandemic. Even in a remote work setting, we wanted to provide learning, growth and collaboration opportunities for early-career talent.

That is why we launched NextGen Leaders, a ten-week virtual learning series for college students and recent graduates, and the first of its kind in the marketing communications industry.

The series allows participants to hear from and connect with leaders across agency brands and functions at WPP, as well as clients, partners and other experts from our broader network. The young professionals get an exclusive experience inside the company and its culture, and receive support to build an effective network community.

NextGen recruits from a diverse pool of early-career talent in partnership with colleges and universities in the United States and UK. Our summer 2020 intake included 846 participants, with 55% of these being Black, Asian and Latin American people, from across 54 countries.

The 2021 NextGen Leaders programme launches in June and aims to attract 1,000 participants. In addition to receiving a certificate of completion from Coursera, participants will leave the programme with their own professional network within WPP and may have the opportunity to secure full-time job offers from WPP brands. Participants will also be encouraged to stay engaged with their cohort via private networks, such as an invite-only NextGen Leaders alumni network.

What was initially a short-term solution in response to the pandemic has quickly become a focal point of our early career talent strategy. The NextGen Leaders programme demonstrates how creativity and innovation can fundamentally change how we not only attract but grow a diverse pipeline and ultimately become the employer of choice for all.

846
total participants

310
colleges/universities
represented

54
countries represented



wpp.com/careers/nextgen-leaders



DIVERSITY, EQUITY AND INCLUSION

Diversity and difference power creativity and our people's creativity is our greatest advantage. Our mission is to build and foster an inclusive culture of belonging across WPP – a culture where everyone feels welcomed, valued and respected and is given an equal opportunity to thrive.

WPP does not tolerate harassment, discrimination or offensive behaviour of any kind. Our Code of Business Conduct sets out our commitment to select and promote our people without discrimination or concern for factors such as sex, gender, race and ethnicity, sexual orientation, age, religion, disability, or family status. This Code applies to all our people.

This year, we invested in building our governance and policy mechanisms around diversity, equity and inclusion (DE&I). Our new global Inclusion Council was established to advise on DE&I goals, recommend new systems and strategies, and identify barriers to progress. Council members were selected to represent the world in which we live and to reflect the breadth of our global organisation.

Progress ultimately relies on accountability so, for the first time, we have included diversity, equity and inclusion goals in our incentive plans for senior leaders across WPP and our agencies from 2021.

As part of our wider How We Behave ethics training (page 51) we also launched Belonging at WPP, our new mandatory global inclusion training. Tackling real-life, global scenarios, the training addresses the subtle acts of exclusion people face in the workplace and drives awareness of the intolerances that can affect our day-to-day interactions. Through 2020, we also ran Conscious Inclusion training for our people, covering topics including Being Better Allies and Bystander Training.

ETHNICITY

In June 2020, WPP made a number of commitments to advance racial equity (page 20). We committed to take decisive action on each of the 12 points in the "Call for Change" open letter from more than 1,200 Black advertising professionals to the industry; to use our voice to advance the cause of racial equity; and to invest \$30 million over three years to fund inclusion programmes within WPP and to support external organisations. We view this work as a moral and business imperative.

WORKFORCE DIVERSITY DATA FOR UNITED STATES AND UK

As part of these commitments and to drive greater accountability and accelerate progress, WPP pledged to report on our workforce ethnicity data. In July 2020, we released our United States Equal Employment Opportunity Commission (EEOC) data for 2018 and committed to reporting our workforce diversity data annually in this report.

ABOUT THE DATA

Our workforce diversity data reporting detailed on page 19 covers our operations in the United States from 2018-2020 and our UK data for 2020. While our United States figures show some progress, the data highlights the fact that employees from Black, Asian, and other minoritised ethnic groups are underrepresented across our UK and United States workforces, particularly in management and leadership roles, and demonstrate the scale of the task ahead of us.

The United States and UK data sets are not directly comparable due to current differences in data collection and differing job level classifications used in each country.

To improve our reporting capability and provide a more consistent and global picture of our workforce, we are building a centralised system for gathering and reporting ethnicity data, including the ability to break down the data in a more granular way aligned with the UK census categories. This will allow for like-to-like comparisons across our United States and UK operations and establish a benchmark for our reporting. We are also working on collecting ethnicity data in other markets where we are legally allowed to do so.

The figures for our United States workforce come from our Equal Employment Opportunity Commission (EEOC) disclosures from 2018 to 2020. They cover 100% of our United States workforce and treats full- and part-time employees the same for the purposes of data analysis. The seniority classifications used are currently aligned to EEOC job classification. While our three-year data shows improvement, we know we have to continue to focus on hiring, retention, and promotion of people from underrepresented ethnic groups at all levels across WPP.

The data shown for the UK covers the approximately 90% of our workforce who have disclosed their ethnicity on a confidential basis. The seniority classifications used are aligned with the way in which we categorise employees in our finance system. Our UK data captures employee headcount on a full-time equivalent basis, whereas our United States data captures individual employee headcount regardless of whether an employee works full-time or less than full-time and therefore the two are not comparable.

DRIVING SYSTEMIC CHANGE

The story our data tells is clear: we still have a huge amount of work to do. To deliver on our commitments, and remain focused on actions that make an impact, we have embedded DE&I goals and best practices into everything we do. The leaders of WPP's global agency networks have each signed up to these actions and will be held accountable for delivering progress against them within their businesses. While there is much more to be done, maintaining a sustained focus on building a culture of inclusion at WPP will help drive systemic change across our Company.

\$30m

investment over three years in inclusion programmes within WPP and to support external organisations

WORKFORCE ETHNICITY DATA FOR US AND UK

UNITED STATES 2018, 2019 AND 2020 DATA^{1,2}

| Level | Year | Black or African American | Asian | Hispanic or Latino | White | Two or more races/others |
|---------------------------------|------|---------------------------|-------|--------------------|-------|--------------------------|
| Senior/Executive Level Managers | 2020 | 3.9% | 6.9% | 6.4% | 80.9% | 1.9% |
| | 2019 | 2.9% | 6.6% | 6.4% | 82.3% | 1.8% |
| | 2018 | 2.2% | 5.7% | 5.8% | 85.0% | 1.3% |
| First/Mid-Level Managers | 2020 | 4.4% | 10.6% | 9.4% | 73.3% | 2.3% |
| | 2019 | 4.2% | 10.6% | 9.8% | 73.2% | 2.2% |
| | 2018 | 4.1% | 9.9% | 9.3% | 74.8% | 1.9% |
| Professionals | 2020 | 6.7% | 15.3% | 9.3% | 65.4% | 3.3% |
| | 2019 | 6.6% | 15.7% | 8.9% | 65.5% | 3.3% |
| | 2018 | 6.4% | 15.0% | 8.7% | 67.0% | 2.9% |
| All Staff | 2020 | 6.5% | 12.0% | 9.9% | 68.9% | 2.7% |
| | 2019 | 6.4% | 12.4% | 9.8% | 68.7% | 2.7% |
| | 2018 | 6.2% | 11.7% | 9.4% | 70.2% | 2.5% |

UNITED KINGDOM 2020 DATA^{3,4}

| Level | Black | Asian | Mixed | Other ethnic | White | Unknown or undisclosed |
|------------------------------------|-------|-------|-------|--------------|-------|------------------------|
| Board Members or Executive Leaders | 0.8% | 3.8% | 2.1% | 1.3% | 87.2% | 4.8% |
| Senior Managers | 2.4% | 5.8% | 2.6% | 2.6% | 79.5% | 7.1% |
| Other Employees | 4.7% | 9.1% | 2.8% | 4.7% | 69.2% | 9.5% |
| All Staff | 4.1% | 8.2% | 2.8% | 4.2% | 71.9% | 8.8% |

¹ Changes in our US data reflect a number of structural changes we have made to our business in the past two years, including significant disposals, as well as employee attrition.

² Our 2019 and 2020 data, which aligns with EEOC methodology and leveling, will be submitted in May.

³ The US and UK data sets are not directly comparable due to current differences in data collection, differing job level classifications and differences in how full- and part-time employees are captured in employee headcount in each country.

⁴ In the US we are publishing data that is collected by EEOC annually, as legally required. To meet our June 2020 commitments, we have worked over the past year to gather and report UK ethnicity data and will continue to do so going forward.

OUR RACIAL EQUITY COMMITMENTS

The widespread protests we witnessed last year, sparked by horrific acts of violence and set against the backdrop of a global pandemic, highlighted the work we need to do, as organisations and as individuals, to overcome deep-seated racial biases.

In June 2020, we made a number of commitments to advance racial equity. While we have made some good progress towards these commitments, we recognise there is still much work to do. This will be an ongoing effort across our Company.

We have acknowledged that we need to improve ethnicity representation at all levels of the Company, especially at senior and leadership levels. We launched our diverse slate policy in 2020 in the UK and United States as one concrete step towards this goal and have undertaken a review of our hiring practices and policies to ensure diversity, equity and inclusion (DE&I) are systematically embedded throughout.

To underline the importance of our commitments and to ensure accountability, we are also including diversity and inclusion goals in the annual bonus plans of our leadership across WPP. These will be included within bonus plans for the 2021 calendar year, and progress made against those goals will be reviewed on a regular basis.

Over the past year we have also grown our network of DE&I leaders across our agencies, highlighting our commitment to sustained momentum. These leaders, along with other champions of DE&I across our operating companies continue to help us drive and accelerate the change we need to see.

Our HR teams and leaders around the world have received – and will continue to receive – training on anti-bias and training to help them have difficult conversations about race in the workplace. We also launched our bespoke, mandatory Belonging at WPP inclusion training for all staff globally and a Conscious Inclusion programme, to raise our awareness of unconscious bias.

To help build a more diverse future talent pool we have expanded our talent recruiting platforms to include over 300 sites, including HBCU (Historically Black Colleges and Universities) alumni networks and other diverse groups and have partnered with organisations such as The LAGRANT Foundation, The One Club for Creativity, RARE Recruitment and Brixton Finishing School.

Last year, we launched NextGen Leaders, a virtual learning series for college students and recent graduates and worked in partnership with over 300 non-profits, colleges and universities, including several

HBCUs to ensure a diverse cohort, resulting in 55% of the 846 participants being Black, Asian and Latin American.

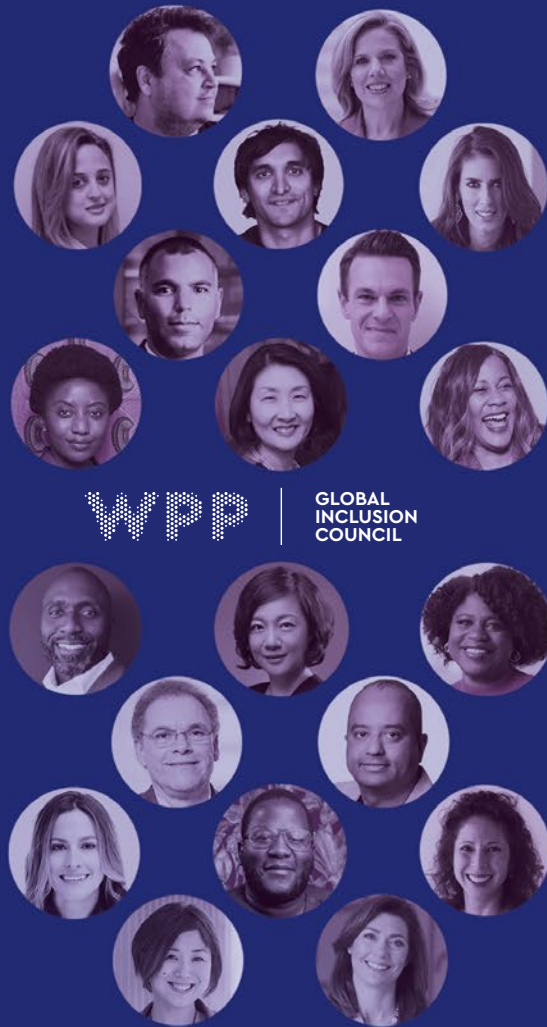
We have implemented and are expanding learning and development opportunities for our employees of underrepresented ethnic groups, including:

1. Our year-long **Elevate sponsorship programme** is designed for high-potential Black female employees in the United States across our agencies with the goal of providing personal and professional development to support and strengthen leadership capabilities.
2. Our **cross-agency sponsorship programme** in the UK is designed for high-performing, mid-career people from underrepresented ethnic groups to help unlock opportunities, fill experience gaps, and build advanced craft skills through a relationship with senior leaders. Our goal is to expand this 12 to 18-month virtual programme to the United States in 2021.
3. Our new **Sayge coaching programme** will provide a three-month individualised career coaching programme for mid-level employees, with initial focus on Black and other underrepresented ethnic groups in the United States and UK.
4. More than 20 Black leaders from across our agencies participated in the **McKinsey**

Leadership Programme in 2020; in 2021, we will have 65 of our Black employees participating in **McKinsey's Manager Accelerator Programme** and 29 of our Black employees participating in the **Leadership Development Programme**.

Because of our platform and voice, WPP can also spark change far beyond our Company through our work for clients and communities. In collaboration with UniWorld Group, we created the Inclusive Marketing Playbook to enable WPP teams to put inclusive marketing principles and best practice front and centre. We also established our Diversity Review Panel for our people to raise any concerns regarding negative stereotypes in our work so we can ensure an inclusive approach to creativity.

Finally, we will invest \$30 million over three years to fund inclusion programmes within WPP and to support external organisations. As part of this commitment, we are also offering an employee donation match programme up to \$1,000 per person, to a total of \$1 million. We will match personal donations by employees to a vetted list of non-profit organisations in support of their commitment to advance racial equity, develop talent from underrepresented groups and address issues that affect racially marginalised groups.



DISABILITY

We recruit, select and promote our people on the basis of their qualifications, relevant experience and merit, without discrimination or concern for disability. Candidates are assessed objectively against the requirements of the job, taking account of any reasonable adjustments that may be required for candidates with a disability. For people who develop a disability during their employment, we make adjustments to their working environment or other employment arrangements wherever possible, within a reasonable time frame and in consultation with the employee.

As an inclusive business we have signed up to The Valuable 500, a global initiative that is putting disability on the boardroom agenda, by celebrating inclusion among 500 influential businesses. People who identify as being permanently disabled are the fastest-growing minority in the world and have disposable income of US\$8 trillion. As part of our commitment, we established a centre of excellence for inclusive design to help our clients make their customer experiences disability inclusive and accessible.

To mark the ninth annual Global Accessibility Awareness Day, this practice published a report, "Designing for Everyone". A quick reference on designing for everyone, the report makes the case that brands designing products, services and marketing for and with people of all abilities leads to more innovative designs and competitive advantage.

To further promote inclusive design across our business, in 2021 we will pilot "Inclusively" across several agencies and WPP IT in the United States. Inclusively is a tech-enabled platform that offers access to a network of members with disabilities.



Download the Designing for Everyone report

INCLUSIVE REMOTE WORKING

In 2020, our people had to adapt to working from home and to new ways of communicating. For some, this was a relatively easy process, while others may have had a more difficult experience. Many people faced additional challenges which their colleagues may have been unaware of, such as dyslexia, impaired vision, hearing loss or mental health issues.

To raise awareness around how we could all communicate more inclusively, we partnered with Microsoft to run six accessibility sessions designed for everyone, whether they needed support themselves, worked with someone who did, or worked in a role in which they supported others. Topics included: inclusive remote working and setting people up for success, vision, mobility, hearing cognition, and mental health and wellbeing. The aim was to help everyone understand what tools are available to ensure more effective and inclusive communication, and when, why, and how to use them.

GENDER BALANCE

Much work remains, but we have made good progress on gender diversity. 51% of our senior managers are women (2019: 50%) and the proportion of women in executive leadership roles increased to 40% (2019: 37%). At Board level, the proportion of women is 43%, compared with 40% in 2019. We aim to reach parity at all levels. We were ranked tenth by the Hampton-Alexander Review's FTSE 100 ranking for women on boards and included as an industry leader in the Bloomberg Gender Equality Index for the third year in a row.

Our UK gender pay gap narrowed between 2019 and 2020, but for as long as there is any gap, we cannot be satisfied.

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

UNSTEREOTYPE ALLIANCE

WPP and our agencies support the Unstereotype Alliance, a UN Women initiative that seeks to eradicate harmful gender stereotypes from all media and advertising content. Since its inception, our agencies have been active within the Alliance, making commitments to eradicate stereotypes from their work, producing research that supports the Alliance's manifesto, and promoting diversity within their workforce.

In March 2021, WPP became a founding member of new India and Mexico national chapters of the Unstereotype Alliance.

