



WHO WE ARE

**WPP IS A CREATIVE
TRANSFORMATION
COMPANY. WE BUILD
BETTER FUTURES FOR
OUR PEOPLE, CLIENTS
AND COMMUNITIES.**

KEY FACTS AND FIGURES ABOUT WPP

130,000+
people

Most Creative
at the Cannes Lions International
Festival of Creativity 2011–2017

112
countries

Most Effective
in the Effie Global Effectiveness
Index 2012–2018

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

Clients include 369 of the
Fortune Global 500, all 30
of the Dow Jones 30 and
71 of the NASDAQ 100.

Revenue

£15.6bn
(2017: £15.8bn)

Billings

£55.8bn
(2017: £55.6bn)

Revenue less
pass-through costs

£12.8bn
(2017: £13.2bn)

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CHIEF EXECUTIVE'S STATEMENT

"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."

Mark Read
Chief Executive Officer



When we set out our new strategy in December 2018, we also described a new purpose for WPP: to build better futures for our people and clients. That statement applies to our wider communities, too.

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.

Organisations around the world face an array of challenges – from constant technological disruption to political uncertainty and the growing physical impacts of climate change. While people trust less, they expect more.

As our own research shows, sustainability is increasingly a non-negotiable with consumers. Many are trying to live more sustainably and believe that companies and brands have a responsibility to take care of the planet and its people too. For these new mindful consumers, values should drive behaviour and choices – but there's a gap between intentions and behaviour which has been long identified by researchers. People are increasing the pressure on brands to make it easier for them to close that gap.

Many of our clients are already responding – often with the support of WPP's insight, technology and creativity. A recent survey of our client leads found that 80% have discussed sustainability with their clients in the last year – and the successful results of those conversations are clearly visible in the many campaigns featured in this report. We expect to have ever more of these conversations with our clients in the years ahead.

I'm especially proud of our pro bono work, one of the most significant contributions our business makes. From human rights to health, equality and the environment, these partnerships with NGOs, charities and the UN can help increase their impact and support progress on the global Sustainable Development Goals. Notable this year was the launch of our strategic partnership with UN Women, and our campaign featuring David Attenborough that helped millions engage with the UN climate talks.

Collectively, our pro bono work, donations and negotiated free media space had wider benefits worth an estimated £331 million in 2018. Pro bono work benefits our business too, providing rewarding creative opportunities and often resulting in award-winning campaigns that raise the profile of our companies and people.

Within WPP we are stepping up as well.

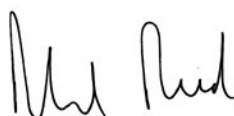
2018 saw the start of our three-year plan of "radical evolution", designed to improve performance across the business. Central to this plan is investment in our people. To continue to attract the best and brightest, we will be clearer about who we are and what we stand for. This includes championing a new culture, characterised by the values of openness, optimism and a commitment to extraordinary work.

We expect all our working environments to be inclusive, respectful, collaborative and diverse in every sense. We have made some good progress, but we are not yet where we want to be. Our newly appointed Chief People Officer and Head of Culture will spearhead the effort to change that.

We remain committed members of the UN Global Compact and support its 10 principles for human rights, labour, environment and anti-corruption. This report shows the progress we're making on embedding these principles into the way we work.

All companies have a responsibility to take climate change seriously and we are pleased with our record in this area. We have cut our carbon intensity by 61% since we started measuring it in 2006. Now we have set an ambitious new target to make a further 50% reduction by 2030 (from a baseline of 2017).

Our work on sustainability will continue to play an important role as we implement our strategy in 2019 – contributing to a better future for WPP, and all the communities we serve.



Mark Read
Chief Executive Officer

A-
rating for our climate change strategy and reporting in the CDP climate change programme

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

Industry Leader
in the Bloomberg Gender-Equality Index

SUSTAINABILITY AND OUR STRATEGY

As the importance of sustainability grows for our clients, so does its impact on WPP.

WHY SUSTAINABILITY MATTERS

2018 has seen record heatwaves on four continents, and perilous water shortages in South Africa, Australia and India. It has seen women the world over say #MeToo, and consumers take a stand on plastic packaging at supermarket checkouts.

From technological disruption, climate change and resource scarcity to skills shortages, demographic shifts and political uncertainty, our clients, across every sector, face a complex set of interconnected social, economic and environmental pressures.

The potential upside to tackling sustainability challenges is significant – it is estimated that sustainable business model innovation could open economic opportunities worth \$12 trillion and create 380 million jobs¹.

Consumer expectations are changing. Today's consumers want more from their favourite brands than just a great product – they expect transparency across the supply chain and want brands to have a point of view and to play an active role in society. Yet there is often cynicism and a lack of trust about corporate motivations and actions.

OUR RESPONSE

Our clients look to us to provide the insight, expertise and creative solutions they need to navigate this changing landscape and communicate their purpose effectively and authentically. Our own sustainability strategy helps us to do this with credibility, meeting changing client expectations while reducing risks and creating a more resilient business for the long term.

SUSTAINABILITY AND OUR STRATEGY

Our sustainability strategy supports all five elements of our new corporate strategy, which we introduced in late 2018. The table on page 6 sets out the most material ways in which sustainability supports our strategy.

Information relating to our new corporate strategy is set out in our Annual Report from page 42.

To find out more about:

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

Download our Annual Report & Accounts 2018.



wpp.com/annualreport2018

¹ Better Business, Better World, Business & Sustainable Development Commission, January 2017.

STRATEGIC ELEMENT	SUSTAINABILITY STRATEGY		
VISION & OFFER	A STRONGER OFFER FOR OUR CLIENTS A growing number of clients are grappling with sustainability challenges and looking to articulate the purpose of their brands. They look for partners who share their sustainability values and aspirations. Our commitment to responsible 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.	A stronger offer for our clients, see pages 11-14 Transparency and trust, see pages 45-46
	CREATIVITY	SOCIAL INVESTMENT 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.	Pro bono work benefits our business too, providing rewarding creative opportunities for our people that often result in award-winning campaigns that raise the profile of our companies.
	DIVERSE AND INCLUSIVE TEAMS Creativity thrives on diversity of background and thought. This makes having a diverse and inclusive workplace essential to our long-term business	success. We want all of our people to feel valued and able to fulfil their potential, regardless of gender, ethnicity, age or disability.	Attracting and retaining talent, see pages 21-30
DATA & TECHNOLOGY	PRIVACY AND DATA ETHICS 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	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.	Privacy and data ethics, see pages 47-48
SIMPLER STRUCTURE	GREENER OFFICE SPACE Our work to simplify our structure and consolidate our office space is driving a positive impact on our energy use and carbon footprint. We are reducing the overall number of offices we occupy, moving to	locations that use green building standards and reduce our impact, help us to use space more efficiently and encourage collaboration between our companies.	Environment, see pages 31-39
CULTURE	SHARED VALUES ACROSS OUR BUSINESS AND SUPPLY CHAIN 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.	Selecting suppliers and partners who adopt standards consistent with our own can reduce costs, improve efficiency and protect our reputation.	Attracting and retaining talent, see pages 21-30 Supply chain, see pages 40-43

QUANTIFYING OUR IMPACTS

We want to maximise the positive value our business generates for shareholders, clients, our people and for wider society.

To help us monitor our performance, we carry out research to quantify our impacts and understand their monetary cost or benefit to society. This allows us to compare the relative significance of different types of impacts and, over time, may help us to enhance our positive contribution.

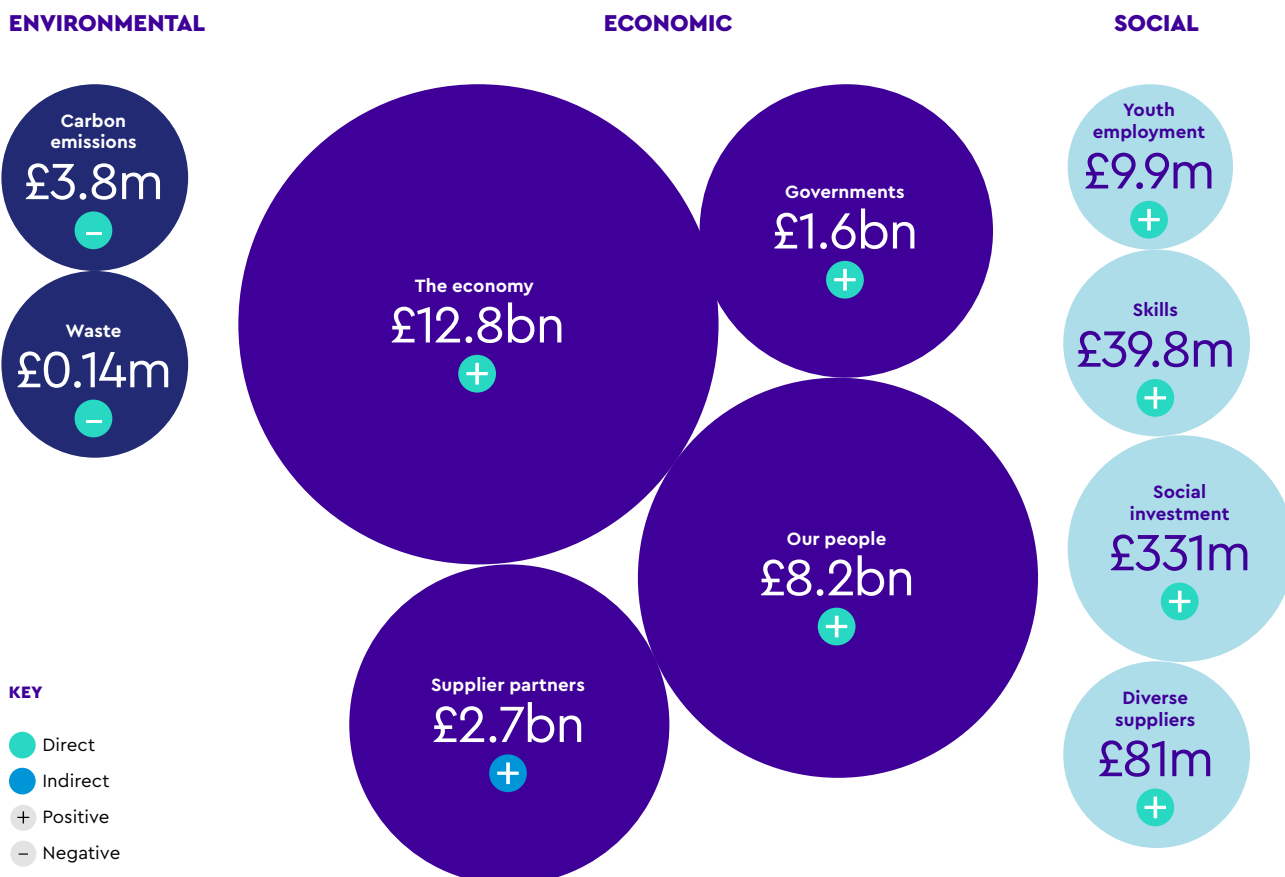
Our latest research findings are summarised in the diagram below. They show a significant positive economic impact through our work with governments, our people and supplier partners, as well as a positive social impact through our social investment and activities such as training and internships.

We assessed the impact of our spend with diverse suppliers in the US for the first time this year. However, further work is needed to quantify the potential additional social impact of spend with these types of suppliers.

Among the impacts we have valued, our main negative impact relates to the cost to society and future generations of greenhouse gas emissions associated with our business activities. Waste disposal is also a negative impact.

Many impacts are not included in our analysis because they are very difficult to identify and quantify. For example, if our communications services help clients to increase product sales, this could stimulate growth and help create jobs, but could also increase consumption of resources. These impacts may also vary significantly from project to project depending on the nature of the client's business and the particular assignment undertaken.

The methodology used to evaluate our impacts is outlined on pages 58-60.