LGBTQ+

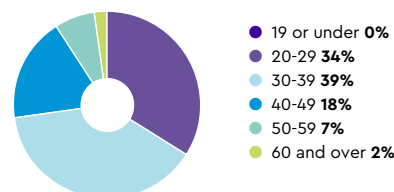
In June 2020 we launched WPP Unite!, a cross-agency LGBTQ+ community, which advises on policies that impact the LGBTQ+ talent of WPP and its agencies. This year we were proud to be named one of the Best Places to Work for LGBTQ Equality in the 2021 Corporate Equality Index.

GENDER DIVERSITY

| Level | 2020 | 2019 |
|---------------------|--------------|--------------|
| Board and Executive | 40% (1,506) | 60% (2,302) |
| | 37% (1,513) | 63% (2,577) |
| Senior Managers | 51% (8,298) | 49% (7,901) |
| | 50% (8,689) | 50% (8,578) |
| All other employees | 57% (44,604) | 43% (33,755) |
| | 57% (47,625) | 43% (36,118) |
| Total employees | 55% (54,408) | 45% (43,958) |
| | 55% (57,827) | 45% (47,273) |

● Female ● Male

AGE DIVERSITY



WPP: A GLOBAL COMPANY

NORTH AMERICA

WORKFORCE



GENDER BALANCE TOTAL WORKFORCE



EXECUTIVE LEADERS



UNITED KINGDOM

WORKFORCE



GENDER BALANCE TOTAL WORKFORCE



EXECUTIVE LEADERS



WESTERN CONTINENTAL EUROPE

WORKFORCE



GENDER BALANCE TOTAL WORKFORCE



EXECUTIVE LEADERS

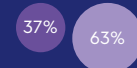


CENTRAL & EASTERN EUROPE

WORKFORCE



GENDER BALANCE TOTAL WORKFORCE



EXECUTIVE LEADERS



LATIN AMERICA

WORKFORCE



GENDER BALANCE TOTAL WORKFORCE



EXECUTIVE LEADERS



AFRICA & MIDDLE EAST

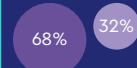
WORKFORCE



GENDER BALANCE TOTAL WORKFORCE



EXECUTIVE LEADERS



ASIA PACIFIC

WORKFORCE



GENDER BALANCE TOTAL WORKFORCE



EXECUTIVE LEADERS



WORKFORCE

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

GENDER BALANCE

● Male
● Female

ALL-STAFF COMMUNICATIONS

THE WEEKLY AND CEO EMAILS

Delivered to 100,000 people worldwide, *The Weekly* – WPP’s internal newsletter – and all-staff emails from our CEO Mark Read, have been important channels for communicating with our people and bringing them together in a year when we have all been kept apart. Mark’s emails, which received more than 800,000 cumulative unique opens in 2020, provided direct communication and guidance from leadership on subjects including Covid-19 remote working guidance, WPP’s anti-racism commitments, wellbeing, company performance and much more. Showcasing the latest news, work and thinking from across the network, *The Weekly*’s 50 editions in 2020 delivered business updates, celebrated important cultural moments and fostered a sense of community for our people in a challenging year.

CEO TOWNHALLS

In 2020, we launched a virtual CEO townhall series, allowing our people to hear from the company’s leadership directly and ask questions on topics of importance to them. A total of 28 townhalls were held, attended by more than 39,000 employees. This format has been extended into 2021, with global CEO-led townhalls featuring internal and external guests taking place monthly.

WPP TV

WPP TV was launched, in spring 2020, as a platform on which the people of WPP could share their creativity, insights and expertise at a time when close to 95% of our colleagues were working away from the office. Recorded from our homes with studio effects from Hogarth, there are more than 350 talks available on demand for WPP employees and a publicly available programme on YouTube featuring our people, clients and partners.

50

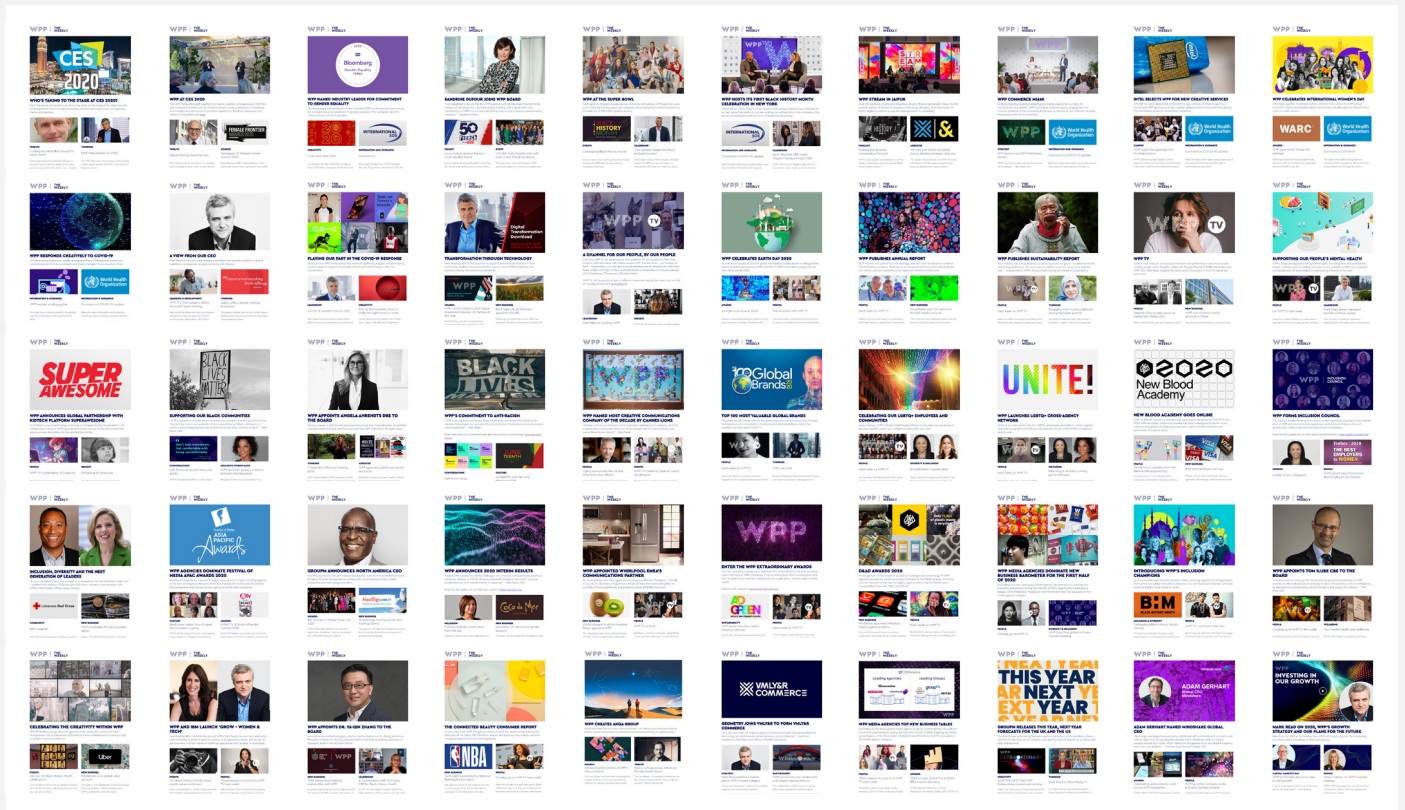
editions of *The Weekly*, with 1.8m unique opens

+350

talks on WPP TV

28

virtual CEO townhalls in 2020, with +39,000 participants



EMPLOYEE LISTENING AND ENGAGEMENT

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

We are also listening more closely to our people. When we understand their experiences and learn from them, we create a deeper sense of belonging and an inclusive environment where everyone can do inspiring creative work. To this end, in 2020 we launched our first all-staff survey in our top five markets to better anticipate our people's needs and to shape our people strategy. This helped to form our 2021 Listening programme, which started with WPP Pulse – an anonymous, quarterly global survey, designed to gather and act on unfiltered, honest feedback.

In 2020, we launched new employee listening channels (see case study, page 23), these include:

- our virtual townhall series with the WPP CEO, which allows our people to connect with the Company's leadership teams. Through 2020, 28 townhalls ran with 39,000 total participants;
- a series of "Safe Rooms" for open and candid discussions (see page 26); and
- the launch of WPP TV, a channel for our people from across WPP on which to share their creativity, expertise, and insights.

The vast majority (99%) of our companies carry out exit interviews with leavers, which often provide helpful feedback on our culture and practices in order to best implement changes and target areas for development and continuous improvement.

To ensure our Board understands the views of our employees on WPP's purpose, values and strategy, and to consult on key people issues, in 2019 we established our first People Forum in the UK. Sponsored by our UK Country Manager, the Forum has representatives from across our UK business who gather feedback from their agencies to feed up to the WPP Board. In 2020, we held our first People Forum in the United States and established an India People Forum, which met for the first time in February 2021.

WORKING FROM HOME

During the year, one of the most common questions from employees was about working from home when Covid-19 restrictions are lifted.

Since March 2020, the large majority of our people have been working remotely. Some offices have reopened in certain countries when local rules allowed – all on a voluntary basis for those who need or want to return – at reduced capacity and with strict safety protocols. At the peak, around 95% of our colleagues were working away from the office. We developed new resources and guidance to help our people in caregiver roles, from assisting sick relatives to taking care of children studying at home.

We are reviewing our flexible work policy and putting plans in place to continue to support our people as their working environment evolves, be that at home or as we are able to reopen our offices.

SUSTAINABILITY ENGAGEMENT

Across our agencies, sustainability enthusiasts are creating green teams to embed sustainability initiatives and drive change in their offices. Through a variety of activities, green teams have generated real impact (see case study, below).

The climate emergency is of growing concern to our people. In January 2020 we held Climate Crisis training for 100 colleagues in London to equip our people with knowledge around the science of climate change and give them practical tools with which to respond at home and at work.

99%

of our agencies use exit interviews (2019: 95%)

GREEN TEAMS

In the Netherlands, representatives from agencies including GroupM, H+K and Wunderman Thompson came together to build a local, cross-agency green team.

The objective was simple: to collaborate and use different agency capabilities to help clients tackle sustainability-related questions. Through activities including a hackathon involving 90% of WPP's agencies in the Netherlands, the team is building a sustainability offer for clients which showcases each agency offer and how, through collaboration, we can better serve clients.

Keen to engage employees beyond the Amsteldok Campus, the Dutch green team have been sharing their ideas, experiences, and challenges with the India green team, supporting each other to maximise their growth and impact.

India also launched a cross-agency green team in 2020, which aims to hold monthly "fireside chats" with client partners, and is crafting a volunteering policy to support the WPP Foundation in India, which works with under-served children mentoring and educating them towards a better future. Inspired by the Dutch team, the India green team plans to hold a sustainability week in the second half of 2021.

Together, the Dutch and India teams are working with WPP to codify what's worked on their Campuses into a blueprint to share and replicate in other markets.

LABOUR RELATIONS

We support the rights of our people to join trade unions and to bargain collectively, although trade union membership is not particularly widespread in our industry. In 2020, around 4% of our employees were either members of a trade union or covered by a collective bargaining agreement (2019: 5%). We held 185 consultations with works councils, mainly in Europe (2019: 1,507).

We have made around 7,000 redundancies as a consequence of the Covid-19 pandemic and also as part of our transformation programme, as we merge and restructure some agencies. We consulted with our employees as appropriate and supported

affected people through our employee assistance programmes which includes outplacement in appropriate cases. We have also created an internal talent marketplace to try and ensure any open roles are filled by employees who have the right skills before recruiting for those roles externally.

In 2020, there were 38 cases against WPP agencies reporting through employment tribunals and other external channels (2019: 44). We resolved 44 cases, including some reported in previous years. Of these, six were withdrawn, 31 settled, one judged against our agencies and six judged in our favour.

100%

employees with access to Employee Assistance programme

74%

of senior managers were recruited from the country or region in which they work (2019: 68%)

HEALTH, SAFETY AND WELLBEING

Supporting our people's physical and mental health and wellbeing is good for our people and good for business. Our companies are required to have a health and safety policy in place.

Our overall sickness absence rate in 2020 was 3.0 days per employee (2019: 3.8). This includes non-work-related illness and injuries, work-related illness and injuries, and occupational diseases such as work-related stress and ergonomic injuries. There were no work-related fatalities in 2020.

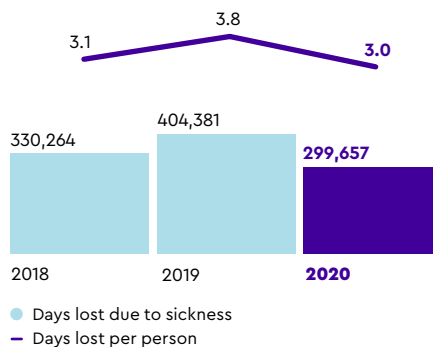
MENTAL HEALTH

Work-related stress is one of our main – and growing – health and safety hazards.

In 2020 we increased our investment in wellbeing resources and initiatives, especially in relation to mental health (see page 26). We also created new ways to connect across WPP, from CEO virtual townhalls to "safe rooms" that offer more space for open and candid discussions.

During 2020 we rolled out our Employee Assistance Programme to cover all our people around the world. The programme is a 24/7 service for employees and eligible family members that provides access to free confidential counselling and support, as well as resources on topics such as managing stress, dealing with loss and referrals to local financial or legal help.

DAYS LOST DUE TO SICKNESS



COORDINATED RESPONSE TO COVID-19

To help coordinate our response to the Covid-19 pandemic, our Covid-19 tracker app records real-time case status around the world.

Anonymised data is entered by local offices and aggregated, so users can drill down by agency and by country to get the latest status on Covid-19 cases. A "World Status dashboard" uses data from external sources to provide valuable context on topics including national case numbers and policies. We also use the app to track country-level changes to lockdowns, including restrictions on retail, hospitality and travel. This gives us a clear picture of the Covid-19 response by market.

WELLBEING

The challenges created by the Covid-19 pandemic, racial injustice, political division, and many other issues around the globe have taken their toll on people's mental, emotional, financial and physical wellbeing. There are no simple answers to these complex issues that affect each person differently, but by increasing investment in wellbeing resources for our people we aim to anticipate and support their needs.

During 2020 we rolled out our Employee Assistance Programme to every market globally to offer our people and eligible family members access to free, confidential counselling and support, and we shared resources on topics such as managing stress, dealing with loss, and how to access local financial or legal help.

We launched our "safe room" series in response to horrific acts of racially motivated violence in the United States, so our people would have a space for open and honest conversations. The series has since been extended to various communities including Black women in leadership and single parents.

To recognise World Mental Health Day and Mental Health Awareness Month we curated a global programme of wellbeing sessions, highlighted educational wellbeing resources and gave our people a platform to share their personal tips and advice on how to look after our mental and emotional health during lockdown.

In May 2021, we are launching a new Mental Health Allies programme in the UK, with a pilot in the United States and the intention of rolling it out across other markets. Mental Health Allies are employees who volunteer to be trained to support others. As part of this initiative, we are building a Wellbeing Academy at the centre of WPP, where Allies and HR professionals will be able to seek support, continuous learning and advice.

100%
of employees can
access the WPP
Employee Assistance
Programme

200
UK Mental Health
Allies by May 2021



MANTRA

AGENCY
**WUNDERMAN THOMPSON
 SÃO PAULO**

CLIENT
AVON



In 2019, Brazilian soccer legend Marta Vieira da Silva was wearing Avon lipstick when she scored the goal that made her the top scorer in World Cup history. It was the perfect response to the prejudice that still exists towards female athletes in Brazil, sending the defiant message – as *The New York Times* put it – that “muscles and make-up mix just fine, thanks”.

Following the success of the World Cup partnership with Marta, Avon wanted to go further and launch a complete range of long-lasting beauty products. So, it invited athletes Pâmela Rosa (world record holder in street skateboarding), Raissa Machado (Paralympic record holder in javelin), and Vitória Rosa (Olympic Brazilian sprinter) to join Marta in a campaign for the new Power Stay collection.

Wunderman Thompson made a film demonstrating that Power Stay foundation, lipstick and concealer would stick with women all day, even while training. And to connect the challenges faced by female athletes in Brazil with the performance of the products, the traditional voiceover was replaced with a form of prayer – a mantra.

2bn+
 media impressions

77m
 views



OUR PLANET



We support urgent action to tackle the climate crisis and aim to reach net zero carbon emissions across our value chain by 2030.

WHO'S IN CHARGE?

Our Global Corporate Affairs Director has operational responsibility for managing our response to climate change. The sustainability working group of the WPP Executive Committee has played an active role in shaping our new net zero strategy. At Board level, the Sustainability Committee has responsibility for sustainability and climate change, and meets a minimum of four times per year. Throughout the year the Sustainability Committee received regular updates as we developed our net zero strategy.

HOW ARE WE DOING?

0.52

tonnes CO₂e emissions per person from direct operations (scope 1 and 2), a 37% reduction year-on-year (2019: 0.82 tCO₂e).

75%

completed Campus projects certified to advanced green building standards (equivalent to LEED Gold or above).

65%

of electricity from renewable sources (2019: 37%), with 100% electricity from renewable sources in Canada, the UK and most European markets for the first time.

FOUNDING MEMBER

of AdGreen, an industry initiative to eliminate the negative environmental impacts of advertising production.

IN THIS SECTION

OUR CLIMATE STRATEGY

Our response to the climate crisis, including our new commitment to reach net zero carbon emissions by 2030 and details of our baseline value chain emissions.

TASK FORCE ON CLIMATE-RELATED DISCLOSURES

Summary of our third TCFD statement.

REDUCING EMISSIONS FROM OUR BUILDINGS

Including our Campus strategy.

RENEWABLE ELECTRICITY

Including progress against our target to purchase 100% electricity from renewable sources by 2025.

REDUCING VALUE CHAIN EMISSIONS

Breakdown of our scope 3 emissions.

AIR TRAVEL AND OFFSETTING

How we seek to minimise our impact through air travel.

CIRCULAR ECONOMY

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



H&M LOOP

AGENCY
AKQA GOTHENBURG, UNIVERSAL LONDON

CLIENT
H&M

84% of clothing ends up as landfill or in the incinerator. It's time to change the way we see our worn out and old clothing. Not as waste, but as a resource.

The solution? Give H&M customers the opportunity to recycle old clothing into something new, with Loop, the world's first in-store garment-to-garment recycling system.

Housed in a stunning glass box at an H&M store in central Stockholm, visitors select one of eight new, ready-to-wear designs, configured through the app, and watch as unwanted garments are fed into the Loop to get cleaned, shredded and spun into yarn without the use of water or chemicals.

Opposite the machine, eight giant screens display the end-to-end process behind it. Each depicts an individual step as a beautifully animated loop, which come to life as customers walk by. ASMR sound enriches each film to heighten the sensory experience. An accompanying website brings this revolutionary recycling system and its story to a global audience.

OUR CLIMATE STRATEGY

We support urgent action to tackle the climate crisis through delivering the goals of the Paris Climate Agreement. WPP is a proud signatory to the UN Global Compact's Business Ambition for 1.5°C and we aim to be net zero across our value chain by 2030, including emissions from media buying.

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

Of our top 50 clients, 64% have committed to setting targets through the Science-Based Targets initiative (SBTi). We want to partner with clients to help deliver against their goals. We know that collaboration with clients and suppliers will be critical in delivering against our own targets.

WPP has been managing its carbon footprint from owned emissions (scopes 1 and 2) and business travel (limited scope 3) for 15 years. In 2020 office closures as a result of Covid-19 contributed to a significant fall in our carbon emissions per employee, down 37% year-on-year, and absolute market-based scope 1 and 2 emissions, which fell by 41%.

During the year, we assessed our full value chain emissions using 2019 emissions data. In 2019, WPP's scope 1, 2 and 3 emissions totalled 5.4m tCO₂e. Our scope 1 and 2 emissions are less than 2% of our overall value chain footprint (see chart below). Our new goals are underpinned by absolute reduction targets across our value chain (scope 1, 2 and 3) that are in line with the Paris Climate Agreement and will be published once verified by the SBTi.



To learn more about our net zero strategy see wpp.com/netzero

2030

net zero carbon emissions across our supply chain (scope 3)

2025

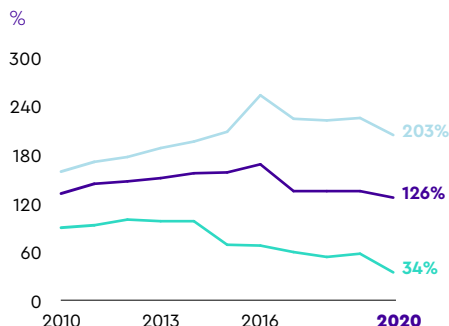
net zero across our owned operations (scope 1 and 2)

100%

renewable electricity by 2025

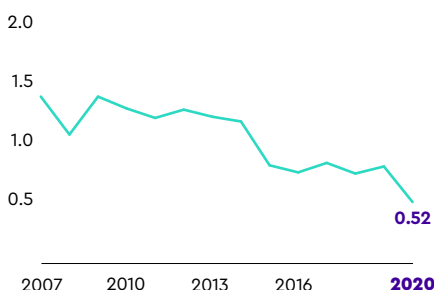
2020 PERFORMANCE

DECOUPLING GROWTH FROM SCOPE 1 AND 2 EMISSIONS



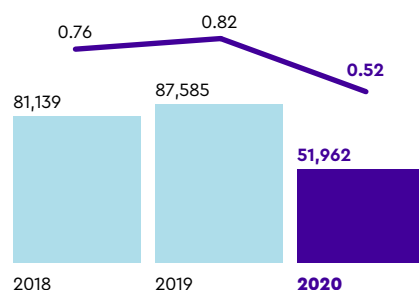
● Revenue
● Headcount
● Emissions
Baseline year = 2006

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



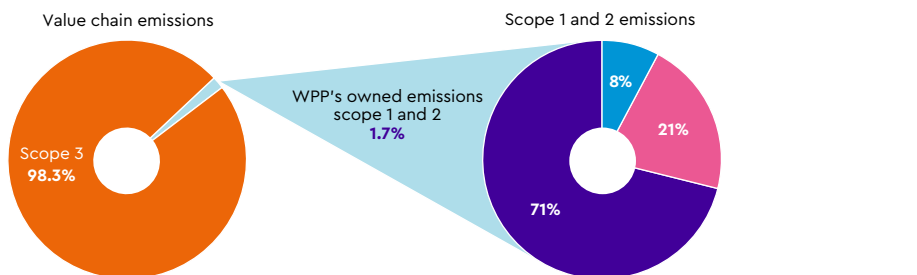
● Headcount intensity
Our scope 1 and 2 market-based emissions for 2020 were 0.52 tCO₂e/head, a 37% reduction from 2019. Our carbon intensity per £1 million revenue was 4.33 tCO₂e, a 35% reduction since 2019.

CARBON EMISSIONS PROGRESS



● Market-based scope 1 and 2 (tCO₂e)
— Scope 1 and 2 per person (tCO₂e/person)

WPP EMISSIONS PROFILE (2019 BASELINE DATA)



*Company cars included in scope 1 footprint for the first time
**Market-based electricity is based on renewable electricity procurement

CDP CLIMATE CHANGE

We participate in the CDP Climate Change programme to disclose our climate strategy and performance to institutional investors. In 2020, we maintained our score of B.



to read our CDP response visit cdp.net

UNDERSTANDING OUR EMISSIONS

The first step in achieving net zero carbon emissions by 2030 is to understand our carbon footprint and where the carbon emissions across our value chain originate.

We use Greenhouse Gas (GHG) Protocol standards, which are internationally

recognised and establish terminology that can be used by all companies.

The visual below is based on the GHG Protocol Corporate Value Chain, focusing on the aspects that are most relevant to WPP.

It is important to bear in mind that as carbon emission accounting for digital emissions is in its infancy, methodologies continue to evolve. This is particularly the case for downstream emissions.

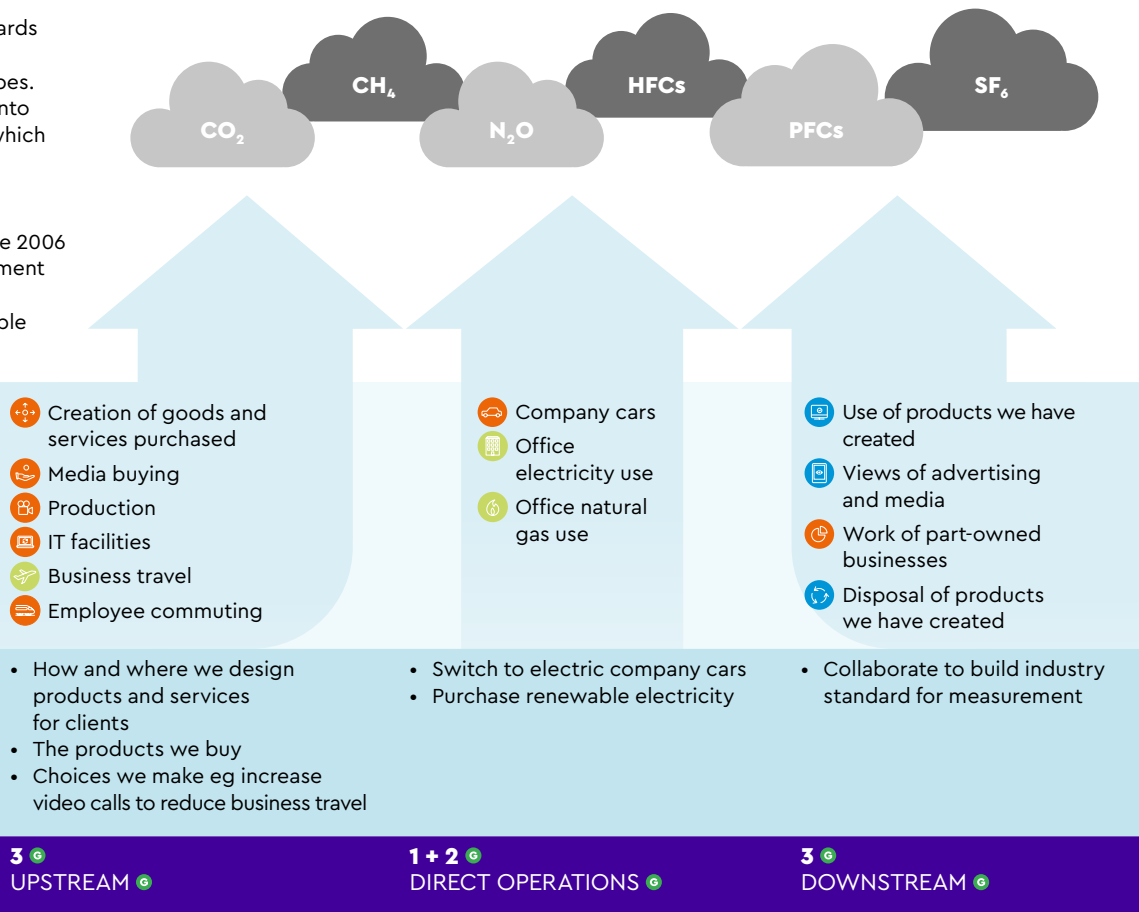
EMISSION SOURCES IN WPP'S VALUE CHAIN

The GHG Protocol standards categorise a company's emissions into three scopes. Scope 3 is then divided into 15 sub-categories, 11 of which are relevant for WPP.

Measurement:

- Measured by WPP since 2006
- Commenced measurement during 2020
- Currently not measurable

Emissions produced as a result of our activities



Our influence

- How and where we design products and services for clients
- The products we buy
- Choices we make eg increase video calls to reduce business travel
- Switch to electric company cars
- Purchase renewable electricity
- Collaborate to build industry standard for measurement

GHG Protocol Scope

3 UPSTREAM **1 + 2** DIRECT OPERATIONS **3** DOWNSTREAM

Terminology set by GHG Protocol.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

We support the Task Force on Climate-related Financial Disclosures (TCFD) and are developing our disclosures in line with its recommendations. Our third TCFD disclosure is included in our Annual Report (pages 216-218) and is structured around four themes: governance, strategy, risk management, and monitoring our progress.

In our disclosure we identify the following physical and transition climate-related risks and opportunities, their potential business impact and how we manage them.

RISKS

- increased frequency of extreme weather and climate-related natural disasters;
- increased reputational risk associated with misrepresenting environmental claims; and
- increased reputational risk associated with working with oil and gas companies and taking on environmentally detrimental briefs.

OPPORTUNITIES

- increased demand for sustainable products and services; and
- achieving resource efficiencies through cutting our carbon footprint and improving energy efficiency.



To read our TCFD disclosure and full carbon emissions statement, see our Annual Report 2020, pages 216-219

REDUCING EMISSIONS FROM OUR BUILDINGS

We continue to move employees into Campuses, closing multiple smaller sites and replacing them with fewer, larger, more environmentally friendly buildings that offer modern, world-class workspaces. The proportion of our people based in Campuses has increased steadily from 15% in 2018 to 33% in 2020, though most of our colleagues have, of course, been working from home during the last year.

By 2025 we expect 85% of WPP employees to be based in Campuses. There is no doubt that a lasting legacy of Covid-19 will be to change the way that we work, providing an opportunity to reduce our space requirements by about 20% on average. To understand the needs of our people as we reopen offices, we have run a comprehensive set of workshops across the world and are embedding the findings within the future Campus strategy.

We apply sustainable building standards to help us reduce our impact. When we lease, purchase, fit out or renovate a building larger than 50,000 square feet, we require it to be certified to an internationally recognised standard such as the United States' LEED standard or the UK BREEAM standard. We estimate this reduces energy use by around 21% per location. Smaller offices must either be certified or assessed against our own scorecard covering energy and carbon, water, materials and waste, travel, and health and safety.

Three quarters of our completed Campus projects have been certified to advanced green building standards (equivalent to LEED Gold or above) and we aim for all our new workspaces to achieve the highest accreditation achievable considering the individual workspace.

We are also utilising building optimisation technology and rethinking how we design our office spaces to tackle the current and future issues faced by our people through the local effects of climate change and disease.

In addition to energy reductions, we aim to design and run our offices in a way that promotes wellbeing. Considering factors such as indoor air quality (especially in large cities), thermal comfort, lighting levels, noise and acoustics is good for our people and can help boost productivity. Our roadmap to net zero includes changing the way we make investment decisions related to our buildings and in 2021 we will integrate climate-related risk assessment into the technical due diligence suite that we follow when we invest in a new Campus building. This will help to ensure that material acute and chronic physical climate risks are considered in design and embedded into business continuity procedures.

Net zero

by 2025 across our owned operations

85%

of WPP staff will be based in a Campus by 2025

75%

completed Campus projects certified to advanced green building standards (equivalent to LEED Gold or above)

RENEWABLE ELECTRICITY

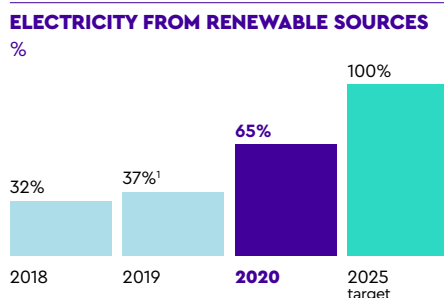
In 2020, WPP committed to sourcing 100% of our electricity from renewable sources by 2025, and became a member of RE100, a global initiative bringing together businesses committed to 100% renewable electricity to accelerate change towards zero carbon grids at scale.

We made significant progress during the year, purchasing 65% of our electricity from renewable sources (2019: 37%¹), including 100% of electricity purchased in the United States and, for the first time, in Canada, the UK and the majority of European markets.

We are developing a detailed roadmap to meet our RE100 commitment, which will:

- identify priority contracts to migrate to renewable tariffs;
- provide new guidelines to our finance and procurement communities on electricity purchasing; and

- set standards for purchasing Energy Attribution Certificates (EACs) to define and specify additionality to take into account biodiversity and other local impacts of renewable electricity development.



¹ Figure restated as part of data reviews upon joining RE100.

65%

electricity purchased from renewable sources (2019: 37%)

79,642

Green-e Energy certified RECs purchased for 2020 (2019: 44,914)

100%

electricity from renewable sources in Canada, the UK and most European markets for the first time

RE100

CLIMATE GROUP



REDUCING VALUE CHAIN EMISSIONS

In 2020 we worked with Carbon Intelligence to map our carbon emissions (scope 1, 2 and 3) using 2019 data. The chart (right) provides a breakdown of our scope 3 carbon emissions.

Our supply chain makes up the most significant part (98%) of our total emissions.

We will reach net zero emissions in our supply chain by 2030. This target includes the carbon emitted from the advertising we place in the media on behalf of our clients – which represent over half (55%) of all the emissions in our supply chain.

We have identified four emissions hotspots to address:

- media spend;
- production;
- technology; and
- business travel (see page 34).

In 2021, we will work to develop detailed roadmaps and coordinate actions to reduce emissions across these hotspots.