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

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

Good communications are essential to bring about the shift in attitudes and behaviour needed to end extreme poverty, inequality and climate change by 2030. We aim to play our part through the improvements we are making in our business, and through our work for clients on social and environmental themes.

We are working directly with the UN through our Common Ground initiative, partnering with UN Women to tackle gender inequality. See more on page 17. In 2018, we also partnered with the UN Department of Public Information (DPI) and the UN Framework

Convention on Climate Change (UNFCCC) to help Sir David Attenborough become the voice of millions of people from around the world at critical UN climate talks. See more on page 33.

We have analysed the 17 SDGs and the 169 targets which sit behind them to identify those which are most relevant for our business. We have identified seven where we can make the most significant impact, see below. A further six are also relevant and these are included in our index on pages 53-56.

Our greatest contribution towards the SDGs is through our client and pro bono work. For each campaign featured throughout this report, we have indicated which of the SDGs are most relevant.



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

RELEVANT SDGs

OUR RESPONSE



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

We partner with schools, colleges and universities, helping to develop and support training in marketing communications skills. Examples include our partnership with the WPP

School of Communications and Marketing at the Shanghai Arts and Design Academy (see page 24). We invested £45.5 million in training for our people in 2018.



Achieve gender equality and empower all women and girls

Our workforce is gender-balanced overall and we aim to achieve equal representation of women at all levels. In 2018, 36% of our executive leaders and directors were women.

Through the Common Ground partnership we are helping to tackle gender stereotypes in the media and supporting the work of UN Women on issues such as gender-based violence.



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

Our goal is for 50% of the electricity we buy to be from renewable sources by 2030. We are currently at 30%.

We support the development of renewable energy generation in Brazil, China, India and Indonesia through our carbon offset projects.



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

We provide employment for more than 130,000 people across 112 countries.

In 2018, our companies offered paid internships and apprenticeships providing work experience and development opportunities for 9,852 young people.



Ensure sustainable consumption and production patterns

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 Hindustan Lever on page 13.



Take urgent action to combat climate change and its impacts

We have cut our carbon emissions intensity (scope 1 and 2) by 61% since 2006. Our new carbon reduction target commits us to a 50% reduction in carbon emissions intensity by 2030,

on a 2017 baseline. Our target has been developed to align with climate science using the methodology provided by the Science Based Target Initiative.



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

We use our pro bono work and social investment to support progress on the UN Sustainable Development Goals, partnering with organisations working in areas such as health, human rights and

the environment. This had wider social benefits of £331 million in 2018.

INSIGHT

The new sustainability and why regeneration holds the key to a better future.

The latest research by Wunderman Thompson's Innovation Group sheds light on consumer aspirations for sustainable living and the opportunities for brands.

SUSTAINABILITY AS WE KNOW IT IS DEAD

In late 2018, scientists issued a dire warning. We have, they say, just 12 years to get carbon emissions under control to avert catastrophe. The signals have been coming thick and fast: wildfires in the Arctic Circle, dramatic collapses in insect populations and biodiversity losses. Now children across the world are taking to the streets in protest. To steal a phrase, time's up.

Sustainability, as we knew it, is dead. How can we sustain what is already broken? But what should take its place? In a bid to answer this question, the Innovation Group has spent a year immersed in research and data, talking to more than 30 experts and thought leaders and surveying more than 2,000 consumers across Australia, China, the UK and the US.

REGENERATING OUR FUTURE

The future of sustainability lies in regeneration with brands playing a decisive role in driving the change. Regeneration means actively seeking to restore ecosystems and planetary resources and to revitalise societies and communities so that businesses, people and planet can all prosper together. It's about having a net positive impact by doing more good, not just less bad.

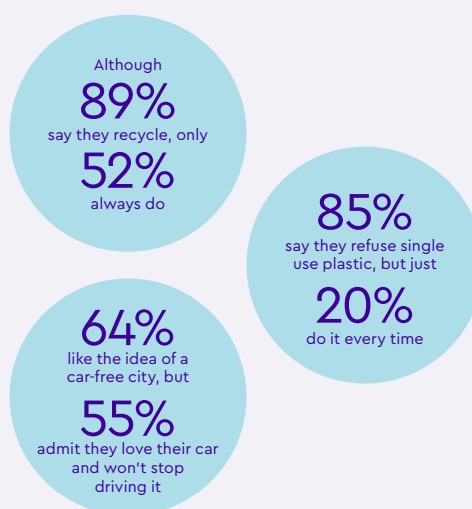
THE NEW MINDFUL CONSUMER

Our research showed that sustainability is becoming a must-have for consumers. 92% say they are trying to live more sustainably – citing the need to safeguard the planet for future generations as their key motivation. 90% also expect brands and businesses to manage their impact on people and planet.

But while people are intellectually sold on sustainability, they don't always live up to their own good intentions.

THE BEHAVIOUR GAP

Values don't always translate into behaviours and choices. There's a gap between intentions and actions.



Now, consumers are increasing the pressure on brands to make it easier for them. Witness this year's grassroots plastics protests at supermarket checkouts the world over.

THE OPPORTUNITY FOR BRANDS

To help consumers achieve their aspiration of sustainable living, brands need to deliver simple, accessible and more affordable options.

Convenience is key – how many people have time to seek out the sustainable choice such as unpackaged groceries? That means more innovation too – there is still a dearth of sustainable options in some categories.

Sometimes the change can be as simple as providing more and better information. 89% of consumers think brands should educate them on how sustainable their products are: they are open to helpful tips and suggestions.

THE REGENERATIVE BUSINESS

The potential benefits for business are clear. 83% of those surveyed say, all else being equal, they would always pick the brand with a better record on sustainability and 71% say that they would prefer not to work for a company that did not have a good record on sustainability. The UN Sustainable Development Goals provide a roadmap of opportunities estimated to be worth at least \$12 trillion¹.

So how can brands unlock this potential for innovation and growth? Our research identified eight key principles:

- 1 Be regenerative:** forward-thinking brands are focusing on regeneration; actively seeking to restore ecosystems and planetary resources, and to revitalise societies and communities so that businesses, people and planet can all prosper together.
- 2 Start on the inside:** tackle your own impact, whether it be use of resources or materials, or the net impact you have on communities and ecosystems.
- 3 Take a systemic approach:** collaborate with others to drive an even bigger impact.
- 4 Think symbiotically:** adopt circular economy approaches.
- 5 Take inspiration from nature:** adopt the principles of natural systems to solve human problems.
- 6 Start small – it's a journey:** make a start, however small, and then keep moving.
- 7 Think long term:** don't expect to get a pay-back by next quarter, investing in sustainability is about long-term growth.
- 8 Bring the whole business along:** people want to work for a company with sustainability policies, so get employees involved.

SURVEY HIGHLIGHTS

89%

of respondents think brands should educate them on how sustainable their products are

83%

would always pick a brand with a better sustainability record, all else being equal

71%

would prefer not to work for a company that didn't have a good record on sustainability

FIND OUT MORE

The [New Sustainability: Regeneration](#) report was published in September 2018 and aims to be a comprehensive review of emerging and future trends and the sustainability innovation landscape.

The report covers the New Mindful Consumer, The Regenerative Business, Lower Impact Living, Restorative Experiences, Positive Retail, Sustainable Tech and Rethinking Materials.

Findings are based on multiple research streams including:

- Quantitative study of more than 2,000 people aged 18+ in Australia, China, the UK and the US
- In-depth interviews with more than 30 thought leaders, influencers and experts including filmmakers, designers, marketers, entrepreneurs, investors and environmental campaigners
- Extensive review of academic and popular literature
- Field research at conferences and exhibitions
- Proprietary innovation database of 400+ global case studies

¹ Better Business, Better World, Business & Sustainable Development Commission, January 2017.

A STRONGER OFFER FOR OUR CLIENTS

Our biggest sustainability impact is through the work we do for clients, which reaches billions of people each year.

Our clients are grappling with a complex set of social and environmental challenges, changing consumer expectations, and the disruptive impact of technology. Yet at the same time, there are major opportunities they can seize from new markets for more sustainable products and services.

Marketing is a powerful tool with the potential to change people's attitudes and behaviour. So it is important that we apply high ethical standards to our work. We continue to maintain high standards and compliance procedures in areas such as business ethics, human rights, and data security and privacy.

OUR FOCUS AREAS

- Supporting clients to create brands with purpose and integrate sustainability into strategy, communications and marketing
- Meeting high ethical standards in our client work

WHO'S IN CHARGE?

Our agencies and client leads oversee our work with clients on sustainability. Our Group Chief Counsel and Head of Sustainability oversees our approach to ethics and compliance. We set clear ethical standards for our people and companies through our policy framework and training including the WPP Code of Business Conduct. In 2018, we appointed our first Global Head of Culture, Judy Jackson, to help us bring our values to life.

HOW ARE WE DOING?

13%

of our revenues are from clients who engaged with us on sustainability

WORK WITH PURPOSE

Increasingly, our clients aspire to create brands with purpose and look to us to help them to integrate sustainability into brand strategy, communications and marketing.

We partner with a growing number of clients on sustainability-related briefs. Our blend of expertise means we can offer clients the latest technology alongside the creativity needed to inspire consumers and help to make behavioural shifts more desirable.

This work is of growing importance to WPP. A survey of our top client team leaders in 2018 found that over 80% had recently discussed sustainability with their clients, with almost half of these discussions relating to the development of a brand campaign.

Our work in this area includes:

- **Brand and strategy consulting:** integrating social and environmental values into brand and business strategy.
- **Technology and research:** using technology and data to understand consumer attitudes and behaviour in relation to sustainability.
- **Communications:** helping clients communicate credibly on social and environmental issues with all audiences from consumers, employees and citizens to investors, regulators, the media and NGOs. This can include social marketing campaigns that raise awareness or drive behaviour change on issues of public interest, often for government and NGOs as well as corporate clients.

Given our clients' growing focus on sustainability, during 2019 we will explore how we can further build our sustainability capabilities and facilitate collaboration on sustainability-related briefs.

Examples of our work for clients are included throughout this report.

COMPLIANCE WITH MARKETING STANDARDS

We expect our companies to comply with all relevant legal requirements and codes of practice for marketing standards in the work they produce for clients. A small number of the campaigns we produce give rise to complaints, some of which are upheld by marketing standards authorities. Our companies take action where needed to prevent a recurrence.

Our agencies have policies and processes to ensure that online advertising does not appear on sites with illegal, illicit or unsuitable content.

ETHICAL DECISIONS IN OUR WORK

Our work for clients can sometimes raise ethical issues, for example, work for government clients, work relating to sensitive products or marketing to children. We have a review and referral process for work that may present an ethical risk.

Before accepting potentially sensitive work, our people are required to elevate the decision to the most senior person in the relevant office and then to the most senior WPP executive in the country concerned, who will decide if further referral to a global WPP executive is required. This referral process is covered in our How We Behave online training.

Companies also have copy-checking and clearance processes through which campaigns are reviewed by the legal team before publication. Requirements are particularly comprehensive in sectors such as pharmaceutical marketing which are highly regulated.

£2.07bn
revenues generated through clients who engaged with us on sustainability
(2017: £2.11bn)

13%
equivalent to approximately 13% of our total revenue
(2017: 13%)

START A LITTLE GOOD

AGENCY
OGILVY

CLIENT
HINDUSTAN LEVER

"Start a little good" is a consumer campaign bringing sustainability to life for millions in India and showing how everyone can make a positive difference through small actions.

First, a series of video spots each tackled one of Hindustan Lever's sustainability priorities in an accessible and engaging way. Now a series of "Plastic becomes fantastic" events are underway, including clean-up drives in parks, beaches and other public spaces with the rubbish collected being recycled to create new, useful objects such as benches, spectacle frames and fishing nets.