MEDIA SPEND

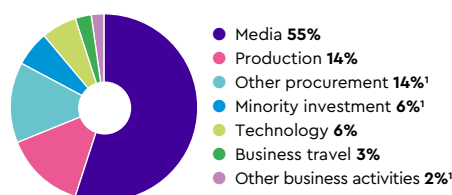
With over \$60 billion in advertising placed in 2020, WPP is the world's largest investor in media advertising. Our media investment forms 55% of our total scope 3 footprint.

We aim to work with our media partners to develop industry-wide standards for measuring and eliminating the carbon emitted from the placement of advertising in the media.

To reduce emissions, over the coming years we will focus on:

- improving data by developing a media channel-level carbon calculator to understand emissions from each piece of content placed;
- asking vendors to share carbon data, focusing on top 20 markets and vendors first so as not to disadvantage emerging markets or minority media;
- factoring carbon into investment decisions; and
- creating education programmes and resources to ensure that we continue to create a healthier, diverse and more trusted media ecosystem.

VALUE CHAIN EMISSIONS



¹ Other procurement spend includes spend related to facilities, HR, professional fees and similar items. Minority investments includes estimated emissions from companies in which WPP has less than a 50% ownership share. Other business activities includes employee commuting, downstream leased assets (buildings) and other fuel use.

PRODUCTION

The carbon emissions generated by the production of the films and other content we create on behalf of clients are responsible for 14% of our total carbon footprint.

Through our production agency, Hogarth, we are using virtual production technology and techniques to produce high quality work at scale, tailored to every channel and audience, while at the same time reducing the associated carbon emissions – for example by reducing the need for carbon intensive location-based shoots – and increasing speed to market.

We recognise that we cannot reduce emissions from production alone. So in 2020 we became founding members of AdGreen, a new industry initiative to eliminate the negative environmental impacts of production (see case study, right).

TECHNOLOGY

The technology we use – from data centres to the e-mails we send – generates carbon emissions that make up 6% of our scope 3 footprint. As we increase our use of cloud infrastructure, powered by renewable electricity, we will reduce our energy consumption and our carbon emissions, as well as drive down waste.



Find out more about our net zero commitments and strategy at wpp.com/netzero

REDUCING PRODUCTION EMISSIONS AT SCALE

Advertising production makes up 14% of our scope 3 carbon emissions. We cannot reduce these emissions at scale on our own. So in 2020, WPP became a founding partner of AdGreen, an initiative to unite the advertising industry in eliminating the negative environmental impacts of production.

Launched in the UK through the Advertising Association, but with global ambition, AdGreen provides free training, a renewable energy buy-in scheme and practical resources to enable the industry, wherever the activity is, to act for a sustainable future. In 2021 it will launch a carbon calculator to help production teams identify the activities with the biggest impact.

At WPP, more than 40 people across seven agencies were AdGreen trained in 2020.

The mission is simple: to make zero-carbon, zero-waste ad production the norm.



AIR TRAVEL AND OFFSETTING

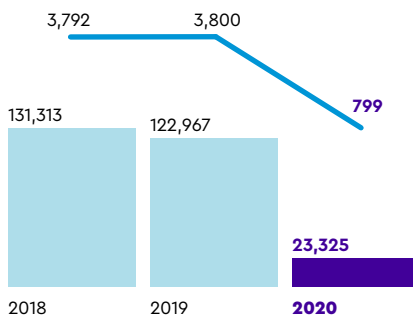
Business travel accounts for around 3% of our value chain carbon footprint. To offset the resulting emissions, we have been purchasing high-quality carbon credits since 2007 and have permanently retired 1.6 million carbon credits, which are charged to each of our agencies to create an internal carbon cost.

In 2020, travel restrictions linked to the Covid-19 pandemic reduced our air travel emissions by 81%. We continued to offset these emissions by purchasing in line with our historical commitment to ensure we supported communities and projects.

We purchase the credits through South Pole Group, a company that develops emission-reduction projects. In 2020, we invested more than £95,000 to support three renewable energy-generation projects in Brazil (see below), China and Indonesia. Together, these projects support 11 of the UN Sustainable Development Goals.

We are working to ensure remote working best-practice is captured to support virtual working in the future and reduce air travel where other options are available.

CARBON EMISSIONS FROM AIR TRAVEL/ MILES TRAVELLED PER PERSON



Scope 3 emissions for business air travel tCO₂e

- Total emissions for air travel
- Miles travelled per person

81%

reduction in air travel emissions in 2020

100%

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

1.6m

carbon credits purchased and permanently retired since 2007



SUPPORTING CERAMIC FACTORIES PIONEERING THE SWITCH TO SUSTAINABLE FUEL SOURCES IN BRAZIL

In the City of Itaboraí, Rio de Janeiro, Brazil, the economy is heavily supported by the ceramics industry. The use of heavy oil as fuel is common, however it creates poor air quality.

Through our offsetting programme, we have supported three factories to upgrade old oil-fired kilns with new, efficient biomass kilns. The project also supports social and environmental initiatives for the local communities. In particular, the project focuses on employing women, people with disabilities and ex-convicts to work in the production process, providing them with ongoing training.

On average, the project has mitigated 21,000 tCO₂e annually.

CIRCULAR ECONOMY

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

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

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

In 2020, the global demand for PPE to protect against Covid-19 has increased demand for single-use plastics. Around the world, people have been forced to make significant changes to the way they work, live and consume. For example, businesses – and canteens – serving food no longer allow customers to bring their own reusable containers, instead providing disposable packaging. Ensuring that the appropriate waste streams are in place to recycle or compost plastic items and minimise waste is essential.

To give our offices – many of which were unoccupied for much of 2020 – time to adjust to new consumption patterns and put plans in place to ensure single-use plastics are recycled, we have extended our timeline to December 2021.

Our agencies are all at different stages of the journey. As an early adopter, MediaCom UK has already achieved the A Plastic Planet Commitment Mark for businesses demonstrating their intention to reduce plastic across their operations, while other agencies are still developing the best approach for them. In 2020, we kicked-off our first plastics audit across our Top 20 markets to assess progress against our plastics pledge.

Our Circular Economy Plastics Policy and Plastics Playbook, cascaded by agency CEOs across their offices, provides practical guidance on how to phase out plastic waste, with resources including: a plastics audit template; jargon buster; and tips on how to reduce recycling contamination. We updated our playbook during the year to provide additional Covid-19 resources and to help offices adjust to new safety requirements and consumption patterns.

In order to meet our target, we are applying a new level of rigour to how we source products to ensure they comply with our Circular Economy Plastics Policy.

We remain committed to our plastics pledge.

It has never been more important to transition to a circular economy and our greatest impact is through our client work (see case study, page 29). We support our clients across four core areas of expertise:

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

WASTE AND RESOURCES

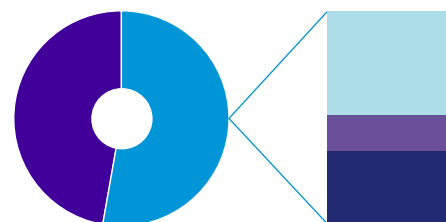
We aim to use resources carefully and to reduce and recycle as much as possible. Our main waste types are electronic waste and office consumables such as paper, card, cans, plastic bottles and toner cartridges.

In 2020, the Company generated 3,233 tonnes of waste (2019: 8,578) of which we recycled 53% (2019: 56%). Of the remaining waste, 34% was incinerated with energy recovery (2019: 17%) and 66% was disposed of via landfill, incineration without energy recovery, or an undetermined method (2019: 83%). We have identified preferred recycling partners for our operating companies in all major markets and we work with landlords on waste management in the properties we lease.

WASTE RECYCLED

%

- Proportion recycled waste **53%**
- Proportion non-recycled waste **47%**



- Waste sent to landfill or unknown destination **49%**
- Incinerated without energy recovery **17%**
- Incinerated with energy recovery **34%**

53%

of our waste recycled (2019: 56%)

34%

of non-recycled waste incinerated with energy recovery (2019: 17%)

MAKING PLASTIC DISAPPEAR

AGENCY
SUPERUNION

CLIENT
NOTPLA



Eight million tonnes of plastic are dumped in the oceans every year. Enter Notpla: a revolutionary, seaweed-based material that naturally decomposes in around six weeks. A sustainable packaging start-up on a mission to make packaging disappear, naturally. Superunion set out to deliver a name and identity that would leave people in no doubt about its potential value in the world. Notpla is designed to be a simple, bold definition of who they are: not plastic, but a completely new thing. Centred around the brand's core mission: to make packaging disappear, the animated logo reflects a vessel filled with liquid and when emptied the exterior disappears, just like its packaging. Built on the idea that its products will change the world, Notpla needed to communicate this in a bold and simple way. The name itself reflects this approach.

400,000
units produced

70%
reduction in CO₂
emissions compared
to a conventional
plastic sachet



A STRONGER OFFER FOR OUR CLIENTS



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

WHO'S IN CHARGE?

Our agencies and client leads oversee our work with clients on sustainability. Our Group Chief Counsel oversees our approach to ethics and compliance. The WPP Executive Committee sustainability working group, established in 2019, provides additional oversight and guidance on any ethical issues that may arise.

We set clear ethical standards for our people and companies through our policy framework and training including the WPP Code of Business Conduct.

HOW ARE WE DOING?

DIVERSITY REVIEW PANEL

established to escalate concerns around potentially offensive or culturally insensitive work.

INCLUSIVE MARKETING

Playbook launched to put inclusive marketing principles and best practice at the heart of our work.

GLOBAL PARTNERSHIP

with SuperAwesome to promote child safety while engaging with online content.

IN THIS SECTION

WORK WITH IMPACT

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

COMPLIANCE WITH MARKETING STANDARDS

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

ETHICAL DECISIONS IN OUR WORK

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

COURAGE IS BEAUTIFUL

AGENCY
OGILVY LONDON & TORONTO

CLIENT
DOVE (UNILEVER)

In times of crisis, beauty isn't how you look, but what you do. And during the pandemic, frontline workers have epitomised this beauty, reminding us there is no greater expression of yourself than the qualities of selflessness and bravery.

We have all seen striking images of nurses, doctors and other health professionals, their faces bruised by protective masks after long, exhausting shifts caring for Covid-19 patients.

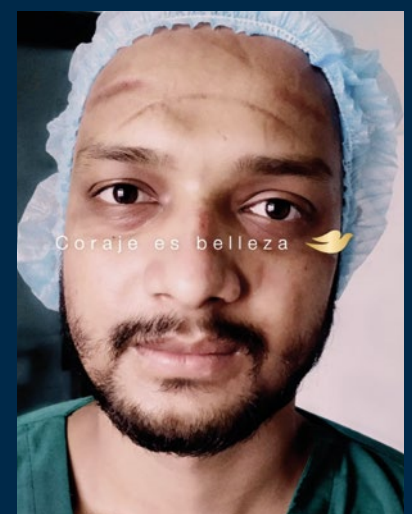
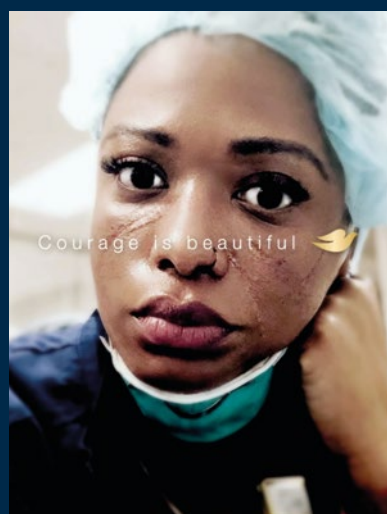
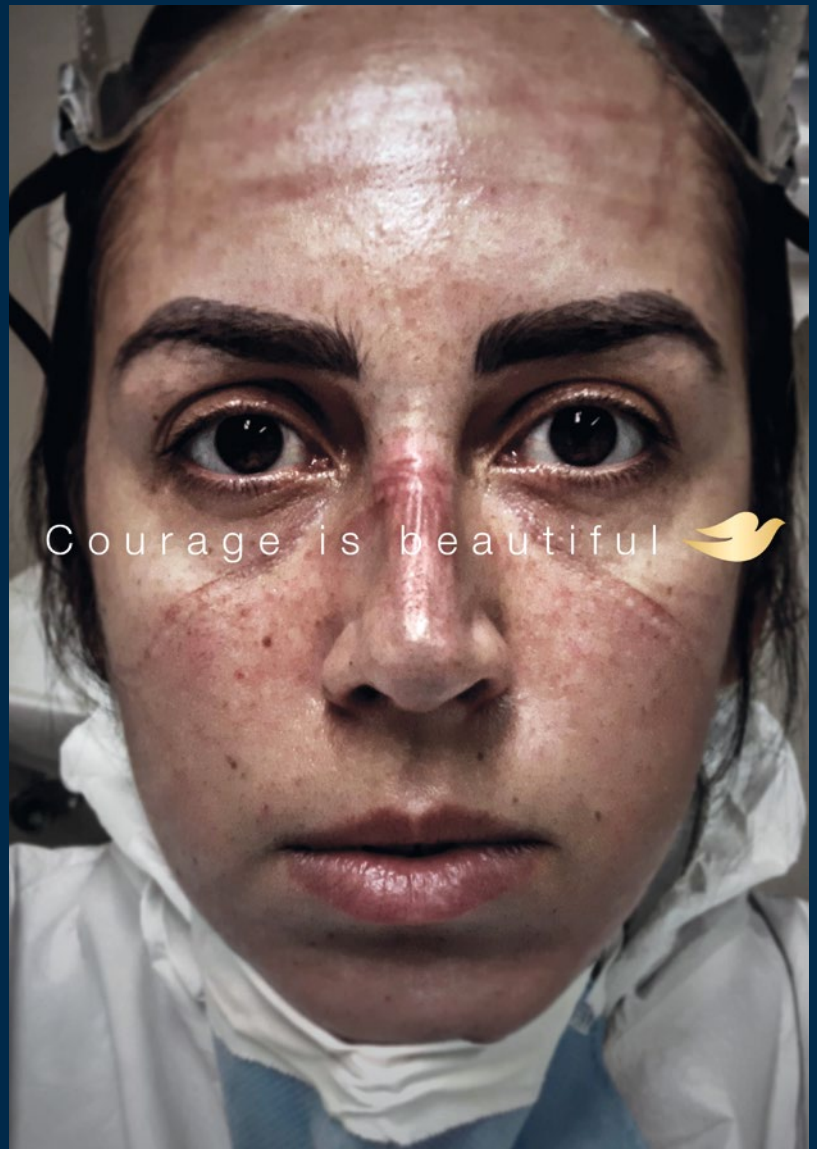
Dove, which has challenged conventional notions of beauty for the last 15 years through its advertising, decided to honour the sacrifice and courage these images represent.

Ogilvy's challenge was to create a campaign that was true to Dove's brand purpose and deeply respectful of the healthcare workers shown. The team featured their powerful portraits in digital out-of-home media and films, thanking them directly and showing that Courage is Beautiful.

Launched in North America before rolling out across 15 countries, the campaign was covered by CNN, *The New York Times*, CBS, NBC and countless other media outlets, touching the hearts of millions and celebrating the extraordinary efforts of frontline workers around the world.

2bn
earned media
impressions

360,000
hashtag mentions on
Twitter on the first day



PUTTING SUSTAINABILITY AT THE HEART OF OUR OFFER FOR CLIENTS

The work we do has the power to shift opinion and change behaviour, supporting our clients to transition to a sustainable world.

WORK WITH IMPACT

Consumers continue to expect more from companies, and in 2020 brands perceived as having a high positive impact on society grew at 2.5 times the rate of others¹.

We are working closely with clients as they embrace sustainability and endeavour to live up to their purpose. While challenging, today's landscape also offers major opportunities to create new markets for more sustainable products and services.

Companies are responding. Corporate commitments to net zero more than doubled in 2020 as companies prioritise climate action in their recovery from the Covid-19 pandemic.

The breadth and depth of our expertise means we can offer clients the latest technology alongside the creativity and sustainability

expertise needed to inspire consumers and help shift behaviour to more sustainable norms.

Recognising our clients' growing focus on sustainable products and practices, we continue to strengthen our offer to ensure we can provide our clients with the best support and the expertise they need to deliver against their own sustainability ambitions. For example, in 2020 we became a founding member of AdGreen – alongside clients and partners including Google, Sky and Unilever – an initiative to unite the advertising industry to eliminate the negative environmental impacts of production (see page 33).

During the year, we established a Diversity Review Panel to provide a forum to escalate concerns around potentially offensive or culturally insensitive work and receive guidance and advice designed to ensure

those concerns are appropriately addressed. We also launched a community private marketplace (PMP) to financially support Black journalism and community voices (see case study, page 40). To train and equip our client leads for the complexity of this issue, our new Inclusive Marketing Playbook and resource library codifies inclusive marketing principles and best practice for communications, marketing and new business projects. In 2021 we will also launch a Sustainability Playbook.

¹ Kantar Purpose 2020 Report.

64%

of our top 50 clients have committed to setting science-based carbon reduction targets

AREA OF EXPERTISE

Purpose and brand strategy: integrating social and environmental values into brand and business strategy.

Consumer experience: creating consumer experiences to raise awareness, promote action, or address social or environmental challenges.

Movements and campaigns: rallying multiple stakeholders behind a common cause to change legislation, norms or behaviour in order to drive positive social change.

Consumer behaviour change: promoting more sustainable consumption and driving shifts in behaviour on social or environmental issues.

Innovation, product and service design: sustainable by design products, packaging, and routes to market.

EXAMPLES IN THIS REPORT

Read how Wunderman Thompson helped Avon highlight the challenges faced by female athletes in Brazil on page 27.

Read how Superunion helped Notpla with its mission to make plastic disappear on page 36.

Read how AKQA helped Studio Olafur Eliasson amplify children's views of the future wellbeing of the planet through an interactive, augmented reality artwork on page 48.

Read how VMLY&R helped Colgate launch India's first online dental consultation platform to connect users to nearby dentists during lockdown when they would otherwise have little or no access to dental care on page 50.

Read how Ogilvy helped RIT Foundation challenge the law on marital rape in India on page 44.

Read how Ogilvy Consulting continues to help WildAid to save the elephant by stopping the ivory trade on page 46.

Read how AKQA helped H&M create Loop, the world's first in-store garment-to-garment recycling system on page 29.

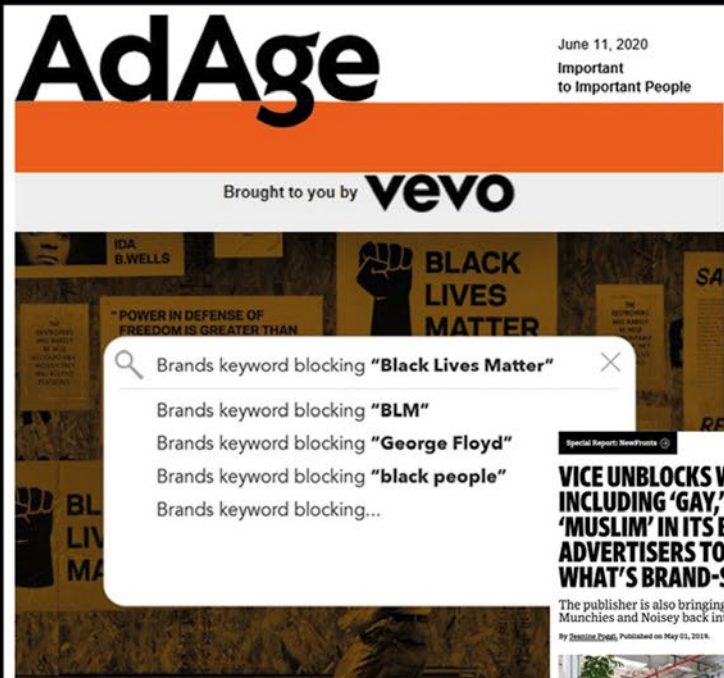
Read how Grey helped Itaú, the largest private bank in Latin America, create a revolutionary pension delivery system for its elderly clients, so they could access their money and stay home during the Covid-19 pandemic on page 50.

Read how Ogilvy helped Dove honour the courage and sacrifice of healthcare workers during the Covid-19 pandemic on page 38.

Read how VMLY&R helped Starbucks transform a local Starbucks into a registry office to help trans people have their names legally changed on official documents on page 14.

Read how Mindshare helped Kimberly-Clark support Black journalism and community voices on page 40.

Read how Wunderman Thompson helped the United Nations Office for the Coordination of Humanitarian Affairs mark World Humanitarian Day by celebrating the real life heroes doing extraordinary things to help others on page 55.



U BY KOTEX®

AGENCY
MINDSHARE NEW YORK

CLIENT
KIMBERLY-CLARK

Today's advertisers have thousands of words and phrases on keyword exclusion lists, which tell automated digital advertising models not to place a brand's messages alongside content that is inappropriate or does not align with their values.

An unintended consequence is that important news stories and underrepresented communities can be excluded. Words like "dope" or "bomb", for example, can be incorrectly flagged as relating to drugs or violence, even though they are everyday jargon in Black culture – meaning that content brands may want to support is blocked, publishers lose out on revenue, and Black voices are, in effect, censored.

To address the problem, Mindshare launched a Black community private marketplace (PMP) to financially support Black journalism and community voices – with U by Kotex®, a brand that stands for championing women's progress, as the launch partner. The agency curated a list of Black publishers, content creators and artists for the PMP, which features everything from partners such as Pod Digital (the first Black-owned and curated podcast network) to a deal with Zefr that brings in over 150 Black YouTube creators.

It was the second in a series of "Inclusion PMPs" launched by the agency to help underrepresented communities in journalism; the first was a LGBTQ PMP launched in February 2020.



22%
efficiency saving
on expected cost
per thousand
impressions

5%
brand awareness
increase



CHANGE THE BRIEF

AGENCY MINDSHARE

Mindshare launched an industry-wide platform, #ChangeTheBrief, in November 2019, to promote sustainable lifestyles in all media and advertising content and communications. Agencies that support #ChangeTheBrief commit to creating work which answers the "Now" brief, to help clients sell their products, but also the "Future" brief, to encourage the attitudes, lifestyles and behaviours which are consistent with the transition to a carbon-free world.

For example, Mindshare worked with Unilever's Comfort to engage their Gen Z target audience on the importance of extending clothing's longevity to reduce clothing waste. In partnership with Cosmopolitan, Elle and Oxfam, Mindshare set up a pop-up swap shop (pictured) in Soho, London that invited people to swap their unwanted clothes and ran sessions to educate younger people on sustainability and the benefits of making sure their clothes last longer.

Mindshare has changed the brief more than 50 times across nine countries and with clients including General Mills, Graze, Nespresso, Unilever, and Volvo.



50+
briefs changed

9
countries



300
members (one third
of Landor & FITCH)

17
countries

THE GOOD SQUAD

AGENCY LANDOR & FITCH

Landor & FITCH helps clients transform their brands in service of their business goals. Increasingly, sustainability forms a central role in that transformation as "good" brands are not only good for people and planet, but they are also good for business.

To help stay at the forefront of brand-led sustainability, Landor & FITCH launched "The Good Squad": a global community of creative problem-solvers, a think-and-act tank, a breeding ground for brand-led sustainable solutions. As part of the agency's global commitment to use 10% of its time on learning and development, The Good Squad focuses on learning, sharing, inspiring and doing good in the sustainability space, encouraging employees to innovate brand solutions with sustainability at their heart. To date, a third of the company, across 17 markets, forms this community. The group has helped the agency create Good Brands, Good Packs, Good Spaces and Good Initiatives, both for its clients and for NGOs.

"The Good Squad is on the leading edge of the ways in which Landor & FITCH is evolving and adapting and growing, and that's really exciting."
- Carrie Shirley, Good Squad member

COMPLIANCE WITH MARKETING STANDARDS

Marketing is powerful – it can change attitudes and behaviour. It is critical that we apply high ethical standards to our work to ensure those changes are for the better. All the content we produce for clients has to meet rigorous standards and we will not undertake work which is intended or designed to mislead or deceive. This is covered in our Code of Conduct. We work hard to maintain high standards and strong compliance in areas such as ethics, human rights, privacy and data security.

There is growing scrutiny – from consumers and regulators – of the descriptions and labels used to promote the environmental credentials of products and services. We are working closely with our agencies to make sure that we are contributing to the discussion and to ensure that our marketing services promote transparency on the environmental attributes of products.

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

Our agencies have policies and processes to mitigate against online advertising appearing on sites with illegal, illicit or unsuitable content.

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

ETHICAL DECISIONS IN OUR WORK

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

Before our people can accept potentially sensitive work, they must refer the decision to the most senior person in the relevant office and then to the most senior WPP executive in the country concerned, who will decide if further referral to a global WPP executive is required. This referral process is covered in our How We Behave online training, which all staff (including freelancers working for more than four weeks) are required to complete annually.

i See page 51 for more details about our How We Behave training

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

Each of our networks has a global Risk Committee, chaired by its respective CEO, to ensure that leadership has a full understanding of the risks across businesses and markets (see page 5).

SAFELY REACHING EMERGING ONLINE AUDIENCES

The Covid-19 pandemic has accelerated trends in how people consume media. We are helping our clients safely reach emerging online audiences.

Covid-19 restrictions have seen children spending 50% more time on screens¹. As part of our commitment to ensure children's safety while engaging with content online, WPP launched a partnership with SuperAwesome, the leading kidtech platform, to give our people and clients access to training, industry-leading strategies and the latest privacy-by-design technology for the under-16 digital media space.

During the pandemic, a third of consumers subscribed to a video or a cloud gaming service or watched esports for the first time². We are working with adtech startup, Anzu, to help bring commonly accepted and widely applied digital advertising standards to fast-growing esports and gaming audiences. Applying standards from ad viewability to fraud detection and privacy protection will help brands reach the estimated three billion gamers worldwide and create new revenue streams for developers to help support a wider gaming ecosystem.

¹ SuperAwesome's survey of 6-16 year olds in the United States, March 2020, asked 667 kids how much more time spent on a digital device now compared to before the coronavirus pandemic.

² Deloitte 2020 digital media trends survey.

COMMUNITIES



We aim to give creativity back at scale. We can help boost the impact of charities and non-governmental organisations (NGOs) by providing marketing and creative services, often on a pro bono basis (for little or no fee).

WHO'S IN CHARGE?

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

HOW ARE WE DOING?

\$30m

to be invested over three years to fund inclusion programmes within WPP and support external organisations as part of a series of commitments to advance the cause of racial equity.

\$45m

in free media space and pro bono work secured and delivered to help the World Health Organization reach the public with vital communications promoting social distancing and good hygiene.

£649m

wider social benefits of pro bono work, charitable donations and free media space in 2020 (2019: £291m).

IN THIS SECTION

GIVING CREATIVITY BACK AT SCALE

Our approach to investing in communities.

TWO NEW PRIORITIES

Our response to the Covid-19 pandemic and our stand for racial equity.

WHAT WE GAVE IN 2020

Breakdown of our social investment.

VOLUNTEERING

Encouraging our people to volunteer their time and skills.

SOCIAL IMPACT

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

PLEASE ARREST ME

AGENCY
OGILVY, SINGAPORE

CLIENT
RIT FOUNDATION



In India, two in three women are raped by their husbands and it is totally legal. The law has an exception where rape inside a marriage is not a crime. To change the law, RIT Foundation, and Indian NGO fighting for women's rights, needed to raise awareness. So they found Sameer, an activist, who turned himself in to the police, pretending he raped his wife. Within minutes, he was freed. Ogilvy filmed the entire process – from interviews with lawyers and victims, to Sameer going into the police station with hidden cameras and being told that raping your wife is not a crime – exposing how India treats marital rape cases.

The story sparked fierce reactions online. Thousands tried to silence the campaign and even managed to take down its content four times. Censorship tried but didn't shut the debate – with the help of feminist activists and influencers who shared the Foundations videos and content, the conversation progressed and forced the patriarchal society of India to deal with the issue. Thanks to this campaign, the case to change marital rape laws will be heard at the Delhi High Court.

AWARDS

ONE SHOW

2020 Gold Onescreen Best Documentary

2020 Silver Pencil Social Media

2020 Bronze Pencil Film Long Form

D&AD

2020 Wood Pencil/Entertainment/Non Fiction



INVESTING IN COMMUNITIES

Giving creativity back at scale.

The work we do has the power to bring about change – in the way people feel, the way they think, and the way they behave. And in today's world, the ability to inspire, motivate and engage is more important than ever. We aim to use the power of our creativity and voice to create healthy and vibrant communities.

We can help boost the impact of charities and non-governmental organisations (NGOs) by providing marketing and creative services, often on a pro bono basis (for little or no fee). Our pro bono work and social investment can also support progress toward the UN Sustainable Development Goals.

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

TWO NEW PRIORITIES

During the pandemic, we worked with governments, commercial clients, NGOs and international health bodies to produce public awareness campaigns to help limit the spread and impact of Covid-19. We secured and delivered more than \$45 million in free media space (\$43.5m) and pro bono work (\$1.5m) to provide global and regional support to the World Health Organization (WHO) to help the WHO reach the public with its vital communications promoting social distancing and good hygiene (see page 47). In 2021, many of our agencies have turned their creativity – and their skills in media, public relations, healthcare communications, data and technology – to the efforts to roll out and build public confidence in vaccines.

In June 2020 WPP and its agencies made a series of commitments to fight for racial equity, designed to use our creativity, our scale and our influence to bring about change. These included a commitment to use our voice to advance the cause of racial equity, and to invest \$30 million over three years to fund inclusion programmes within WPP and support external organisations. In the second half of the year, our focus was on establishing a governance process to monitor and manage donations and ensure this fund has impact. We will report donations in 2021.

i For more information on our commitments to advance the cause of racial equity, see page 20

WHAT WE GAVE IN 2020

Our pro bono work was worth £12.6 million (2019: £10.6 million), for clients including UN Women and the World Health Organization.

We also made cash donations to charities of £4.3 million (2019: £5.2 million), a decrease year-on-year as we prioritised harnessing our skills to support the fight against the Covid-19 pandemic.

Our pro bono work, combined with cash donations, resulted in a total social investment of £16.9 million (2019: £15.8 million), equivalent to 1.6% of headline profit before tax (2019: 1.2%)¹.

WPP media agencies negotiated free media space worth £59.3 million on behalf of pro bono clients (2019: £18.9 million). Our total social contribution, taking into account cash donations, pro bono work and free media space, was £76.2 million (2019: £34.7 million).

¹ We have restated this figure using headline profit before tax to provide a comparable measure against 2019. Reported pre-tax profits have been restated as described in the accounting policies in our Annual Report 2020.

VOLUNTEERING

In addition to providing donations and pro bono services, we encourage our people to volunteer their time.

In 2020, 66% of our agencies took part in organised volunteering activities as part of their support for local communities.

For example, to mark its Foundation Day, VMLY&R ceased normal business operations for a day in September to give nearly 7,000 employees around the world the opportunity to support their local community through virtual and in-person charitable volunteer projects. Employees could support a charitable project of their choice or use the agency's Foundation Day resource guide to identify a cause. To visualise their global impact and create a communal experience, the agency created a microsite where employees could post photos and celebrate their collective efforts. Each VMLY&R full-time employee has 16 hours of paid volunteer hours – in addition to Foundation Day – to take advantage of annually.

SOCIAL IMPACT

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

We have conducted research to quantify this wider impact. Our most recent analysis shows that in 2020 our pro bono work created wider social benefits worth £108 million (2019: £92 million). This includes, for example, the impact of charities being able to improve health and wellbeing in communities. Adding in our charitable donations and free media space as well as our pro bono work, the wider social benefits created in 2020 were worth an estimated £649 million (2019: £291 million), a significant increase versus 2019 as our agencies have supported WHO campaigns to help fight the Covid-19 pandemic.

i Find out more in Quantifying our impacts, pages 10 and 11

COMMON GROUND

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

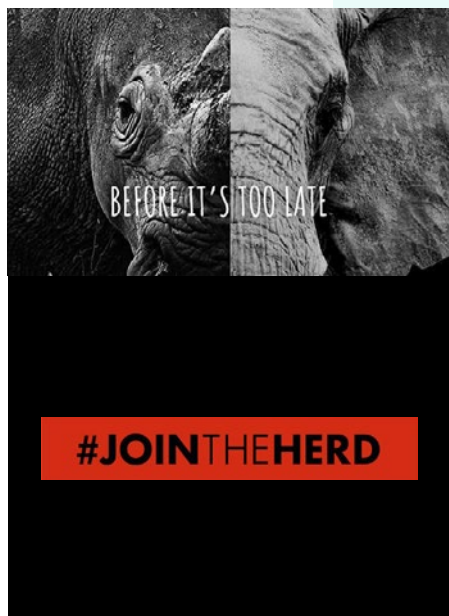
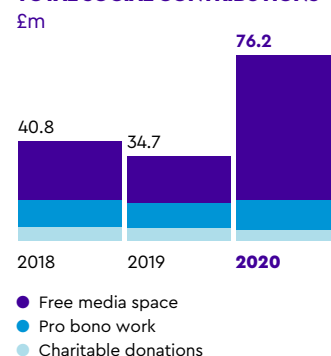
WPP's focus is on gender equality (Goal 5). We partner with UN Women to tackle gender stereotypes in the media and promote equal opportunities for women and girls.