NO MORE LITTER

On the occasion of his birthday, a public holiday in India, this campaign reminded everyone of how Mahatma Gandhi lived his philosophy – be the change you want to see. The spot shows actors dressed as Gandhi visiting busy streets in Mumbai, where they pick up recently dropped litter and put it in the bin – highlighting how easy it can be to change bad habits.

SAVING WATER

This emotive spot placed a shower in a poor rural village in one of the driest areas of India. It highlighted why saving water is so important and how everyone can get involved – half the village could drink the water they need in the time it takes for the average Indian city dweller to take a shower.

TACKLING PLASTIC WASTE

This spot showed a cow in danger from eating plastic waste. Though the topic is serious, the spot uses humour to make its point. It shows how the villagers come together to rescue the animal – an example of how we all need to play a part in tackling sustainability issues.

RESULTS

130m

people reached through
Saving Water video
December 2018-
February 2019

79m

views of Saving
Water video
December 2018-
February 2019



CHAMPION MEN STAND UP AGAINST ABUSE AND SAY NO TO EXCUSES

Take action. Visit:
www.NoExcuseSA.com
to find out how.

No Excuses

SOCCER SONG FOR CHANGE

AGENCY
OGILVY CAPE TOWN

CLIENT
CARLING BLACK LABEL

Statistics for gender-based violence in South Africa are alarming, with some studies suggesting that up to 40% of all men have abused their partners. Research shows that abuse rates are closely linked to alcohol consumption and often spike after big football matches. Ogilvy Cape Town and Carling Black Label used the Soweto Derby, one of the most fiercely contested matches in African football, to launch this campaign reminding people that there is no excuse for violence against women. A female choir sang the national football anthem with altered lyrics to highlight the issue of domestic abuse. The campaign was discussed in the South African parliament and is now being rolled out to five other countries.

RESULTS

45m
people reached
March 2018-May 2018

86%
increase in positive
brand sentiment
March 2018-May 2018



To learn more see
wpp.com/songforchange

SOCIAL INVESTMENT

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

This work can make a significant difference – enabling our partners to raise awareness and funds, recruit members, and achieve campaign objectives.

Pro bono work benefits our business too, providing rewarding creative opportunities

for our people that often result in award-winning campaigns that raise the profile of our companies.

We aim to use our pro bono work and social investment to support progress on the UN Sustainable Development Goals.

OUR FOCUS AREAS

- Providing pro bono creative services to organisations working on health, education, human rights, arts and the environment
- Negotiating free media space for charity campaigns, enabling them to reach a wide audience
- Making charitable donations
- Enabling our people to get involved in volunteering projects

WHO'S IN CHARGE?

We established our Charity Committee of senior executives in 2018 to oversee our approach and help us to target our support effectively.

HOW ARE WE DOING?



in pro bono work
(2017: £12.7m)



in charitable donations
(2017: £7.7m)



social investment as a percentage of reported profit before tax (2017: 0.97%)



worth of free media space negotiated by WPP companies
(2017: £29m)



wider social benefits of pro bono work, charitable donations and free media space (2017: £397m)

WHAT WE GAVE IN 2018

Our pro bono work was worth £11.3 million in 2018 (2017: £12.7 million). We also made cash donations to charities of £6.2 million (2017: £7.7 million), resulting in a social investment worth £17.5 million (2017: £20.4 million). Our social investment was equivalent to 1.20% of reported profit before tax (2017: 0.97%).

WPP media agencies negotiated free media space worth £23.8 million on behalf of pro bono clients (2017: £29 million), making a total social contribution of £41.3 million (2017: £49.4 million).

We encourage our people to get involved as volunteers. 41% of our companies have a formal volunteering policy and 56% organised volunteering activities for their people during 2018.

WPP INDIA CSR FOUNDATION

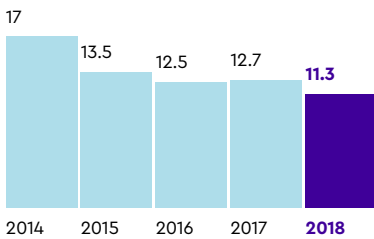
The WPP India CSR Foundation invested £1.2 million in 2018 to reach over 15,000 children from underserved communities. The Foundation's work includes education and vocational training projects focusing on English, mathematics and computer programming, as well as personal development and life skills such as financial management and job interview techniques.



To learn more see wppindiafoundation.com

PRO BONO CONTRIBUTIONS

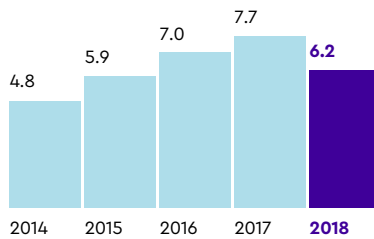
£m



WPP companies undertook pro bono work worth £11.3 million in 2018.

CHARITABLE DONATIONS

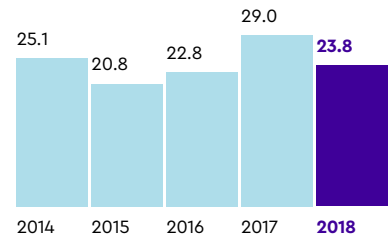
£m



WPP companies made cash donations worth £6.2 million in 2018.

FREE MEDIA SPACE

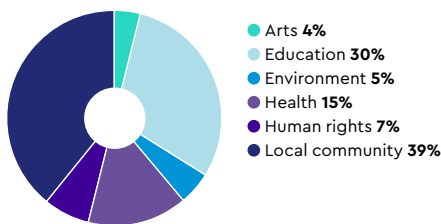
£m



WPP media agencies negotiated media space worth £23.8 million in 2018.

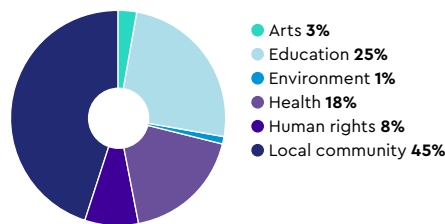
PRO BONO WORK BY SECTOR

%



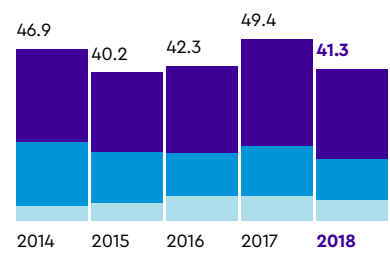
CHARITABLE DONATIONS BY SECTOR

%



TOTAL SOCIAL CONTRIBUTION

£m



- Free media space
- Pro bono work
- Charitable donations

SOCIAL IMPACT

Our support helps NGOs and charities to carry out important work in areas such as improving health and education, and protecting human rights. With pro bono work this can often be worth more than an equivalent cash donation because it enables charities to raise awareness, increase donations, recruit members, impact behaviour and achieve campaign goals. We have conducted research to quantify this wider impact.

Our most recent analysis shows that our pro bono work in 2018 created wider social benefits worth £91 million to society (2017: £103 million). This includes for example, the impact of charities being able to improve health and wellbeing in communities. The wider social benefits created by our pro bono work, charitable donations and free media space is worth an estimated £331 million (2017: £397 million).

COMMON GROUND

We launched Common Ground in 2016 as a collaboration between the world's six biggest advertising and marketing services groups and the United Nations to use the power of communication to accelerate progress towards achieving the 17 Sustainable Development Goals.

At WPP our focus is gender equality (Goal 5), with a focus on tackling gender-biased stereotypes in the media and on promoting equal opportunities for women and girls.

During 2018, GroupM and other WPP agencies launched Creativity for Equality, a strategic partnership with UN Women to help positively impact the lives of girls and women. The partnership began with a 16-day campaign against gender-based violence across six countries.

£91m

wider social benefits created by pro bono work in 2018

£331m

wider social benefits from pro bono work, charitable donations and free media space in 2018



Little by Little.

LITTLE BY LITTLE

Common Ground has partnered with Google to launch 'Little by Little', a global campaign in support of the Sustainable Development Goals. The campaign leverages the power of YouTube and global influencers to mobilise Gen Z (15 to 24-year olds) to carry out 2 billion acts of good. Little by Little illustrates how small individual actions collectively have the power to end poverty, fight inequality, stop climate change and much more. The campaign was launched by an anthem video featuring model and activist Jillian Mercado.



To learn more see wpp.com/littlebylittle

16 DAYS TO HELP STOP VIOLENCE AGAINST WOMEN

Each year, UN Women's 16 Days of Activism Against Gender Based Violence campaign calls on the world to end violence against women and girls. In 2018, we came together with UN Women to bring the campaign to life and raise awareness across six countries: India, Mexico, Thailand, Turkey, the UK and US.

MEXICO



This campaign responded to research by Kantar which found that young Mexicans often find it difficult to talk about their experiences of gender-based violence. It featured four of Mexico's top YouTubers, who called on their 6 million followers to listen to and support friends experiencing violence.

Wunderman Thompson created six unique campaigns which ran across 16 days – the period of time between the International Day for the Elimination of Violence against Women and Human Rights Day.

TURKEY



Women experiencing violence often aren't able to speak up and get help. #fireflies asked people to be their voice and call for an end to gender-based violence. Each social media post would act like a firefly's light – showing women that they're not alone.



KILL ONE. KILL ALL.

AGENCY
OGILVY BANGKOK

CLIENT
FREELAND

Thailand is one of the most lucrative markets for illegal trade in protected species. This print ad for Thai NGO Freeland reveals the ugly truth behind wildlife trafficking and reminds us that when a mother's life is taken, the cubs will usually die as well, hastening the extinction of the species.

RESULT
10m
people reached
July 2018



SIDE EFFECTS

AGENCY
VMLY&R KANSAS CITY

CLIENT
FIRST CALL

The US is in the throes of an opioid epidemic, with millions of Americans becoming dependent on prescription pain pills. First Call is a local charity supporting people impacted by substance abuse in Kansas City. VMLY&R created this print ad featuring a plastic pill case to show the true human cost of opioid addiction.

RESULT
50,000
people reached
April 2018



IRESCUE

AGENCY
VMLY&R BOGOTA

CLIENT
WORLDWIDE AMBLYOPIA CAMPAIGN

Over 50,000 children in Colombia suffer from amblyopia, also known as lazy eye. If not detected early, it can lead to learning difficulties and blindness. VMLY&R Bogota designed and created playful eye patches which help detect the condition and can be used in treatment. The masks were distributed via regional newspapers.

RESULT
13,000
people reached
July 2018



14

COLOMBIA SIN ABSESTO, DE LA TORMENTA A LA ESPERANZA

POR: CARLOS ROBERTO CRUZ HERNÁNDEZ
SECRETARIO GENERAL ACORDO
CUNDINAMARCA
BOGOTÁ

periódico. Hola Cundinamarca, se dio a la tarea de consultar lo relacionado con el asbesto (silicatos, calcio magnésico que constituye una variedad impura del amianto). Dicho material se presenta en forma de haces de fibras delgadas, duras y rígidas.

Para el suscrito colaborador, investigador de la nota, genera nostalgia destacar este tema, más aún cuando una de las tantas víctimas fue compañera y amiga suya en el Colegio Superior de Telecomunicaciones, hace 14 años (Ana Cecilia Niño fallecida el 7 de enero de 2017).

A pesar de lo tardío, mediante las nobles líneas de este artículo, pretendemos honrar la memoria de Anita y, aún más, respaldar la incansable efectuada por su esposo, Daniel Pineda González, con miras a que en Colombia cese el uso de este elemento de una vez por todas.

Hola Cundinamarca: ¿Qué significa el movimiento Colombia Sin Asbesto?

Daniel Pineda González: Significa esperanza sin interés en un mejor país.