Through our collaboration with UN Women we have set a new agenda for utilising our pro bono work to further equality through creativity.

£649m

wider social benefits from pro bono work, charitable donations and free media space in 2020 (2019: £291m)

TOTAL SOCIAL CONTRIBUTIONS



HERD MENTALITY

By 2015, the multi-billion dollar ivory trade had brought the African elephant to the brink of extinction.

The only way to save the elephant was to stop the ivory trade. We needed to change legislation to ban ivory sales. So we asked people to #JoinTheHerd: a single global pressure group driving a single agenda. We launched our movement at Chinese New Year, rebranding 2016 the Year of the Elephant.

We made it simple for people to join and spread the word using a simple "elephant selfie-creator". Soon our elephant selfies were everywhere, uniting global influencers, hundreds of NGOs and the mass public to create a herd so big and powerful, it changed legislation. Within a year the herd helped achieve domestic bans in the world's biggest ivory markets: China, France, Hong Kong, UK and United States.

But the fight continues. In 2020, as part of #JoinTheHerd research from Kantar was used to help overturn a supreme court appeal against the UK Ivory Act. Now only one major legal ivory market remains... Japan. Japan has the highest domestic sales of ivory in the world. Most Japanese people are unaware that Hanko (stamps used as official signatures) account for 80% of ivory sales. Grey Tokyo created an animation made entirely of Hanko. The 500 Hanko used were made of wood, not ivory, to underscore the urgency of choosing sustainable materials.

We continue to fight to protect the herd.

WPP'S COVID-19 ECONOMIC AND SOCIAL IMPACT

In 2020, the Covid-19 pandemic wreaked havoc across the world causing 82.4 million confirmed cases and, tragically, 1.8 million recorded Covid-19 deaths¹, and shrinking the global economy by around 4.4% or £4 trillion².

While our industry is far from the front line of tackling the pandemic, we do have an important role to play. During 2020 we worked with governments, commercial clients, NGOs and international health bodies including the

World Health Organization (WHO) to produce public awareness campaigns to help limit the spread and adverse health and economic impacts of Covid-19.

As part of our annual impact assessment, we investigated the potential benefits of such campaigns³. Our analysis highlighted the significant potential societal and economic value generated by the campaigns, but also the substantial challenges in quantifying and

attributing the impacts to specific campaigns when Covid-19 dominated the media.

The table below summarises some of the findings from three of our campaigns, highlighting the broad range of potentially associated impacts and values.

i For information about how we conducted this analysis, see page 63

CASE STUDY

SUPPORTING THE WHO

DOVE'S "COURAGE IS BEAUTIFUL"

P&G'S "#DISTANCEDANCE"

THE ACTIVITY

The "impact driver": the campaign including the message, and the inputs and outputs.

- **The challenge:** to support the WHO's global and regional public awareness campaigns to help limit the spread of Covid-19 and its impact on society
- **The solution:** GroupM and Wavemaker sourced free media space, donated by global media partners, to communicate messages including the "five heroic acts" of social distancing, sneezing in elbow, not touching face, washing hands and staying home
- **The result:** US\$45 million in free media space and pro bono work secured and delivered across 167 countries with more than 450 media owners

- **The challenge:** to celebrate the selflessness and bravery of healthcare workers
- **The solution:** featuring frontline workers' powerful portraits in digital out-of-home media and films, thanking them directly and showing that Courage is Beautiful
- **The result:** 2 billion earned media impressions
- For the full case study, see page 38

- **The challenge:** to communicate stay-at-home and social distancing messages to a younger audience
- **The solution:** collaborating with TikTok's number one global influencer to create #DistanceDance, a Covid-19 safety campaign designed to reach a demographic who might not watch the news through traditional channels
- **The result:** most viewed video in the history of TikTok with 17.7bn views
- For the full case study, see page 25 of our Annual Report 2020

THE SOCIAL OUTCOMES

The behavioural change induced by the campaign.

- Many people watching these messages will have changed their behaviour in the ways suggested, thereby reducing transmission of Covid-19
- The campaign helped to drive over 33 million visits to the WHO website, increasing people's understanding of the pandemic

- Those who saw the adverts and posts will have greater respect for medical workers
- 360,000 people shared their own stories using the hashtag on the first day, acknowledging the inspiring medical workers in their lives on social media

- Many young people who saw the video will have socially distanced and stayed at home more than they might otherwise have, reducing the transmission of Covid-19

THE SOCIAL IMPACTS

The consequences of the change in behaviour.

- The changed behaviour and mindsets will have resulted in fewer and less severe cases of Covid-19, resulting in fewer hospitalisations and deaths, and less worker sick days

- The respect shown to medical workers, in particular nurses, will have in part inspired them to be more resilient and improved their wellbeing – energising them to help treat more patients and provide better care and further enhance the wellbeing of patients
- The impact is likely to have extended to other medical workers beyond those featured in the campaign and benefited their patients, too

- The changed behaviour will have resulted in fewer and less severe cases of Covid-19, resulting in fewer hospitalisations and deaths, and less worker sick days

THE SOCIAL VALUE

The change in human wellbeing, or the "societal and economic value", of the impacts. Values can be assessed qualitatively, quantitatively or in monetary terms.

- The value of the impacts includes:
- The theoretical "value of lives" saved
 - Reduced hospital and medical costs
 - Maintained and enhanced wellbeing and quality of life of those that did not get infected or who suffered less severe illness than they would have otherwise

- The value of the impacts includes:
- The value of lives saved, reduced hospital and medical costs
 - The wellbeing and improved mental health of nurses and medical staff
 - Maintained and enhanced wellbeing and quality of life of those that did not get infected or who suffered less severe illness than they would have otherwise
 - The wider benefits from enhanced human values, networks and relationships strengthened (ie social capital)

- The value of the impacts includes:
- The value of lives saved, reduced hospital and medical costs
 - Maintained and enhanced wellbeing and quality of life of those that did not get infected or who suffered less severe illness than they would have otherwise

¹ World Health Organization.

² World Bank.

³ Detailed methodology set out on page 63.

EARTH SPEAKR: IT'S TIME TO START LISTENING



AGENCY
AKQA COPENHAGEN

CLIENT
STUDIO OLAFUR ELIASSON

Earth Speakr is an interactive, augmented reality artwork, developed by contemporary artist Olafur Eliasson in collaboration with AKQA. It amplifies children's views on the future wellbeing of the planet, by inviting adults and today's decision-makers, change-agents and global leaders to listen to what young people have to say.

Earth Speakr uses augmented reality to blend children's faces with objects or materials in their surroundings – or even the planet itself – as they literally speak up on behalf of the environment. Adults are invited to participate by listening to the messages and creating augmented reality "Loud Speakrs" to amplify the powerful messages kids have to share.

Earth Speakr was funded by the German Federal Foreign Office on the occasion of the German Presidency of the Council of the European Union 2020 and realised in cooperation with the Goethe-Institut. It is available in the 24 official languages of the European Union and can be accessed worldwide.

2.5m
messages listened to

450,000
app downloads

RESPONSIBLE BUSINESS

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

HOW ARE WE DOING?

95,000+

more than 95,000 people completed ethics training in 2020.

NEW
MODULES

How We Behave ethics training refreshed to include new modules on sustainability and business integrity.

SUPPLIER
DIVERSITY
PROGRAMME

relaunched to encourage WPP and our agencies to buy from Certified Diverse Suppliers.

IN THIS SECTION

TRANSPARENCY AND TRUST

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

PUBLIC POLICY

Our approach, standards and policies for engaging in public policy activity.

OUR SUPPLY NETWORK

Setting and communicating clear supplier standards, and embedding sustainability criteria (including diversity, equity and inclusion) within our supplier selection and onboarding process.

HUMAN RIGHTS

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

PRIVACY AND DATA ETHICS

Building on established foundations for data protection and data privacy.

TAX POLICY

Summary of our tax payments in 2020, as well as our approach to tax planning and transparency.



DENTISTS FOR ME

AGENCY
VMLY&R MUMBAI

CLIENT
COLGATE

When India went into lockdown to control the Covid-19 pandemic, people suffering from urgent dental problems had little or no access to dental care. Time was of the essence, so the VMLY&R team moved quickly, and in only three weeks launched Colgate Dentists for Me – India's first online dental consultation platform. The platform allows users to connect for free to nearby dentists for remote consultations and oral check-ups, via chat messaging, audio and video calls. The agency led everything from initial insights to the platform's design, content and development across web and apps. It also created a digital film as part of the social media strategy to showcase the service.

135,000 minutes of consultations between dentists and patients

50,000 unique sign-ups

PENSIONS DELIVERY

AGENCY
GREY ARGENTINA

CLIENT
ITAÚ

Grey Argentina and its client, Itaú, the largest private bank in Latin America, joined forces to create a revolutionary pension delivery system for Itaú's elderly clients, the most at risk during the Covid-19 crisis.

Historically, Argentina has been a "cash culture" because people couldn't rely on or trust electronic banking. When the pandemic hit, millions of retirees lined up to receive their monthly pensions, exposing themselves to the virus despite the lockdown. Their choice was stark: risk their lives to go out to the bank or stay home with no money.

The bank and agency took on entrenched cultural habits and the governmental, financial and legal establishment, believed to be impervious to change. Time was of the essence with lives at stake.

In less than a month, Itaú and Grey developed a unique home delivery system of microflow transportation and identification verification. Older clients make a phone request and receive their pension in cash at the door. The invention is upending long-held traditions of the Argentine financial system and ushering in new ways of banking across Latin America. Fifty thousand seniors in Buenos Aires kicked it off.



50,000 users

TRANSPARENCY AND TRUST

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

OUR CODE OF CONDUCT

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

The WPP Code of Business Conduct applies to everyone at WPP. It sets out our responsibilities to our people, partners and shareholders to act ethically and with integrity.

It is underpinned by more detailed policies on topics including anti-bribery and corruption, hospitality and gifts, facilitation payments, the use of third-party advisors, human rights and sustainability.

We want to embed a culture of integrity and transparency in which our people recognise that doing the right thing is good business.

We require our people to take our online ethics training, How We Behave, on joining and then on a regular basis, including after each update (at least every two to three years). Topics include diversity, human rights, conflicts of interest and avoiding misleading work. In 2020, How We Behave was refreshed to include new modules on sustainability and business integrity. More than 95,000 employees completed the training.

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

Part of WPP's Code of Conduct is making sure that our people have the confidence to speak up and raise concerns through various channels without fear of retaliation. Our approach is described under "Whistleblowing" on page 92 of our Annual Report 2020.

MANAGEMENT AND COMPLIANCE

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

Our people can report concerns or suspected cases of misconduct confidentially (and, if they wish, anonymously) through our independently managed Right to Speak facility, which is overseen by our legal and business integrity teams and is available via phone or email in local languages. We publicise the facility in induction packs, on our intranet and external website, in offices, in the WPP Policy Book and via our ethics training. Our people can also speak directly to our business integrity team who receive a number of reports through emails, calls, texts and in person appointments.

In 2020, we received 418 reports (2019: 361) from whistleblowers, all of which were followed up, investigated where appropriate by our legal and business integrity teams, and reported to the Audit Committee.

ASSOCIATES, AFFILIATES AND ACQUISITIONS

We expect associate companies (those in which we hold a minority stake) and affiliate companies (preferred partners to whom we may refer business) to adopt ethical standards that are consistent with our own.

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

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

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

INSTITUTE OF BUSINESS ETHICS

WPP is a member of the Institute of Business Ethics (IBE) and considers it an important partner and support for the approach that the Company takes to business integrity, sustainability and ethics. As set out more fully in "Risk Governance Framework and Business Integrity Programme" from page 90 of our Annual Report 2020, we want to champion and facilitate a culture where our people feel that acting with honesty and integrity is an expected metric for success and this is also the IBE's ethos. The IBE shares knowledge and good practice as well as advice on the development and embedding of relevant policies through networking events, regular publications and training sessions, research and benchmarking reports. The IBE is a registered charity funded by corporate and individual donations.

95,000+
people completed ethics training in 2020

PUBLIC POLICY

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

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

Our public affairs companies include: BCW, Finsbury Glover Hering and Hill+Knowlton Strategies. The majority of their work takes place in the United States, UK and the EU, although many clients are multinational businesses operating in many countries.

OUR STANDARDS

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

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

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

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

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

Our Group Corporate Affairs Director has responsibility for developing and implementing our political activity policy and public reporting procedures. The CEO and CFO in each country or region are responsible for implementing our policy at the local level.

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

POLITICAL CONTRIBUTIONS

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

POLITICAL ACTION COMMITTEES

In countries where it is consistent with applicable law, individuals working at WPP agencies may make personal voluntary political contributions directly to candidates for office. Several of our businesses, including BCW and Finsbury Glover Hering also maintain political action committees (PACs) which accept voluntary donations from their people to support political candidates. In 2020, these PACs made disbursements worth \$108,037 (data from [fec.gov](https://www.fec.gov)).

LOBBYING AND POLITICAL ADVOCACY

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

We advocate on sustainability issues, through partnerships such as the Common Ground initiative in support of the UN Sustainable Development Goals. Demet İnkiler, WPP Turkey Country Manager and EMEA CEO of GroupM, serves on the local board of the UN Global Compact with responsibility for diversity and inclusion. Karen Blackett OBE, WPP UK Country Manager and GroupM UK CEO, serves as a member of the Board of the UK's Cabinet Office.

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

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

MEMBERSHIP OF TRADE ASSOCIATIONS

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

At a Company level, our memberships include: 30% Club, the American Benefits Council, BritishAmerican Business Inc, Business Disability Forum, CBI, China Britain Business Council, Executive Leadership Council, Institute of Business Ethics, the Northeast Business Group on Health, PARC, RE100, The Valuable 500, Women on Boards, and the World Economic Forum.

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

OUR SUPPLY NETWORK

WPP is committed to creating a sustainable supplier network of business-enabling vendors.

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

In 2020, we began an extensive transformation programme to modernise our procurement ecosystem and infrastructure and optimise how we buy. Workstreams include expanding our spend analytics tool across all markets by the end of 2022 and standardising processes and systems, beginning with the global roll-out of our travel programme in the second half of 2021.

This extensive transformation programme will facilitate the introduction of full life-cycle mapping and traceability across WPP's supplier ecosystem. It is being led by our Chief Financial Officer and Chief Procurement Officer, with support from WPP's Group sustainability team to embed the new controls and processes that are critical to a robust and responsible sourcing programme.

SOURCING STANDARDS

Our Supplier Code of Conduct includes requirements relating to labour practices (such as anti-harassment and discrimination, and health and safety), human rights (including modern slavery issues such as child, forced or bonded labour), social impacts (such as anti-bribery and corruption) as well as other sustainability issues. Our Code requires suppliers to apply similar standards to companies within their own supply chain, including evidencing diversity and social responsibility in their cultures, behaviours and attitudes.

SUPPLIER SELECTION

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

Our procurement policy requires that anyone who buys goods and services in any WPP agency considers sustainability risks and

criteria to determine whether suppliers are fit for purpose. Supplier partners must read and sign the WPP Supplier Code of Conduct, confirming that they will comply with our standards, and we include a right-to-audit clause in purchase orders where appropriate.

In 2020 we launched new Mindful Purchasing Guidelines that have been communicated throughout our business operations by our Chief Financial Officer and wider finance community. These outline how to select suppliers and partners that meet our responsible sourcing standards and provide the resources and processes to source Certified Diverse Suppliers in our pitches, our Request for Proposals (RFPs) and supply ecosystem.

As part of our supplier onboarding process, we evaluate potential new suppliers on factors such as assurance of diversity of workforce, supply, quality, service, cost, innovation and sustainability. In 2020 we revised our supplier questionnaire to include new questions on supplier diversity and carbon reduction.

Within the wider transformation of our procurement data systems and processes, we will be modernising and standardising our due diligence and supplier onboarding processes to help us consistently select suppliers that meet our responsible sourcing standards and partner expectations.

SUPPLIER DIVERSITY

WPP's supplier diversity vision is to unlock value-adding, innovative and sustainable partnerships via a diverse, credible, and reliable third-party supplier network.

WPP is committed to including Certified Diverse Suppliers (CDS) in its purchasing lifecycle, both internally and for the benefit of our clients¹.

1 For more information on our commitments to racial equity, see pages 18-20

In 2020 we relaunched our Supplier Diversity Programme which will further encourage WPP and our agencies to buy from Certified Diverse Suppliers. We also joined the Global Supplier Diversity Alliance with memberships in Australia, the UK and the United States, giving us access to global directories of Certified Diverse Suppliers and guiding us

on best practice so diverse suppliers can win contracts and thrive in our ecosystem (see case study, below).