Los brazos cruzados de Daniel Pineda, señal de aire puro y #ColombiaSinAsbesto.

muerdes pueden evitarse, si el asbesto se prohíbe no se generarán tantas enfermedades relacionadas con su uso, la mayoría incurables, como el mesotelioma, la asbestosis y otras. En Colombia, el asbesto se encuentra en más de 3 mil productos, todo por la permisividad de nuestras normas. Nosotros y nuestras generaciones venideras tenemos el derecho de elegir el aire que respiramos, y estoy seguro que la mayoría de los colombianos quiere respirar un aire más puro.

H.C.: ¿Qué consecuencias para la salud humana genera el uso de este elemento?

D.P.G.: El asbesto ha sido clasificado como un cancerígeno humano reconocido (sustancia que causa cáncer) por el Departamento de Salud y Servicios

otros organismos internacionales. Según la IARC, hay suficiente evidencia de que el asbesto causa mesotelioma (un cáncer relativamente poco común de las membranas delgadas que revisten el pecho y el abdomen), y cánceres de pulmón, de laringe y de ovario. Según el instituto nacional del cáncer, aunque es un cáncer poco común, el mesotelioma es la forma más común de cáncer asociada con la exposición al asbesto. Hay limitada evidencia de que la exposición al asbesto esté relacionada con riesgos mayores de cánceres de estómago, de faringe y de colon y recto.

H.C.: ¿Quién fue Ana Cecilia Niño? Describanos su perfil y línea de vida.

D.P.G.: Ana Cecilia, además de ser mi esposa, fue una periodista, la madre de mi hija, mi heroína, a pesar del intenso dolor que genera el cáncer mesotelioma, dedicó sus últimos años de vida a enfrentar sin miedo a los industriales que defienden el asbesto a defender el aire puro por encima de su bienestar personal, para los colombianos fue un ícono, por alzar su voz ronca y débil pero llena de carácter a favor de la vida y la salud de miles de colombianos que

H.C.: ¿Hasta dónde ha llegado con esta lucha?, ¿Quiénes están a favor y quiénes en contra?, ¿Por qué?

D.P.G.: Hemos logrado llegar a la conciencia de los Colombianos, aunque el ministerio de salud no ha movido un solo dedo al respecto, sabemos que está de acuerdo con la necesidad de prohibirlo, firmamos compromiso en acta, creo que la forma como decidimos enfrentar el asbesto tiene que ver con la buena recepción del movimiento, implementamos campañas positivas, llenas de esperanza y fuerza por la vida, donde mostramos que aunque el asbesto es un mineral letal, la fuerza del amor es invencible, tal es el caso del documental Inextinguible en el que se viene trabajando con la fundación IZE desde hace más de 2 años, intento transformar en el amor hacia mi esposa en amor por el aire, por el bienestar de los que vienen después de nosotros. En este momento creo que todos los colombianos están a favor de la prohibición del asbesto excepto los dueños de las empresas que lo usan, ellos están en contra de la prohibición por que dejarían de ganar dinero, lo defienden contratando a las mejores firmas de abogados del país cosa que han

No existen familias perfectas, existen las familias indestructibles: Las que intentan tener todo el tiempo a Dios en su centro



©AnaNiño & @historiasazules afectados por el cáncer que produce el asbesto en Colombia. Daniel Pineda González junto a su esposa Ana Cecilia Niño. Como tributo a su causa, creó la Fundación que lleva su nombre y sigue vigente la campaña #ColombiaSinAsbesto.

H.C.: ¿Cuántas firmas más ciudadanos se unan a esta causa y cuál es el propósito con estas?

D.P.G.: Alrededor de 80 mil firmas, mediante dos plataformas, la primera en change (change.org/colombiasin-asbesto) y la segunda en "Hagamos Eco" (https://www.hagamoseco.org/petitions/latinoamericana-sin-asbesto), en las que se solicita al gobierno prohibir el asbesto mediante un proyecto de ley, denominado #AnaCeciliaNiño, que por octava vez busca prohibir el asbesto en Colombia, por Daniel Pineda González (@historiasazules), el esposo de Ana.

H.C.: A nivel global, ¿Qué repercusión e impacto ha obtenido Colombia Sin Asbesto?

D.P.G.: Constantemente creamos campañas de concientización en pro de prevenir ERA (Enfermedades

mayoría de colombianos saben del tema y que aunque el gobierno no tome medidas al respecto, nos está escuchando.

H.C.: ¿Qué entidades públicas, de salud u otras podrían contribuir para desestimar el uso del asbesto en Colombia?

D.P.G.: Tanto el ministerio de Salud como el ministerio del medio ambiente, tienen todas las herramientas constitucionales y legales para prohibir el asbesto, creo que no se ha hecho por el temor a que el presidente no esté de acuerdo.

H.C.: La ola mediática sobre el tema que lidera, ¿ha sido útil para prevenir la debacle con el uso de este mineral?

D.P.G.: Aunque el apoyo de opinión y de las redes sociales es total, también es necesario aclarar que la voz con la que pedimos la prohibición está respaldada por

LIVING STATISTICS

EACH NUMBER IS A PERSON



3 OF 10 PEOPLE WHO HAVE HIV AREN'T AWARE OF IT

LIVING STATISTIC

AGENCY
WUNDERMAN THOMPSON
BUENOS AIRES

CLIENT
FUNDACIÓN HUÉSPED

Wunderman Thompson Buenos Aires partnered with Fundación Huésped, a leading AIDS awareness charity, to encourage people to face the facts about HIV and get tested. Volunteers dressed in red took to the streets of Buenos Aires representing HIV statistics. For example, 3 in 10 people who have HIV are unaware they are carrying the infection.

RESULTS

100m
media impressions
December 2017-
January 2018

\$5.5m
in free media
December 2017-
January 2018



FUNDACIÓN
HUÉSPED
PREVENCIÓN · CIENCIA · DERECHOS

ATTRACTING AND RETAINING TALENT

Our clients choose WPP on the strength of our people's insights, creativity, expertise in data and technology, and original ideas. We need to attract and retain the best, most forward-thinking talent.

There is fierce competition for talented people in our industry so we need to offer a great employee experience with attractive remuneration and benefits, and opportunities to learn, develop and grow. Diversity of thought, background and outlook stimulates creativity and helps us to produce great work.

Increasing the diversity of our workforce and creating an inclusive, values-led culture is a priority.

We directly employ more than 130,000 people in 112 countries.

OUR FOCUS AREAS

- Embedding a culture based on our new values of being open, optimistic and doing extraordinary work
- Improving diversity and inclusion
- Investing in skills and creativity
- Offering attractive compensation, flexible working practices and opportunities for collaboration and growth

WHO'S IN CHARGE?

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

Our Head of Culture champions our values, collaboration and employee engagement.

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

HOW ARE WE DOING?



women in executive leadership
(2017: 35%)



women in senior management
(2017: 49%)



training spend, 5.7 hours
training per person
(2017: £44.9m)



satisfied with work-life balance
(2017: 47%)

WPP: A GLOBAL COMPANY

NORTH AMERICA

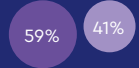
WORKFORCE



GENDER BALANCE
TOTAL WORKFORCE

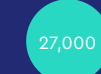


EXECUTIVE LEADERS



WESTERN CONTINENTAL EUROPE

WORKFORCE



GENDER BALANCE
TOTAL WORKFORCE



EXECUTIVE LEADERS



CENTRAL & EASTERN EUROPE

WORKFORCE



GENDER BALANCE
TOTAL WORKFORCE



EXECUTIVE LEADERS

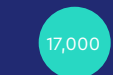


WORKFORCE
● People

GENDER BALANCE
● Male
● Female

LATIN AMERICA

WORKFORCE



GENDER BALANCE
TOTAL WORKFORCE

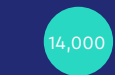


EXECUTIVE LEADERS



UK

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



SKILLS, TRAINING AND DEVELOPMENT

We invest in training and development to build the creative, technical and leadership skills our business needs. Training and opportunities for professional and personal development contribute to employee engagement and retention.

Overall, we spent £45.5 million on training in 2018 (2017: £44.9 million) with 65% of our people taking part in formal training programmes, averaging 5.7 hours per person. In 2018, we also rolled out Lynda.com to over 57,000 of our people, enabling them to access thousands of video courses that can be completed on a desktop or mobile device.

Around 900 of our leaders participated in our group leadership training programmes in 2018, such as Maestro which develops the effectiveness and confidence of our senior client-facing people. We are developing the coaching elements of our programmes to enable and encourage leaders to share the new insights and skills gained through our programmes with their teams.

We follow up with training participants to understand the impact of our courses and identify opportunities for improvement. Feedback from our leadership courses, for example, shows that 89% of participants agree that it has helped improve their performance at work.

During 2018, 76% (2017: 80%) of our people participated in a formal appraisal process, and 69% (2017: 70%) of executive leaders and 66% (2017: 68%) of senior managers had a 360-degree appraisal.

Springboard, our online job board, helps our people find new roles within our companies in the UK, China, Hong Kong and Singapore. In 2018, around 23% of vacancies were filled by people already working within the Company.

£45.5m

spent on training in 2018
(2017: £44.9m)

65%

of our people taking part in
formal training programmes
(2017: 63%)

REWARD AND REMUNERATION

Our companies offer competitive compensation packages to recruit and retain talented people. We are reviewing our incentive plans to align with our new strategy and ensure we have rewards that promote and encourage collaboration and growth.

Not all markets will provide the same benefits but typically, these may include retirement savings plans, health and wellness, employee assistance and life assurance. Many of our people also participate in performance-related incentive plans.

WPP has operated worldwide stock option plans since 1997 and makes grants to around 50,000 eligible employees each year. Senior people may participate in share-based incentive plans that align their reward with that of our shareholders.

Compensation for our Executive Directors is set in accordance with our Directors' Compensation Policy and in accordance with the UK Corporate Governance Code. The policy for our most senior executives is designed to attract and retain best-in-class talent. Our policy looks to incentivise Directors to develop their skills, and those of their employees, in order to maximise their potential and ability to deliver an excellent service for our clients and a sustainable return for our shareholders.

50,000

employees eligible for WPP
stock option plans

INTERNSHIPS AND APPRENTICESHIPS

Internships and apprenticeships provide valuable development opportunities for young people and can be an important source of new talent for our businesses. It is our policy that all internships and apprenticeships should be paid positions to make sure they are accessible to people from all backgrounds. Many of our internships focus on attracting and retaining diverse candidates. In 2018, our companies offered 9,852 paid internships and apprenticeships (2017: 7,888) across 52 countries with the greatest participation being in Brazil, China, Germany, India and the US.

SEEKING OUT THE BEST NEW TALENT

Each of our apprentice and internship programmes are a little different. But they all play a valuable role in helping us identify the next generation of talent, while providing unique development opportunities for young people.

In San Francisco, for example, Wunderman Thompson's Summer Internship Programme offers college students the opportunity to own a project from brief through the creative process to the final marketing solution. Over eight weeks, students receive classroom style training from top creatives, strategists, analysts and account managers and present their ideas directly to the client.

In London, MediaCom operates a 12-month apprenticeship enabling participants to gain experience across different functions while studying for an NVQ qualification. Apprenticeships are offered in media planning, buying, data and technology, HR, new business and business science. MediaCom works with inner city schools and colleges, social enterprises and diversity groups to encourage a wide range of candidates to apply.

9,852

paid internships
and apprenticeships
offered during 2018
(2017: 7,888)

EDUCATION PARTNERSHIPS

We partner with schools, colleges and universities to promote careers in our industry and to help ensure that our future talent pool will have the skills we need. This can be particularly important in countries where our industry is less well established.

Our involvement ranges from significant partnerships to support provided by our offices at the local level. Many of our senior staff also share their time and expertise as visiting lecturers and teachers.

Examples include:

- the WPP School of Communications and Marketing at the Shanghai Arts and Design Academy (SADA);
- our partnership with the Indian School of Design and Innovation, in Mumbai, which offers a three-year undergraduate course on marketing communications; and
- the WPP Africa Academy, in Johannesburg, which provides training and development opportunities for all WPP agencies in South Africa.

INSPIRING CREATIVITY WITH D&AD

The D&AD New Blood Academy with WPP is a two-week creative bootcamp for some of the most talented young creatives. Held in East London, attendees are mentored by our agencies through a programme of talks, workshops, hacks and live client briefs. Participants gain unique access and experience with the opportunity to secure internships within the WPP global network – while our agencies gain access to exceptional young talent.

D&AD is a membership and awards association for the creative, design and advertising communities.

ENGAGEMENT AND FEEDBACK

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

In 2018, we began the process to set up our first employee forum in the UK. We will roll this out to more markets starting with China, India and Turkey. The views and ideas raised through these forums will be shared with the two Non-Executive Board Directors responsible for workforce engagement.

We use employee surveys to assess employee engagement and satisfaction. In 2018, a set of consistent questions to assess employee views on sustainability and workforce-related topics were used in surveys covering 75% of our employees. During 2019, we plan to launch a Company-wide employee survey.

Around 99% of our companies use exit interviews, which can provide useful feedback on our culture and practices.

75%

of our employees took part in surveys to assess their views on sustainability-related topics

99%

of our companies use exit interviews

LABOUR RELATIONS

We support the right of our people to join trade unions and to bargain collectively, although trade union membership is relatively low in our industry. In 2018, around 7% of our employees were either members of a trade union or covered by a collective bargaining agreement (2017: 8%). There were 1,267 consultations with works councils, of which the majority were in Europe (2017: 4,116).

As part of our transformation programme we announced that we will be making around 3,500 redundancies in our business, as we merge and restructure some of our agencies and as a result of changes in our client base. We aim to support employees affected by redundancy including through our employee assistance programmes.

In 2018, 196 cases against WPP companies were reported through employment tribunals and other external channels, compared to 267 cases in 2017. During the year, 393 cases were finalised (including cases reported from prior years). Of these, 37 were withdrawn, 87 agreed between parties, 220 judged against our companies and 49 judged in favour.

DIVERSITY AND INCLUSION

Creativity thrives on diversity of background and thought. This makes having a diverse and inclusive workplace essential to our long-term business success. We want all of our people to feel valued and able to fulfil their potential, regardless of gender, ethnicity, age, or disability.

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

GENDER BALANCE

Our workforce is gender-balanced overall and the proportion of women in executive leadership roles increased this year. At the Board level the appointment of Cindy Rose raises the proportion of women on the Board to 33%. Achieving gender balance at leadership levels remains a priority.

In 2018, we signed up to the Women’s Empowerment Principles, established by UN Women and UN Global Compact as a guide for businesses on how to empower women in the workplace, marketplace and community.

We were proud to be named as an industry leader in the 2019 Bloomberg Gender-Equality Index (GEI) which identifies companies committed to transparency in gender reporting and advancing women in the workplace. The GEI includes 230 firms from 10 sectors, headquartered across 36 countries and regions.

We run development programmes to support career progression for our mid-level and senior women. Examples include:

- Our **WPP Stella network**, now active in India, Italy, Mexico, South Africa, Taiwan and the UK, aims to tackle barriers that may prevent women progressing to the most senior roles. It runs events, networking opportunities, coaching and training as well as a speaker database to raise the internal and external profile of our senior women. A series of podcasts was launched in 2018 featuring some of our female leaders. The network will be rolled out to further markets during 2019.
- **Walk the Talk** is our award-winning programme that aims to address gender imbalance at leadership level. It gives participants the chance to focus on their professional and personal ambitions and develop their confidence to take the next steps towards their goals. 1,150 senior female leaders had participated in over 86 of our companies by the end of 2018.
- For mid-level women we have launched **Propeller** which includes training and coaching. It helps participants develop their cross-company networks and address the hurdles that women frequently encounter in their career progression. 75 women have completed Propeller so far.

GENDER DIVERSITY

Board and Executive

36% (1,796)	64% (3,189)	2018
35% (1,820)	65% (3,436)	2017

Senior Managers

49% (9,949)	51% (10,407)	2018
49% (9,754)	51% (10,017)	2017

All other employees

56% (60,601)	44% (47,216)	2018
56% (60,456)	44% (47,555)	2017

Total employees

54% (72,346)	46% (60,812)	2018
54% (72,030)	46% (61,008)	2017

● Female ● Male

Industry Leader

recognition for WPP in the
Bloomberg Gender-Equality Index

CHAMPIONING DIVERSITY IN THE UK

Evaluate. Engage. Equip. Empower. These are the four principles of WPP's UK strategy for attracting the best and most diverse talent.

Efforts are led by our UK Inclusion Board, set up in 2018. This is chaired by Country Manager Karen Blackett OBE who is also the UK Government's Race Equality Business Champion. Its members include CEOs, HR heads and client leads from our UK businesses with a passion for inclusion and commitment to drive diversity.

The Inclusion Board is working on projects aimed at increasing the diversity of our workforce in the UK. This includes a diversity survey to improve data; the launch of a WPP mentoring app; new partnerships with universities, professional groups and recruiters; and a host of training opportunities and events.

A key focus is on celebrating and rolling out the best approaches from our agencies. WPP Roots is one of the early successes of this approach.

Roots began as professional network within Ogilvy promoting greater ethnic and cultural diversity. Now it is active across several of our UK businesses. It champions authentic representation of diversity within our client work and collaborates with our teams on client briefs such as the successful campaign Change The Facts, Not The Fro for World Afro Day.

Change The Facts, Not The Fro challenged stereotypes that prevent many women and girls wearing their hair naturally.

"CREATIVITY POWERS BUSINESS GROWTH AND THIS ONLY HAPPENS BY HAVING DIVERSITY OF TALENT IN THE ROOM AND REFLECTING SOCIETY IN THE CONTENT WE CREATE."

Karen Blackett OBE
WPP UK Country Manager and Chairwoman
of MediaCom UK & Ireland

GENDER PAY GAP

We published our second [UK Gender Pay Gap report](#) in March 2019. This shows a median pay gap for the WPP network of 14.9% (2017: 14.6%). The equivalent national figure (according to the Office for National Statistics) is 17.9%. WPP's mean pay gap is 23.7% (2017: 25.5%). Our pay and bonus gaps reflect the lower proportion of women in our upper pay quartile. We are committed to improving the gender balance of our leadership teams, which is the key to tackling our gender pay gap.

HEALTH, SAFETY AND WELLBEING

We aim to support our people to look after their physical and mental health and wellbeing. The main health and safety risks in our business are work-related stress and ergonomic injuries. 76% of our companies have appointed someone with specific responsibility for health and safety management.

We offer a range of programmes which can include fitness facilities or subsidised gym memberships; health and nutrition services, including health insurance and medical assessments; counselling and employee assistance services; and ergonomic risk assessments and specialist equipment.

In 2018, our overall sickness rate was 3.2 days per employee. This includes non-work related illness or injuries, work-related injuries and illnesses, and occupational diseases such as work-related stress or ergonomic injuries. There were no work-related deaths in 2018.

FLEXIBLE WORKING AND PARENTAL LEAVE

Flexible working arrangements contribute to a more inclusive environment and can help us to recruit, retain and engage a diverse workforce, including parents and those with caring responsibilities. We estimate around 25% of our workforce have flexible working arrangements which include part-time working, flexible start and finish times and home working as well as career breaks and sabbaticals.

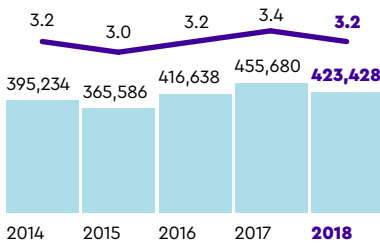
Almost half of our companies (48%) offer parental leave benefits that exceed local legal requirements.

To tackle stress, we need to have the right policies and procedures but just as importantly, a culture where our people feel able to talk about concerns and get support when they need it. In countries where there is a culture of working very long hours our companies need to take additional measures. These can include restrictions on overtime and monthly review of overtime data by agency management.

c.69%
of senior managers were recruited from the local country or region in which they work (2017: 68%)

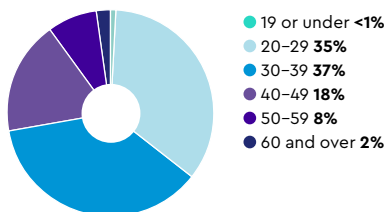
25%
of our workforce have flexible working arrangements (2017: 23%)

DAYS LOST DUE TO SICKNESS

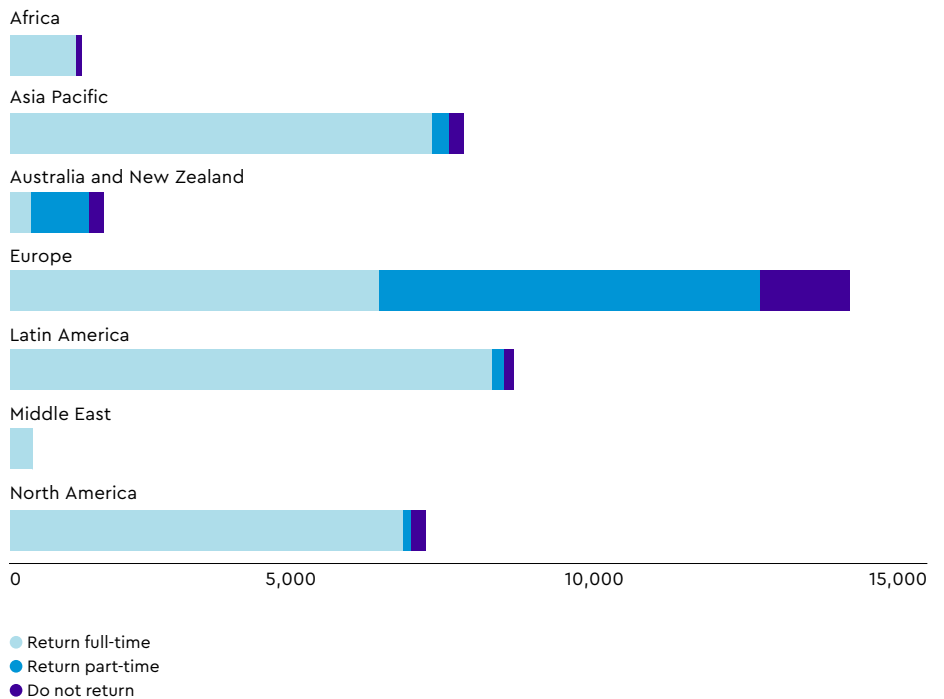


● Days lost due to sickness
● Days lost per person

AGE DIVERSITY



WOMEN RETURNING TO WORK AFTER MATERNITY LEAVE





THE BEST A MAN CAN BE

AGENCY
GREY NEW YORK

CLIENT
GILLETTE

Gillette launched their tagline, The Best A Man Can Get, back in 1989 to promote their Atra razor line. Thirty years on, Grey New York is helping Gillette redefine their brand message by taking a fresh look at what it means to be “the best” in today’s world. The campaign celebrates stories of men who challenge the culture of toxic masculinity by holding each other accountable and eliminating excuses for bad behaviour.

RESULTS

110m
video views
January 2019-
February 2019

15bn
impressions
January 2019-
February 2019



To learn more see
wpp.com/bestmencanbe

TOMMY ADAPTIVE

AGENCY
POSSIBLE NEW YORK

CLIENT
TOMMY HILFIGER

POSSIBLE New York has helped Tommy Hilfiger launch its new and innovative disability-friendly clothing line, Tommy Adaptive. The line includes items of fashion with adjustable hems, one-handed zippers, Velcro and magnetic buttons, easy-open necklines and much more. To reflect the inclusive nature of the clothing line POSSIBLE partnered with visually impaired director James Rath and integrated automated closed and audio description to the ad spot.