In October 2020, GroupM Investment developed a Diversity and Inclusion survey to build a deeper understanding of how their core partners are evolving their businesses and products to support diversity. By deepening their understanding of their partners' DE&I commitments, GroupM can focus on assisting clients with their minority-focused investment decisions and related tracking of these investments.

¹ Certified Diverse Suppliers are defined as minority-owned, women-owned, veteran-owned, LGBT-owned, service disabled veteran-owned, historically underutilised businesses and small businesses.

HELPING DIVERSE SUPPLIERS WIN AND THRIVE

In 2020 WPP joined the Global Supplier Diversity Alliance, with memberships in Australia, the UK and the United States. This gives us access to global directories of Certified Diverse Suppliers, so we can actively search and include them in our RFPs and client tender responses. We can also access best practice so diverse suppliers not only win contracts but also thrive in our ecosystem.

We are working with these national networks to create a supplier diversity roadmap to help us grow the number of Certified Diverse Suppliers on WPP's approved supplier list, monitor and track how we buy from this community, and identify any unique needs so we can support Certified Diverse Suppliers to succeed.

In October 2020, our Chief Procurement Officer joined the UK network, MSDUK, and our supplier, Xalient, to dispel the myth that diverse suppliers cannot be involved in large, complex solutions for companies such as ours. Xalient, a Certified Diverse Supplier, provides global technology services for us with its innovative approach to complex corporate solutions.

We will continue to expand our supplier diversity programme globally and have already committed to join CAMSC (Canada), MSDChina (China) and SASCD (South Africa) over the next 18 months.

HUMAN RIGHTS

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

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

i For an example of our pro bono work, page 55

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

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



See reporting standards index
wpp.com/sustainabilityreport2020

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

Human rights are included in the ethics training completed by all employees, which we updated in 2020.

i See 'Employer of choice for all', pages 13-27

We work with clients to manage any human rights risks from marketing campaigns, for example by protecting children's rights in relation to marketing (see page 42). WPP agencies will not undertake work designed to mislead on human rights issues.

MODERN SLAVERY

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

WPP recognises the prevalence of modern slavery across all countries. We aim to implement appropriate measures to mitigate the risk of it occurring, either in our own operations or those of our partners. In 2020, we trained more than 100 members of our HR community on modern slavery risks and how to mitigate against these by following our responsible recruitment and mindful purchasing processes.

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

WPP is also committed to working with other businesses and governments to act against modern slavery. In the UK, we continued as a member of the Home Office Business Against Slavery Forum (BASf), which is a platform that helps businesses identify, tackle and prevent slavery in their supply chains and enables us to share intelligence and best practice.



To learn more download
our [Modern Slavery Act Transparency Statement](#)

UPDATE ON TRANSPORT INITIATIVE FOR SURVIVORS OF MODERN SLAVERY

In the UK, WPP co-funded an innovative study into the transport needs of survivors of modern slavery. Through this study, we enabled 100 survivors, supported by Hestia, to have a funded travel card for 12 weeks, between December 2019 and February 2020. The Rights Lab from Nottingham University found that during that time, the study participants made 13,806 journeys and reported significant positive impacts on their wellbeing, including less stress, a sense of independence, being able to familiarise themselves with the local area, taking part in new activities and not missing any of their medical or legal appointments. There were also important benefits to the children of participants.

The findings showed the essential role that travel plays as an enabler in recovery. The research report, entitled "Going Places: Journeys to Recovery" launched in December 2020, demonstrates why all survivors who enter the UK's victim care scheme should receive funded travel as part of their basic package of support. We will continue to explore how to support this work through our role on the Business Against Slavery Forum.

UN REAL LIFE HEROES

AGENCY
WUNDERMAN THOMPSON

CLIENT
**UNITED NATIONS OFFICE
FOR THE COORDINATION OF
HUMANITARIAN AFFAIRS**

Inspired by humanity's cultural obsession with fictional heroes, Wunderman Thompson's 2020 World Humanitarian Day campaign celebrated #RealLifeHeroes – humanitarians and front-line workers who are doing extraordinary things in extraordinary (and often unfathomable) circumstances to help those who have been upended, especially in the age of Covid-19. The stories of fictional heroes, myths and legends have been with us since the dawn of time. This campaign celebrates the real life heroes – many of whom are from the very communities they serve – who are even more worthy of admiration because of their life-saving work and humanity.



2020.worldhumanitarianaday.org



PRIVACY AND DATA ETHICS

Throughout 2020 we continued to build on our established foundations for data protection and particularly for data privacy.

With increasing regulation and the increased importance of these matters for consumers, WPP demonstrates, through its expertise and direct engagement, that we are a trusted partner for our clients, suppliers and associates.

We are seeing – and responding to – increased regulation with the introduction of new laws in Brazil, California and South Africa and we have policies and governance implemented ensuring we are well placed as other countries introduce similar regulation. Through our active engagement in industry bodies, particularly in the UK with the Advertising Association and the United States with the 4As and the National Advertising Initiative, we are able to monitor and influence the changing regulatory landscape.

Our Group Chief Privacy Officer leads our work on privacy, supported by our Global Data Protection Officer. Together, they provide practical guidance and support to our agencies, ensure that privacy risks are well understood, and promote best practices.

CLIENTS

We are understandably seeing increased interest and engagement from our clients on data privacy, protection and ethics, not only through commercial and contractual negotiations, but throughout the operational relationship. Our privacy teams have established direct relationships with their client counterparts to ensure alignment and engagement on this subject and we have jointly hosted privacy-focused client sessions establishing a shared understanding in the work being undertaken.

DATA ETHICS

Data ethics continues to be a focus for WPP. In 2020 we launched the WPP Data Ethics Statement, complemented by the WPP AI Statement, outlining to our people, clients and stakeholders the foundations of our ethical data processing. In 2021 we will be introducing full policies for both Data Ethics and AI.

GroupM, WPP's media investment group, recently launched the industry's first tool to operationalise data ethics. The Data Ethics Compass allows advertisers to evaluate the ethical risk level of data assets and decisions.

DIVERSITY, EQUITY AND INCLUSION

WPP is committed to diversity, equity and inclusion in our business, supply chains and client work. Whilst this is achieved through our actions and initiatives, we must also measure achievement against our own commitments. Clients are increasingly asking us to demonstrate our people are from diverse backgrounds and representative of their own customers. For over 30 of our markets, we have developed detailed guidance on how we can collect and report on such data in line with regulations and in a way that is culturally sensitive to our own people.

i For information on ethnicity data, see page 19

GOVERNANCE, POLICIES AND TRAINING

We have established the WPP Risk Sub-committee focusing on data privacy, security and ethics. Co-chaired by WPP's Chief Privacy Officer and Chief Information Officer, the Sub-committee consists of representation from across the security, technology and data leadership. The Sub-committee is responsible for reviewing and monitoring the Group's approach to regulatory and legal compliance, as well as monitoring data privacy, ethics and security risk. This Sub-committee is pivotal in our approach to our own and our clients' data, as well as contributing to our overall strategy.

2020 saw the first full-increment version of the WPP Data Privacy and Security Charter. Bringing together our related policies, the Charter communicates our approach to data, setting out core principles for responsible data management through our Data Code of Conduct, our technology, privacy and social media policies, and our security standards (based on ISO 27001).

Last year we launched the revised data protection and privacy Safer Data training as part of the relaunch of the WPP How We Behave training. Completed by all staff, the new training completely overhauls the content and delivery. This training is augmented by subject-focused training, where required, covering specific regulations, regional laws or activities undertaken by our agencies.

Our annual Data Health Checker provides us with insight into how data is used, stored and transferred and helps to identify any parts of the business that need further support on data practices. The results show us that the majority of our agencies continue to have mitigation measures that match or exceed their level of privacy risk, with the average risk score being 1.6 out of five, where five is the maximum score possible and indicates maximum risk.

ARTIFICIAL INTELLIGENCE, MACHINE LEARNING AND DATA

The privacy, data protection and security teams work closely with the Group CTO function facilitating both strategic and compliance alignment particularly for the development of client-focused data services. Specifically, we recognise our clients' focus on the increasing importance of first-party data and data access and variety rather than acquisition at volume.

We are developing skilled, knowledgeable teams with an awareness and understanding about the centrality of data to our business (supported by programmes such as Demystify AI). We have launched a partnership with the Open Data Institute and are rolling out the WPP AI Academy in partnership with Coursera.

Recognition and elevation of the contribution that our data specialists make to our business has been fostered through the launch of the highly successful WPP Open Data and AI Community along with the Chief Data Officers' group which both seek to encourage a culture of curiosity and sharing.

TAX POLICY

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

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

We disclose our UK Tax Strategy in our Annual Report and key elements are summarised below.

TAX PAYMENTS IN 2020

The Company paid corporation and overseas taxes of £372 million in 2020 (2019: £536 million). Estimated employer social security-related taxes paid during 2020 were £915 million (2019: £939 million). Other taxes (primarily property taxes) paid during 2020 were £42 million (2019: £46 million).

We are starting to quantify the wider economic impacts of our business and the benefits associated with our activities, including tax payments to governments. See Quantifying our impacts, pages 10 and 11.

TAX COMPLIANCE AND RELATIONSHIP WITH TAX AUTHORITIES

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

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

TAX PLANNING

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

We recognise our responsibility to pay an appropriate amount of tax in each of the key jurisdictions in which we operate. We also have a responsibility to our shareholders to structure our affairs in an efficient manner. Accordingly, we may utilise tax incentives or opportunities to transact efficiently from a tax perspective where these are:

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

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

TRANSPARENCY

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

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

ABOUT OUR REPORTING

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

Sustainability data is for the calendar year 2020 and covers all subsidiaries of the Company.

The majority of our data is collected quarterly through our Company financial reporting system. This covers all subsidiaries of the Company – over 98% direct employees. It does not include associate companies or joint ventures. Our per person carbon footprint figures are calculated using data for full-time equivalent employees (FTEs).

Some people data is collected through an audit survey issued to our Chief People Officers. This covers our top 20 markets and 45,000 employees globally.

Our carbon footprint, some environmental and some people data is verified by Bureau Veritas, an independent assurance provider. Its verification statement is published on page 59.

In 2020 we updated our greenhouse gas accounting methodology to align with best practice and as a result we have restated some past year figures. Further information on reporting changes is provided in the "Notes to our carbon emissions statement" on page 219 of our Annual Report 2020.

GUIDELINES AND REPORTING FRAMEWORKS

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

- **Global Reporting Initiative (GRI):** our report references selected GRI Standards, and our GRI Standards content index (available online) lists these disclosures and their location in our report;
- **Sustainability Accounting Standards Board (SASB):** for the first time, we have included some metrics for the Advertising & Marketing Sustainability Accounting Standard in our reporting index;
- **UN Global Compact (UNGC):** WPP is a member of the UNGC and this Sustainability Report represents our sixth communication on progress. We provide an index which summarises our approach and progress on the UNGC's 10 principles on our website;
- **UN Sustainable Development Goals (SDGs):** we have also indicated where our work on sustainability is supporting progress on the SDGs. More information is on page 12; and
- **World Economic Forum and International Business Council Metric (WEF IBC):** our disclosures against this new standard, launched in September 2020, are listed in our online reporting standards index.



To download our reporting standards index, listing GRI, SASB, SDG, UNGC and WEF IBC disclosures and their location in our report, visit wpp.com/sustainabilityreport2020

- **CDP:** We also disclose information through various investor indices and benchmarks including CDP Climate Change



To read our CDP Climate Change disclosure, visit cdp.net

- **Task Force on Climate-related Financial Disclosures (TCFD):** We support the TCFD and aim to develop our disclosures in line with its recommendations.



To read our TCFD disclosure and full carbon emissions statement see pages 216-219 of our Annual Report

OUR MATERIALITY PROCESS

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

Our first formal materiality assessment in 2014 included interviews with clients, investors, NGOs, and sustainable business experts, as well as senior executives in our Company functions and our agencies. We carried out further reviews in 2016 and 2017. Our most recent formal materiality assessment was completed in January 2020 and reflected our new corporate strategy and changing stakeholder priorities. Full definitions of each stakeholder priority are available online.

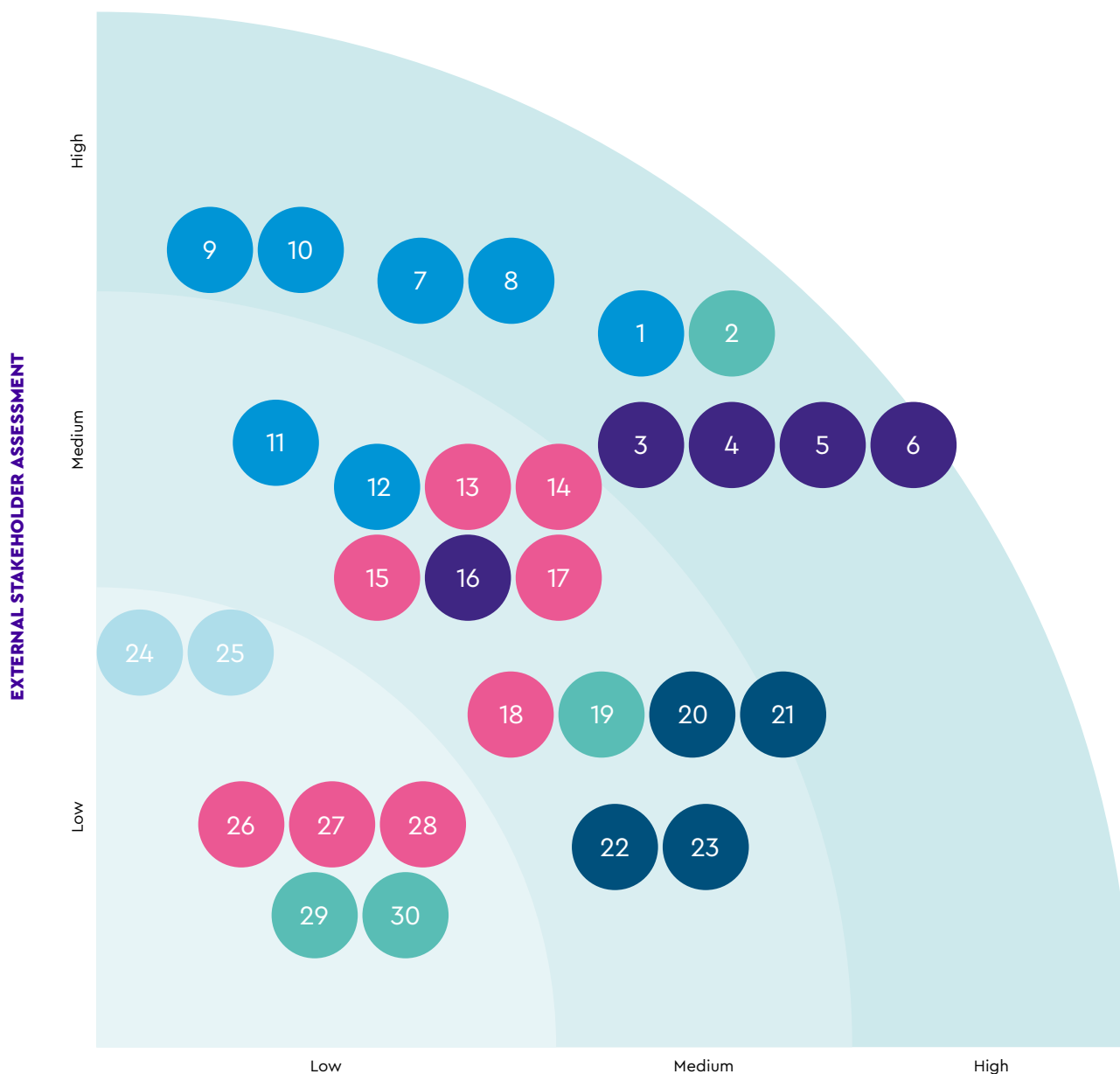
Our materiality matrix (page 59) shows the issues identified as important to our internal stakeholders (employees, future employees, and leadership – horizontal axis) and external stakeholders (clients, investors, partners and suppliers, and civil society – vertical axis).

Since completing this assessment, the Covid-19 pandemic has shifted priorities for both our internal and external stakeholders. For example, issues including health, safety and wellbeing, employee relations, and workplace culture and engagement, have increased in importance for all stakeholders, as has climate change and our response. Supply chain transparency, particularly in relation to human rights, resilience and supplier diversity, has increased in importance for our clients.

We will conduct a formal materiality assessment in 2021 to ensure we continue to focus on the most material issues for our stakeholders. In 2020 we assessed changing stakeholder priorities in three ways:

- First, through ongoing dialogue through the course of doing business;
- Second, through a formal sustainability stakeholder mapping exercise conducted by H+K Strategies to help WPP strengthen the effectiveness of our engagement on sustainability issues; and
- Third, through a more localised materiality assessment. To date, our materiality assessments have been conducted at Group-level, but for the first time this year we conducted a materiality survey across 21 markets through our agency networks.