RESULT

5.6m

views on YouTube
October 2018-March 2019





THIS COKE IS A FANTA

AGENCY
DAVID SÃO PAULO

CLIENT
COCA-COLA

“That Coke is a Fanta” is a common Brazilian homophobic slur. In support of international LGBT+ Pride Day, DAVID São Paulo helped Coca-Cola launch a limited-edition red Coca-Cola can with orange Fanta inside, featuring the message: This Coke is a Fanta. So what?

RESULT

1bn

impressions with
\$0 media spend
June 2018



To learn more see
wpp.com/thiscokeisafanta

ELEPHANT IN TRANSIT

AGENCY
GTB LONDON

CLIENT
FORD

One in four people in the UK experience mental health problems each year but many, especially young men, don't feel able to talk about their feelings.

GTB created this campaign for Ford UK to launch its partnership with mental health charity, Time to Change, aimed at encouraging men to talk about mental health. It shows how a car or van journey can provide a safe space where people feel more able to open up.

RESULTS

66m

people reached
April 2018-June 2018

32m

social impressions
April 2018-June 2018



ENVIRONMENT

We recognise the major threat that climate change and environmental degradation pose to global social and economic development. We support urgent action to tackle climate change through the Paris Climate Agreement. We're cutting our own carbon footprint as well as working with many clients on campaigns aimed at promoting action on climate change.

We have environmental management programmes in place to reduce our carbon emissions and environmental impact, and to identify and mitigate climate-related risk.

By taking action on climate change we can reduce costs and risks to the business, and meet the expectations of our clients and colleagues.

OUR FOCUS AREAS

- Achieving a 50% cut in our carbon emissions intensity (scope 1 and 2) by 2030 by reducing energy use and purchasing renewable electricity
- Reducing waste and improving resource efficiency
- Working with clients to stimulate action on climate change and the environment

WHO'S IN CHARGE?

Paul Richardson, WPP's Group Finance Director, was the Board Director responsible for sustainability in 2018. This includes overall responsibility for our climate change strategy and risk management. He gave an annual assessment of sustainability risks and opportunities (including climate change) and performance to the Board. At Board level, the Nomination and Governance Committee has responsibility for sustainability and climate change. Andrea Harris, Group Chief Counsel and Head of Sustainability, has operational responsibility for managing our response to climate change.

HOW ARE WE DOING?



tonnes CO₂e emissions per person, a 9% reduction since 2017



of floor space certified to advanced green building standards (2017: 20%)



of electricity from renewable sources (2017: 26%)



reduction in energy use versus 2017



tonnes CO₂e emissions per head from air travel (2017: 0.67)

OUR CLIMATE STRATEGY

KEY TARGETS AND COMMITMENTS

0.41

tonnes of CO₂e per employee by 2030 – a 50% reduction from 2017

50%

of electricity from renewable sources by 2030

100%

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

25%

of global floor space certified to advanced green building standards by 2020

Our new reduction target commits us to a 50% reduction in carbon emissions intensity by 2030, on a 2017 baseline. Our target has been developed to align with climate science using the methodology provided by the Science Based Target Initiative. It covers our scope 1 and 2 emissions.

We use a carbon intensity target per person, as headcount is closely linked to levels of business activity and this allows us to reflect the impact of acquisitions and disposals without needing to adjust our baseline.

To achieve our target we will be focusing on reductions in two areas:

- **Emissions from our buildings and IT:** our goal is for 25% of our floor space to be certified to recognised green building standards by 2020. We will also be achieving reductions through our programme of office consolidation and our IT transformation project.
- **Renewable electricity purchasing:** our goal is for 50% of the electricity we buy to be from renewable sources by 2030.

We participate in the CDP Climate Change programme, a collaboration of institutional investors, and scored A- in 2018 for our climate strategy and reporting (2017: B).

Our target builds on our progress to date. We have cut carbon emissions intensity (scope 1 and 2) by 61% since 2006 and achieved our previous target three years ahead of schedule.

We aim to reduce business air travel and we offset unavoidable emissions, see page 36. During 2019, we will be doing further work to improve our data for other categories of scope 3 emissions. This will enable us to work with suppliers to achieve reductions and to report progress.

TASKFORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

We support the Taskforce on Climate-related Financial Disclosures and aim to develop our disclosures in line with its recommendations. This voluntary framework seeks to encourage businesses to disclose climate-related risks and opportunities and is structured around four themes: governance, strategy, risk management, and metrics and targets.



To read our TCFD disclosure and full carbon emissions statement, see our Annual Report & Accounts, pages 173-174.

61%

reduction in carbon emissions intensity (scope 1 and 2) since 2006

A-

CDP rating for climate change strategy and reporting

HOW GOOD MARKETING MAKES FOR BETTER DEMOCRACY

AGENCY

MULTI-AGENCY TEAM LED BY GREY LONDON

CLIENT

UNITED NATIONS DPI AND UNFCCC

In an age of growing grassroots activism, many people feel that action happens on the street, not behind the closed doors of the United Nations. We brought together a multi-agency team, led by Grey London, to help the UN reconnect with the world's people and put them back at the centre of their work.

The team put a new People's Seat in the UN plenary, right among world leaders. It was the first seat in UN history not representing a nation or specific interest. Instead it was there to give the world a voice on climate change. The campaign asked people around the world to express their thoughts, fears and experiences of climate change. These testimonials were crafted into a UN address delivered by Sir David Attenborough to key leaders poised to negotiate one of the most important decisions in the history of our planet.

The speech dominated the global news agenda, reaching some 1.3 billion people and ensuring the climate talks made headlines in countries including the UK, US and China.

RESULT

1.3bn+

people reached within the first month of The People's Seat launch

December 2018



To learn more see wpp.com/peopeseat

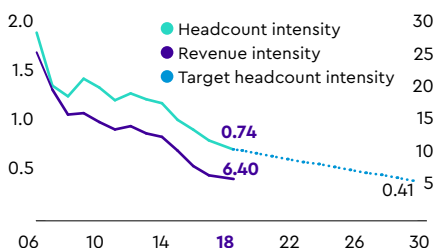
THE
PEOPLE'S
SEAT



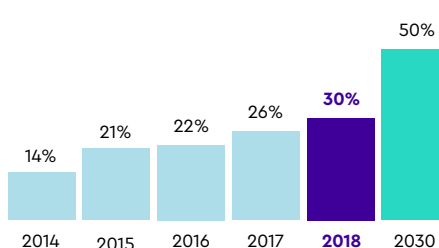
PERFORMANCE IN 2018

We have cut our carbon intensity by 61% since we started measuring it in 2006, and aim to make a further 50% reduction by 2030 (from a 2017 baseline).

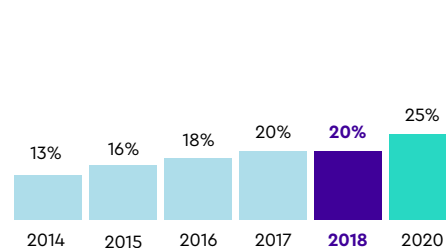
SCOPE 1 AND 2 (MARKET BASED)
TONNES CO₂e EMISSIONS PER PERSON



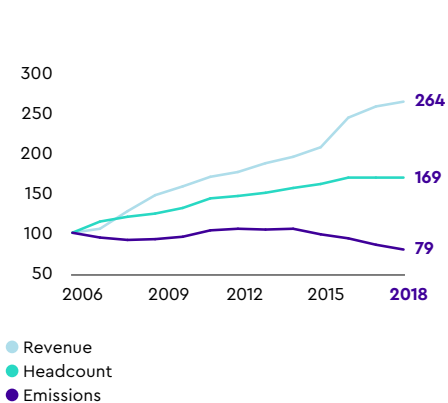
ELECTRICITY FROM RENEWABLE SOURCES
%



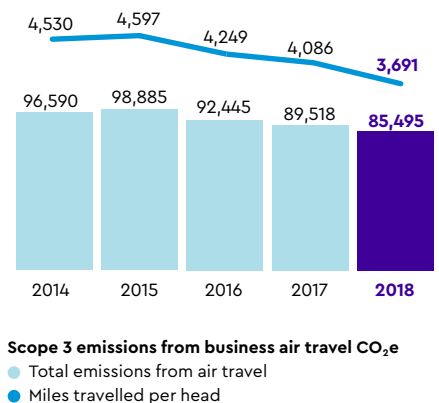
FLOOR SPACE CERTIFIED TO ADVANCED GREEN BUILDING STANDARDS YEAR-ON-YEAR
%



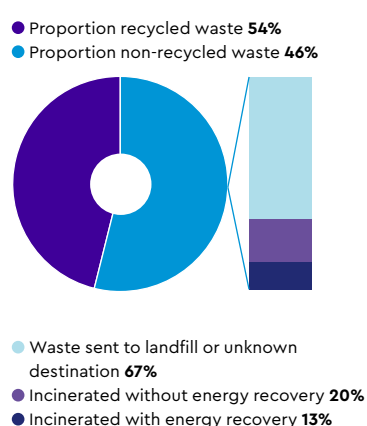
DECOUPLING EMISSIONS FROM BUSINESS GROWTH



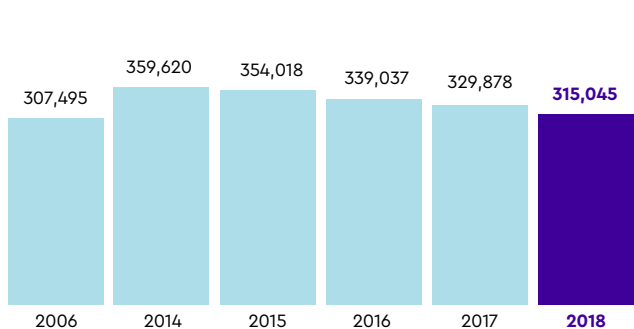
CARBON EMISSIONS FROM AIR TRAVEL/AIR TRAVEL EMISSIONS PER HEAD



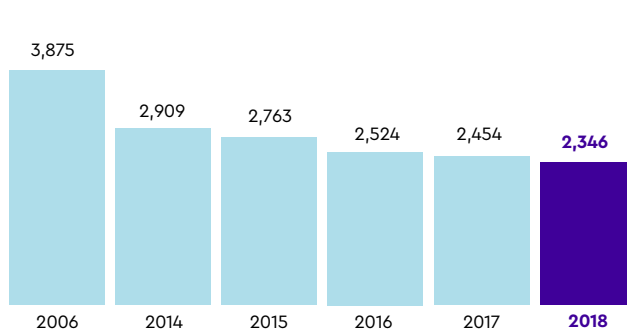
WASTE RECYCLED
%



TOTAL ENERGY CONSUMPTION
MWH



ENERGY USE PER HEAD
KWH/FTE



REDUCING ENERGY USE FROM OUR BUILDINGS AND IT

We are making reductions in our energy use and carbon footprint by moving our offices to low-carbon, energy-efficient buildings. Our work to simplify our structure and consolidate our office space is also having an impact. We are reducing the overall number of offices we occupy, moving to locations that use space more efficiently and encourage collaboration between our companies. Around 64,000 of our people are expected to be working in co-located offices by the end of 2021.

We use green building standards to help us reduce our impact. When we lease, purchase, fit out or renovate a building larger than 50,000 square feet, we require it to be certified to an internationally-recognised standard such as the US standard LEED and the UK standard BREEAM. We estimate this reduces energy use by around 21% per location. Today, over 5.0 million square feet, 21% of our total floor space, is certified to recognised standards (2017: 20%) against our target of 25% by 2020. We have made steady progress since 2007 when 1% of our floor space was certified.

Offices below 50,000 square feet must either be certified or assessed against our own scorecard covering energy and carbon; water; materials and waste; travel; and health and safety.

We aim to design and run our offices in a way that promotes our people's wellbeing, looking at factors such as indoor air quality (especially in large cities), thermal comfort, lighting levels, noise and acoustics. This is good for our people and can contribute to increased productivity.

We are working to consolidate the number of servers used to achieve energy reduction. Between May and December 2018 we decommissioned over 3,600 servers and moved around 1,800 older servers to best-in-class data centres. Our managed print programme is in place at 56 locations and reduces printer energy use by 61% at these locations.

64,000

of our people are expected to be working in co-located offices by the end of 2021

21%

of our total floor space is certified to recognised standards

61%

reduction in printer energy used where our new managed print programme is in place



A GREEN REFURBISHMENT FOR ROSE COURT, LONDON

Rose Court, a new London office space for WPP companies, is being redeveloped and refurbished with sustainability in mind. The building will be certified to BREEAM, the green building standard, and is expected to achieve an excellent rating. The refurbishment design has been developed by BDG architecture + design, a WPP company.

First constructed in 1989, the building is now being given a new, more energy-efficient façade made from high performing window wall systems. All roofs will be replaced and 400m² of photovoltaic cells will be fitted to generate renewable energy. Low water use fittings will help to reduce water consumption by 40%.

Inside, the building has been redesigned to offer a variety of comfortable modern office spaces including co-working areas, a café, a rooftop events space, restaurant and terrace. Floors will be connected by staircases to encourage people to walk around. Cycle parking with changing and shower facilities will be provided to enable colleagues to cycle to work.

Rose Court is situated just south of the river Thames and close to the Rose Playhouse, the site of one of London's first Tudor theatres. Improvements to the front of the building and surrounding area will benefit the local community and visitors to the theatre.

RENEWABLE ENERGY

We increased the percentage of electricity purchased from renewable sources to 30% (2017: 26%), making progress towards our 50% target. 95% of our green electricity is purchased in five countries. We are exploring opportunities to expand this to other markets including China, where we have committed to the Paulson Institute's Race to Zero programme.

Green-tariff contracts are not available in all locations, so as an alternative, we purchase renewable energy certificates (RECs) in the US, our largest market. Each REC purchased is equivalent to purchasing 1MWh of renewable energy and promotes investment in renewable energy generation. We purchased 38,900 Green-e Energy certified RECs for 2018, enough to offset 62% of the electricity used by WPP companies in the US. We expect to reach 100% in 2020.

30%
electricity purchased
from renewable sources
(2017: 26%)

38,900
Green-e Energy certified
RECs purchased for 2018

AIR TRAVEL AND OFFSETTING

Air travel accounts for around 46% of our carbon footprint. We aim to reduce unnecessary business travel and to use audio and videoconferencing to replace some face-to-face meetings.

Our videoconferencing network now incorporates over 670 units in 140 cities worldwide. We are integrating the system into our online collaboration platforms. For example, our teams now have the ability to run web broadcasts with up to 500 participants.

We cannot eliminate air travel since face-to-face meetings are often essential to our work with clients. Therefore, since 2007 we have

purchased high-quality carbon credits to offset 100% of our air travel emissions. In that time, we have purchased and permanently retired almost 1.5 million carbon credits.

We work with South Pole Group, a company that develops emission-reduction projects. In 2018, we invested over £120,000 to support four renewable energy-generation projects in Brazil, China, India and Indonesia. Together, these projects generate over 2.9 million MWh of renewable electricity a year and support 11 of the UN Sustainable Development Goals. Our operating companies cover the cost of the carbon credits, based on their air travel mileage, which encourages initiatives to reduce air travel.

46%
of our carbon footprint is
made up of air travel

1.5m
carbon credits purchased and
permanently retired since 2007



OFFSET PROJECT: INVESTING IN RENEWABLE ENERGY GENERATION IN CHINA

Small run-of-river hydropower plants generate renewable electricity without the environmental drawbacks of conventional large-scale hydropower.



We're supporting a small hydropower project in southern China, that is helping to meet the area's growing energy demand. It generates 700,000 MWh of renewable electricity annually and is a VCS and Social Carbon certified offset. As well as providing clean electricity, it employs 240 women, around 30% of the workforce. The project has involved 192 students in its environmental protection education programme and 179 people in sustainable agriculture training programmes

VALUE CHAIN EMISSIONS

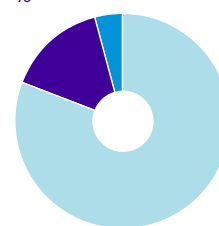
Carbon emissions from our value chain are many times greater than those from our own operations. We aim to work with suppliers to reduce these and are exploring how we can set a reduction target in line with climate science.

The pie chart on the right shows the approximate significance of these three categories of emissions. This is based on analysis of our UK emissions.

Our three main categories of emissions are:

- **Day-to-day activities (direct emissions):** emissions associated with running our business including office energy use, business air travel, commuting and waste. With the exception of commuting, these emissions are covered by our current carbon target.
- **Goods and services we buy:** emissions associated with the goods and services we buy from supplier partners to create marketing campaigns for clients and to run our business.
- **Advertising we place for clients:** emissions from the physical dissemination of advertising.

CARBON EMISSIONS IN OUR VALUE CHAIN %



● Advertising we place for clients **81%**
 ● Goods and services we buy **15%**
 ● Day-to-day activities **4%**

WASTE AND RESOURCES

We aim to use resources carefully, to reduce waste and to 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 2018, we estimate the Company generated 11,135 tonnes of waste (2017: 10,696) of which 54% was recycled. Of our non-recycled waste,

13% was incinerated with energy recovery, and the remaining 87% was disposed of via landfill, incineration without energy recovery, or an undetermined method. We have identified preferred supplier partners for our operating companies to use to procure recycling services in all major markets. We work with landlords on waste management in our leased properties.

54%
 of our waste recycled
 (2017: 54%)

13%
 of non-recycled waste
 incinerated with
 energy recovery



ADVERTISING WITH PURPOSE

Lively Productions specialises in out-of-home (OOH) advertising print production, and is integrating sustainability into its offer. The company prints their advertising material on durable and non-toxic eco-vinyl which is made of 100% recyclable polyethylene substrate. The entire mass can be melted down and recycled with the resulting plastic material available for use in a wide range of products. The billboard can also be repurposed into new products giving a second life to their advertising material.

Through a partnership with an award-winning nano-technology firm, clients can opt to coat their OOH material with Lumactiv, a patented ISO-certified substance which decomposes organic compounds,

odours and most airborne noxious substances. One large billboard coated in Lumactiv has the air purifying capabilities of just over three fully-grown broad leaf trees. This data has been used to create a bespoke eco-index which is being integrated into their media planning software, enabling clients to measure the environmental impact of their campaigns.

Lively Production has also joined forces with vendors to coat not just the vinyls, but also the structures that the billboards reside on, further amplifying the environmental benefits.



To learn more, see livelyproductions.com

OCEAN OF THE FUTURE

AGENCY
OGILVY UK

CLIENT
GREENPEACE

This video follows children visiting an aquarium, where they see some of the 800,000 tonnes of plastic packaging generated by UK supermarkets every year, and encourages people to sign a petition calling on retailers to reduce plastic waste.

RESULT

>970,000

people signed the petition
since April 2018





THE INSECT CONCERTO

AGENCY
SCHOLZ & FRIENDS BERLIN

CLIENT
WWF & THE KARAJAN ACADEMY OF THE BERLINER PHILHARMONIKER

Insect populations are collapsing worldwide with serious consequences for life on earth. This video by Scholz & Friends Berlin, featured the 'Insect Concerto' composed by conductor Gregor A. Mayrhofer and inspired by the sounds of grasshoppers, cicadas and crickets. The concert and video helped raise awareness and funds for WWF insect and sustainable agriculture projects.

RESULT
€12,000
donations on the first day of release
May 2018

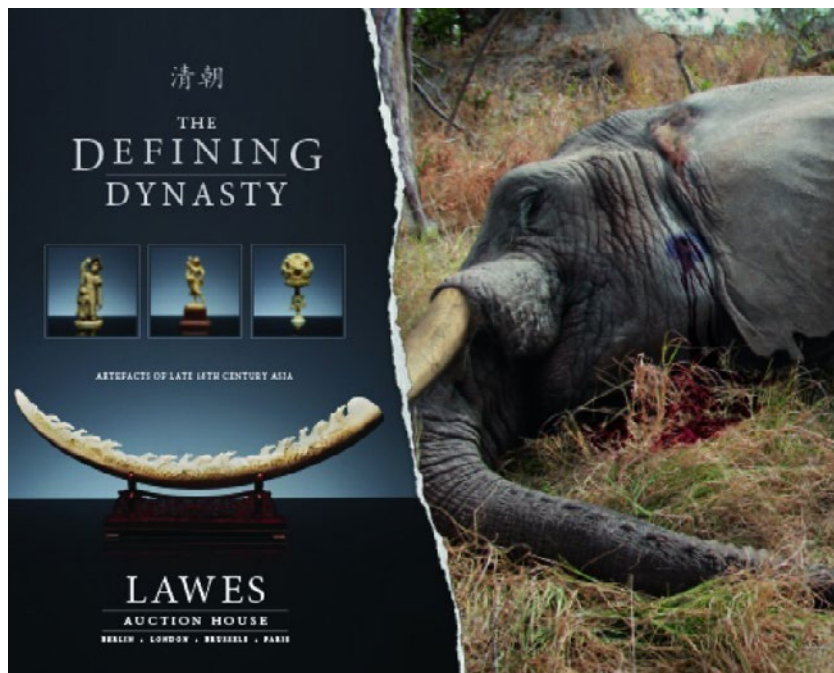
GOING, GOING, GONE

AGENCY
WUNDERMAN THOMPSON LONDON

CLIENT
STOP IVORY

In 2018, the UK Government announced plans for a new UK ivory ban. This campaign by Wunderman Thompson for the NGO Stop Ivory highlighted the devastating impact of the ivory trade. It urged the UK Government to quickly pass their proposal into law and other nations to follow the UK's lead.

RESULT
30,500
people reached
March 2018



SUPPLY CHAIN

We work with over 130,000 companies across our supply chain. We expect them all to meet high standards in areas such as ethical conduct, human rights, workplace standards and the environment. However, in such a large supply chain, we know there is a risk that some will not.

We have established due diligence processes to help us select suppliers who meet high standards. This reduces risks to our business and our clients and enables us to respond to the growing number of client tender processes that include supply chain management criteria.

We focus our supplier engagement on suppliers in high risk countries or sectors, those with whom we have a direct commercial relationship and those with centrally negotiated contracts managed by our procurement team.

OUR FOCUS AREAS

- Setting clear standards and communicating these to our suppliers
- Conducting due diligence to identify risks in our supply chain
- Working with suppliers to reduce modern slavery risks in our supply chain

WHO'S IN CHARGE?

Our Group procurement team manages centrally negotiated contracts with preferred suppliers. A significant portion of procurement is through contracts that are negotiated by budget holders within our companies. Our sustainability team supports procurement and our companies to consistently implement our responsible sourcing standards.

HOW ARE WE DOING?



of US procurement spend with certified diverse suppliers



All suppliers must read and sign our Supplier Code of Conduct



Sustainability criteria integrated into pre-selection questionnaire for new suppliers

OUR SUPPLY CHAIN

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

Our procurement team manages centrally negotiated contracts with preferred suppliers. A significant portion of procurement is through contracts that are negotiated by budget holders within our companies. Our sustainability team supports procurement and our companies to consistently implement our responsible sourcing standards.

SOURCING STANDARDS

Our expectations of suppliers are set out in our Supplier Code of Conduct, which is based on the Code that applies to all WPP companies and people. The supplier version includes requirements relating to labour practices (such as anti-harassment and discrimination, and health and safety), human rights (including no child, forced or bonded labour and modern slavery), social impacts

(such as anti-bribery and corruption) as well as other sustainability issues. Our Code requires suppliers to apply similar standards to companies in their own supply chain.