WPP MATERIALITY ASSESSMENT



INTERNAL STAKEHOLDER ASSESSMENT

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

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

HIGH RISK

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

MEDIUM RISK

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

LOW RISK

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



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

INDEPENDENT LIMITED ASSURANCE STATEMENT

TO: THE STAKEHOLDERS OF WPP PLC

INTRODUCTION AND OBJECTIVES OF WORK

Bureau Veritas UK Ltd. ("Bureau Veritas") has been engaged by WPP plc ("WPP") to provide limited assurance of selected sustainability data for inclusion in its Sustainability Report 2020 (the "Report"). This Assurance Statement applies to the related information included within the scope of work described below.

SCOPE OF THE VERIFICATION

The scope of our work was limited to assurance over the following information included in WPP's Report. Our work includes all global operations under WPP's control for the period of January 1, 2020 to December 31, 2020 for the following indicators (the "Selected Information"):

GHG EMISSIONS & ASSOCIATED ACTIVITY DATA

- Scope 1 (excluding company car emissions¹) and scope 2 emissions from WPP's global operations
- Scope 3 emissions from business air travel

EMPLOYMENT DATA

- Age and Gender data
- Ethnicity data (UK and US operations only)

HEALTH AND SAFETY (H&S) DATA

- Days Lost to Sickness
- Work-Related Injuries and Fatalities

WASTE MANAGEMENT DATA

- Waste sent for recycling
- Non-Recycled Waste

REPORTING CRITERIA

The Selected Information has been prepared in accordance with internal definitions set by WPP in the Sustainability Reporting Guide 2020. The carbon reporting methodology for WPP aligns with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (revised edition).

LIMITATIONS AND EXCLUSIONS

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

- the appropriateness of the reporting criteria;
- activities outside the defined reporting period;
- ethnicity data pertaining to operations in the USA are excluded from this verification. This is due to a late change in the methodology used to monitor and report this data that has not been assessed; and,
- other information included in the Report other than the scope defined above.

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

RESPONSIBILITIES

This preparation and presentation of the Selected Information in the Report are the sole responsibility of the management of WPP.

Bureau Veritas was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- obtain limited assurance about whether the Selected Information has been appropriately and accurately prepared;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the Directors of WPP.

ASSESSMENT STANDARD

We performed our work to a limited level in accordance with International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, and in accordance with International Standard on Assurance Engagements 3410 - "Assurance Engagements on Greenhouse Gas Statements" ("ISAE 3410"), issued by the International Auditing and Assurance Standards Board.

SUMMARY OF WORK PERFORMED

As part of our independent verification, our work included:

1. interviews with relevant personnel of WPP responsible for GHG emissions accounting, waste data, H&S and employment data;
2. a review of WPP information systems and methodology for data collection, aggregation, and analysis;
3. a review of information and calculations used to determine GHG emissions, including the relevant activity data and the emissions factors applied;
4. a remote review of a sample of the Selected Information against the corresponding source documentation from 10 of WPP's operations worldwide. The operations were selected on a risk basis, taking into account energy consumption, geographical coverage and head count;
5. virtual site audits at five additional WPP operations: BCW Beijing, Geometry Japan, Grey Famous Belgium, Ogilvy Germany, VMLY&R New York;
6. an enhanced due diligence on ethnicity data, based on a sample of 10 of WPP's operations worldwide selected based on their materiality and contribution to this data set; and
7. a review of the consolidated 2020 data to check end of year accounting and accurate transposition.

The scope of a limited assurance engagement is substantially less than for reasonable assurance both in terms of the risk assessment procedures and in performing the procedures to address the identified risks.

CONCLUSION

On the basis of our methodology and the activities described above, nothing has come to our attention to indicate that the Selected Information as stated by WPP in the Report:

- is not prepared in accordance with WPP's relevant internal methodologies; and
- is not materially correct and a fair representation of the Selected Information for WPP.

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

STATEMENT OF INDEPENDENCE, INTEGRITY AND COMPETENCE

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 190 years' history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified² Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspection Agencies (IFIA)³, across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities.

The assurance team for this work conducted the verification independently and to our knowledge does not have any conflict of interest due to any other Bureau Veritas projects with WPP.



Bureau Veritas UK Limited
London
29 April 2021
REF: 9615865

¹ Company car emissions reported under scope 1 were not in scope for this verification exercise as this methodology was developed later in the process but will be included for future verification cycles.

² Certificate of Registration available on request.

³ International Federation of Inspection Agencies - Compliance Code - Third Edition.

QUANTIFYING OUR IMPACTS: METHODOLOGY AND RESULTS

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

i For a summary of the results see pages 10 and 11

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

This is the eighth year we have carried out this research to assess and quantify our impacts. We followed broadly the same approach as previous years.

This year we have included new impact valuation assessments relating to i) media campaigns we have supported around mitigating Covid-19 impacts; ii) our investments in diversity, equity and inclusion; and iii) our scope 3 carbon impacts for 2019.

The overall findings should be viewed in light of the following considerations:

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

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

**ECONOMIC IMPACTS
GROSS VALUE ADDED: £9.8 BILLION
ECONOMIC IMPACT**

The direct contribution our activities make to the worldwide economy is measured as Gross Value Added (GVA). This is calculated as the financial value of the services we sell (our revenues) minus the pass-through costs of all inputs directly related to delivery of these services. The value of services we produce stands at £12 billion for 2020. This income is used to cover operating costs and taxes, and dividends.

PAYROLL: £4.8 BILLION IN SALARIES AND BENEFITS

Our contribution through payroll is calculated based on salaries and benefits (excluding social security costs) as disclosed in the Company's audited financial statements for 2020.

TAXES: £1.3 BILLION PAID TO GOVERNMENTS

Payments of taxes to national and local governments, including corporation and overseas taxes (£0.4 billion), employer and employee taxes including estimated social security (totalling £915 million) and other taxes (primarily property taxes) (£42 million), enables them to invest in local socio-economic development. Our contribution through taxes is calculated based on tax payments as disclosed in the Company's audited financial statements for 2020.

SUPPLY CHAIN: £2.4 BILLION INDIRECT ECONOMIC BENEFIT

In 2020, we spent an estimated £4.4 billion with our supplier partners, resulting in an estimated societal benefit to the economy of £2.4 billion. This figure was derived based on a GVA multiplier assessment undertaken using 2016-2017 procurement spend. Data is from our spend analytics system which tracks direct costs (advertising production and research operations) and indirect costs (facilities, IT, telecoms, travel and professional services). Our media spend on behalf of clients is excluded from these figures.

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

There are several limitations associated with this approach worth noting. Firstly, we are assuming the same broad pattern of expenditure as for the 2017 data which was used to obtain a weighted average overall percentage GVA that was applied to the total 2020 spend. Secondly, we only focused on those countries with the greatest spend (top 15 countries). Finally, around 10% of the spend was recorded as "uncategorisable" and assumed to have an average GVA spend multiplier.

INDIRECT CLIENT IMPACT: NOT QUANTIFIED

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

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

SOCIAL IMPACT

PRO BONO WORK: c.£108 MILLION SOCIAL BENEFIT

The direct value of our pro bono work was £12.6 million in 2020, based on the fees that organisations would have paid for our work. When the full potential societal benefit is taken into account, the overall benefit to society may be in the order of £108 million.

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

This year we added a new "inclusion and diversity" category, including a separate record for "anti-racism" work. This category had an overall direct spend value of £0.4 million with an estimated societal impact value of £4.6 million. Additional research into relevant literature was undertaken this year to ascertain suitable specific SROI factors for pro bono work supporting inclusion and diversity-related causes.

The average SROI ratio calculated for each category was applied to the annual direct value of pro bono work for each respective category, as done in previous years.

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

**CHARITABLE DONATIONS:
c.£35 MILLION SOCIAL BENEFIT**

In 2020, the Company's direct charitable donations were £4.3 million. These donations support important work in areas covering education, health, human rights, local community, environment and the arts. This year, donations were also made for, and recorded separately for, inclusion and diversity (including anti-racism). The overall value of social benefits resulting from these donations is estimated to be around £35 million.

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

FREE MEDIA SPACE: c.£506 MILLION OF SOCIAL BENEFIT FACILITATED

WPP has also helped negotiate free media space for our pro bono clients worth over £59 million in 2020. This represents the cost saving to our pro bono clients for them not to have to purchase media space for their environmental and social campaigns. When the potential societal impact is factored in, we estimate this could have generated societal value in the order of £506 million. The sum is considerably higher than in previous years due to the significant additional spend (over £54 million) this year on Covid-19.

This year, spend was broken down into "Covid-19 causes", "inclusion and diversity" and "all other categories". To estimate an overall societal value, the SROI ratios specifically determined for inclusion and diversity and health were applied to the corresponding spend amounts. The SROI ratio applied to "all other categories" was an overall weighted average SROI ratio based on the ratios and spend for pro bono work and charitable donations, as in previous years, but this time excluding the inclusion and diversity and health-related components.

**INTERNSHIPS AND APPRENTICESHIPS:
£7.5 MILLION SOCIAL BENEFIT**

In 2020, we provided 7,190 paid internship and apprenticeship positions across the Group. We estimate these create benefits worth £7.5 million, because some interns will be offered a position in a WPP company at the end of their internship and others are likely to find jobs elsewhere more quickly.

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

TRAINING: £19.7 MILLION MINIMUM SOCIETAL BENEFIT

The £19.7 million represents a lower-end estimate of overall value as it only reflects course costs rather than the overall benefit that staff receiving the training will gain in terms of their enhanced human capital value. The latter will be manifested when they leave the company, along with the human capital gained through their on-the-job experience. It is also recognised that this training will generate additional value (ie SROI) for WPP from improved staff productivity and recruitment cost savings. These should effectively be captured through future enhanced gross value added (GVA) generated by WPP.

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

SUPPLIER DIVERSITY SPEND: \$94 MILLION

In 2020, WPP collated data for the third time on supplier diversity in relation to its supplier spend in the United States. In total, \$94 million was spent on diverse suppliers, of which 64% was on women-owned business enterprises, 14% on minority- and women-owned business enterprises, 9% on minority business enterprises and 13% on "other". Overall, 57% of this spend was with certified suppliers, and 47% with classified suppliers. This spend generates a range of potentially significant benefits for WPP, the suppliers, and the wider economy. Further work is needed to better quantify the full impacts of our spend with diverse suppliers.

ENVIRONMENTAL IMPACTS

GREENHOUSE GAS EMISSIONS: £2.9 MILLION NET COST TO SOCIETY

The hidden cost of our scope 1, 2 and air travel scope 3 emissions was £8.1 million in 2020. This calculation takes into account our GHG emissions from energy and business air travel (but excludes other estimated impacts such as taxis and couriers) as well as the benefits resulting from our green electricity purchasing (zero emissions assumed). With our investments in renewable energy offsets included (see below), our net cost to society is £2.9 million.

In 2020, WPP invested in renewable energy projects to offset 50,000 tCO₂e emissions. Based on the assumed social cost of carbon, this represents a positive societal impact of £2 million. In addition, WPP purchased renewable energy certificates (RECs), equivalent to saving 79,642 tCO₂e, with an assumed societal value of £3.2 million.

For consistency, we applied the same approach and value as the 2014 Impact Valuation report (ie cost of carbon based on the Stern Report), but adjusted upwards to allow for inflation (ie £39.93/tCO₂e). It should be noted though that the equivalent current UK government non-traded carbon price is 74% higher at £68.25/tCO₂e.

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

The societal cost of our scope 3 emissions for 2019 (as opposed to 2020 which will be reported in our CDP submission) was just over £200 million. This is based on the same valuation methodology as detailed above. This included GHG emissions associated with our purchased goods and services, capital goods, fuel- and energy-related activities, upstream transportation and distribution, waste, business travel, employee commuting, downstream leased assets and investments.

WASTE DISPOSAL: £0.1 MILLION COST TO SOCIETY

While 53% of WPP's waste was recycled in 2020, the remainder was either sent to landfill or incinerated with or without energy recovery. The societal cost associated with the non-recycled waste is estimated to be around £0.1 million, which relates to GHG (ie scope 3 emissions from waste) and other air emissions, leachate and other associated dis-amenity impacts (eg visual, noise and odour).

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

COVID-19 IMPACT VALUATION METHOD

This year, we have also investigated the social and economic impact of our free media space associated with Covid-19 causes. To do this we adopted an approach based on best international practice as set out in the Social and Human Capital Protocol (Capitals Coalition, 2019) and British Standard 8950:2020 on Social Value. This involved a number of tasks, such as:

- i) analysing the Covid-19 campaigns we have been involved in to establish the main messages and "social outcomes" of the campaigns (ie what were the behaviour changes induced?);
- ii) determining what the "social impacts" were from such behaviour (ie what was the consequence of that behaviour?);
- iii) considering what types of "social value" may arise, for example, in terms of cost savings and enhanced wellbeing; and
- iv) reviewing the literature on the economic and social costs of Covid-19, the benefits of impact mitigation strategies, and the effectiveness of media campaigns.

The literature review identified numerous academic studies from across the world that estimated societal and economic values of relevance to the Covid-19 campaign impacts. For example, Scherbina (2021) estimated that without restrictions such as social distancing put in place in the United States, the pandemic could cost £17.4 trillion based on the value of a statistical life, or £449 billion based on discounted quality-adjusted life years. In another study in the United States, Abaluck et al (2021) estimated that a 10% reduction in transmission probabilities could generate £2,175-£4,352 in value per household from reduced mortality risk, or five to six times higher if the economic benefits of assuming normal life are included.

However, because the precise cause-effect linkages between social outcomes, impacts and values for these campaigns is not known, and only a limited amount of relevant data for the campaigns was collected, it was not possible to attribute or establish the likely social and economic value of the campaigns with any degree of certainty. Instead, as mentioned above, the SROI ratio determined previously for health-related investments was simply applied to the Covid-19 free media space spend thereby estimating an indicative societal value impact for it. If anything, this is likely to be a conservative estimate, with an SROI factor of 8 being used. In addition, for some of the Covid-19 campaign case studies in the report (see page 47), we have identified some of the likely social impacts and values of relevance.

References

- Abaluck, J., Chevalier, J., Christakis, N., Forman, H. Kaplan, E., Ko, A. Vermund, S. (2020) "The case for universal cloth mask adoption and policies to increase the supply of medical masks for health workers". COVID Economics (Issue 5), p147-159.
- Barreda, P., Gutstein, J., Garcia, S. (2016) A Strong Supplier Diversity Programme Increases Corporate Revenues Chicago Minority Supplier Development Council.
- CVS health (2017) Growing communities through Supplier Diversity.
- Rabl, A., Spadaro I.V., and Zoughaib A. (2008) Environmental impacts and costs of solid waste: a comparison of landfill and incineration. Waste Management Research 2008; 26: 147.
- Scherbina, A. (2021) "Could the United States benefit from a lockdown? A cost-benefit analysis". COVID Economics (Issue 65), p78-107.
- Stern, N. (2007) Stern Review: The Economics of Climate Change. Cambridge University Press.
- UN Data (2018).

WHERE TO FIND US

COMPANY CENTRES

WPP NEW YORK
3 World Trade Center
175 Greenwich Street
New York NY 10007
Tel +1 (212) 632 2200

WPP LONDON
Sea Containers
18 Upper Ground
London SE1 9GL
Tel +44 (0)20 7282 4600

WPP ASIA PACIFIC
50 Scotts Road
Singapore 228242
Tel +65 6508 5219

COMPANY INFORMATION

If you would like further general information about WPP, its companies or any of the programmes or initiatives mentioned in this Sustainability Report, please visit our website, wpp.com, or email: enquiries@wpp.com

BUSINESS DEVELOPMENT

For more about WPP companies' professional services, please contact:
Jason Day
jason.day@wpp.com

CONTACT POINTS

SUSTAINABILITY
Hannah Harrison
Sustainability Director
Tel +44 (0)20 7282 4600
hannah.harrison@wpp.com

David Henderson
Global Corporate Affairs Director
Tel +44 (0)20 7282 4600
david.henderson@wpp.com

INVESTOR RELATIONS

Peregrine Riviere
Group Investor Relations Director
London
Tel +44 (0)20 7282 4600
peregrine.riviere@wpp.com

Fran Butera
Investor Relations Director
New York
Tel +1 (212) 632 2235
fran.butera@wpp.com

INVESTOR INFORMATION

Investor relations material and our Financial Statements are available online at wpp.com/investors