SUPPLIER SELECTION

We evaluate potential new suppliers on factors such as assurance of supply, quality, service, cost, innovation and sustainability.

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

To strengthen our sustainability due diligence, we launched two additional supplier questionnaires in 2018. The first, a pre-selection questionnaire, is for use with potential new suppliers. It assesses compliance with our core standards in areas such as legal compliance, labour and human rights practices, environment and

supply chain management. The second, a more detailed information request, will help us to monitor standards in our supply chain and work with suppliers to address gaps and risk areas.

SUPPLIER DIVERSITY

We work with many small and diverse suppliers and this can be a source of new ideas and creativity. In the US, around 2.1% (\$109 million) of our spend is with certified diverse suppliers including women and minority owned businesses. Our data does not capture the number of small suppliers. Further work is needed to quantify the potential additional social impact of spend with these types of suppliers. We plan to expand our data collection to cover some of our European markets.

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 positively promote human rights, including through our pro bono work.

Our [Human Rights Policy Statement](#) summarises our approach. It reflects international standards and principles, including the International Bill of Human Rights, the UN's 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 Sustainability Report forms our fourth annual communication on progress.

See reporting standards index, pages 53-56

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 is included in our ethics training completed by all employees.

See attracting and retaining talent, pages 21-30

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

MODERN SLAVERY

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

As part of our due diligence process we assessed the risk of modern slavery amongst our preferred suppliers. It shows that almost 90% of our spend with preferred supplier partners is in medium- or low-risk categories for modern slavery, such as HR and professional services. Higher risk categories include facilities and promotional goods suppliers. We have also looked at risks by location and found that almost 90% of spend with preferred suppliers is in countries deemed medium- or low-risk according to Maplecroft's Modern Slavery Risk Index.

Our due-diligence questionnaires and new training will help procurement teams identify modern slavery risks when selecting and contracting suppliers.

We are conducting further analysis on the use of freelancers in countries at higher risk of modern slavery.



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

SPACE ON EARTH

AGENCY
OGILVY SINGAPORE

CLIENT
BRAC

This moving spot by Ogilvy Singapore and the international development charity BRAC gave a voice to Rohingya children forced to flee their homes. The campaign helped generate a six-fold increase in donations to support BRAC's work at the Rohingya refugee camp.

RESULT

500,000

video views

September 2018-November 2018





HOPE

AGENCY
SRA. RUSHMORE

CLIENT
INTERNATIONAL RED CROSS

Through the story of a young girl unable to access life-saving medical care, this global campaign shared the message that 'Healthcare is #NotATarget'. It was developed by Sra. Rushmore Madrid and was broadcast in over 100 countries.

RESULT
7m
video views
May 2018

SURVIVORS

AGENCY
VMLY&R MEXICO

CLIENT
SAVE THE CHILDREN MEXICO

Save the Children wanted to raise the profile of their work helping young people escape from child labour, conflict and sexual exploitation. This video tells the often-unseen stories of Mexico's children trapped in extreme poverty, played to a cover of the hit song 'Survivor' by Destiny's Child.

RESULT
3.8m
people reached
April 2018-October 2018



RESPONSIBLE BUSINESS

By establishing clear policies and procedures in areas such as data security, ethical conduct, supply chain management and human rights, and reporting transparently on our progress we can reduce risks to our business and to our clients.

We set clear ethical standards for our people and companies through our policy framework and training. The WPP Code of Business Conduct summarises our principles and key points of policy that apply to everyone at WPP.

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

OUR FOCUS AREAS

- Embedding ethical standards including clear policies, compliance processes and mandatory ethics training
- Using our Data Health Checker to review privacy risks and data security practices in our businesses

WHO'S IN CHARGE?

Paul Richardson, WPP's Group Finance Director, was the Board Director responsible for sustainability in 2018. Andrea Harris, Group Chief Counsel and Head of Sustainability, has operational responsibility for sustainability. She heads our central sustainability team that develops strategy and coordinates sustainability projects and data collection. Vicky Brown, Group Chief Privacy Officer, leads our work on privacy and partners with our companies and security and audit teams to promote privacy best practices. At Board level, the Nomination and Governance Committee has responsibility for sustainability.

HOW ARE WE DOING?

115,000+

people completed refreshed ethics training in 2018

DATA
PRIVACY AND
SECURITY
CHARTER

Data Privacy and Security Charter launched

RIGHT
TO
SPEAK

Right to Speak relaunched in 2018

TRANSPARENCY AND TRUST

By establishing clear policies and procedures in areas such as data security, ethical conduct, supply chain management and human rights, and reporting transparently on our progress we can reduce risks to our business and to our clients.

OUR CODE OF CONDUCT

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

The WPP Code of Business Conduct summarises our principles and key points of policy that apply to everyone at WPP. It is supported by more detailed policies in areas such as anti-bribery and corruption, hospitality and gifts, facilitation payments and the use of third-party advisors as well as our Human Rights Policy Statement and Sustainability Policy.

Our online ethics training, *How We Behave*, is updated every two to three years, and our people are required to take the training on joining and on a regular basis, and repeat the training following each update. Topics covered include diversity, human rights, conflicts of interest and avoiding misleading work. In 2018, we added unconscious bias training, and updated our ethics and anti-bribery and corruption training. Over 115,000 employees have completed the training since this update.

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

MANAGEMENT AND COMPLIANCE

Our Group Chief Counsel and Head of Sustainability oversees our approach to ethics and compliance. Senior managers in all our companies and our business and supplier partners are asked to sign a copy of the WPP Code of Business Conduct each year to confirm they will comply with its principles.

Breaches or alleged breaches of our Code are investigated by the WPP legal and internal audit teams. Our people can report concerns or suspected cases of misconduct in confidence through our third party-managed Right to Speak facility, overseen by our legal and compliance departments. Our people can access it via phone or email and report concerns in their local language. It is publicised through induction packs, the Company intranet, the WPP Policy Book and our ethics training. We relaunched Right to Speak following the appointment of the new CEO in 2018 to ensure all our people are aware of how they can raise concerns. There were 200 reports (2017: 106) made via Right to Speak during 2018, all of which were followed up, investigated where appropriate 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 the Company. This is included in the integration plan agreed before the acquisition is finalised and we monitor progress after acquisition.

115,000+
people completed refreshed
ethics training in 2018

PUBLIC POLICY

We are involved in public policy activity in two ways. Our public affairs businesses carry out work for clients, including direct lobbying of public officials and influencing public opinion. On occasion, we also engage in the public policy process on issues that affect WPP and our companies.

We believe that business can make a valuable contribution to the debate on regulation and government policy. However, to protect the public interest, it is important that business lobbying is conducted with honesty, integrity and transparency.

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

OUR STANDARDS

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

Many of our companies are members of professional organisations and abide by their codes of conduct. Examples include the UK's Association of Professional Political Consultants (APPC), the self-regulatory body for UK public affairs practitioners, and the European Public Affairs Consultants' Association (EPACA) the representative trade body for public affairs consultancies working with EU institutions.

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

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

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

Andrea Harris, Group Chief Counsel and Head of Sustainability, has responsibility for development and implementation of our political activity policy and public reporting procedures. Our Chief Talent Officer had overall responsibility for implementation of this policy within our public affairs companies. The CEO and CFO in each country or region are responsible for implementing our policy at the local level.

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

POLITICAL CONTRIBUTIONS

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

POLITICAL ACTION COMMITTEES

In countries where it is consistent with applicable law, individuals working at WPP companies may make personal voluntary political contributions directly to candidates for office. Several of our businesses, including Burson Cohn & Wolfe/Prime Policy, Glover Park Group and Hill+Knowlton Strategies, also maintain political action committees (PACs) which accept voluntary donations from their people to support political candidates. In 2017 and 2018, these PACs made disbursements worth \$307,948 (data from fec.gov).

LOBBYING AND POLITICAL ADVOCACY

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

We engage in partnerships and advocacy on sustainability issues, for example, through the Common Ground initiative in support of the UN Global Goals. Karen Blackett OBE, WPP UK Country Manager and Chairwoman of MediaCom UK & Ireland is serving as the UK Government's Race at Work Champion, supporting the Race at Work Charter.

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

WPP companies must implement clear procedures for the employment of serving or former politicians. This includes, for example, 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 memberships organisations which undertake lobbying activity on behalf of their members. It is important that we select organisations whose priorities and values are aligned with our own and which have robust governance processes. WPP companies must nominate a senior manager with responsibility for managing and overseeing trade association relationships.

At a Company level our memberships in the US are the American Benefits Council, British American Business Inc and the Northeast Business Group on Health. In the UK they are the All Party Parliamentary Corporate Responsibility Group, Business Disability Forum, CBI, China Britain Business Council, Institute of Business Ethics, PARC, Trilateral Commission, and the World Economic Forum.

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

PRIVACY AND DATA ETHICS

Data – including consumer data – can play an essential role in our work for clients. We have a 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.

Data security and privacy are increasingly high-profile topics for regulators, consumers and our clients.

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

We reviewed, and where necessary updated, all our policies, processes and training to respond to the EU's General Data Protection Regulation (GDPR), which came into force in 2018, and we are reviewing on an ongoing basis pending global privacy laws such as those which will come into force in Brazil and California.

POLICIES AND GOVERNANCE

In 2018, we launched WPP's Data Privacy and Security Charter to help us communicate our approach to data to our people and our clients. This brings together our Data Code of Conduct, which sets out core principles for responsible data management, with our IT security, privacy and social media policies, and our security standards (which are based on ISO 27001). It also includes our acceptable use, data handling and retention, business continuity, incident response and subject access policies. Many of the policies have been rewritten to make them clearer and more accessible to a wide audience.

Our Group Chief Privacy Officer leads our work on privacy and partners with our companies and security and audit teams to promote privacy best practices. We appointed a Data Protection Officer in 2018 whose role is: to provide practical guidance and support to our agencies on data ethics; ensure that privacy risks are well understood across the business; help us prepare for new data and privacy regulation; and promote best practices.

Privacy leads in our companies oversee the implementation of our policies at a local level. They report progress to the Company via our Group Chief Counsel and Group Chief Privacy Officer. Each of our networks has appointed privacy leads to oversee data practices.

AUDIT AND DUE DILIGENCE

Our Group Chief Privacy Officer and Data Protection Officer are working with our internal audit team to review privacy risks and practices as part of our Company-wide audit programme.

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

TRAINING AND ENGAGEMENT

Our Safer Data platform provides information, guidance and resources to help our people understand privacy risks and to apply our policies to their work. We have expanded its scope to include additional resources on data privacy and security including guidance on: recognising "phishing" and similar techniques; looking after data valuables; and communicating with clients on WPP's data security and privacy practices.

The platform also includes our GDPR toolkit, which contains guidance notes, model data protection contract clauses, template privacy impact assessment tools, policy templates and other resources, and we will be including additional resources to deal with privacy laws coming into force globally.

We updated our mandatory global online Privacy and Data Security Awareness training in 2018. The updated training has been completed by 111,747 employees. Our team also ran face-to-face training for around 50 of our operating companies covering GDPR compliance and privacy best practices.

We have developed a range of materials to help our companies communicate our approach to clients including during pitches and contract negotiations. Our Chief Privacy Officer also meets with clients to explain our approach and share insights and privacy best practices.

We partner with clients, industry organisations and peer companies on privacy issues. For example, we are working with the Internet Advertising Bureau (IAB) in Europe.

DATA HEALTH CHECKER

We use our Data Health Checker to review privacy risks and data security practices in our businesses. This provides us with insight into how data is used, stored and transferred and helps to identify any parts of the business who need further support on data practices. The results showed us that the majority of our companies have mitigation measures that match or exceed their level of privacy risk, with the average risk score being 2.16 out of 5, where 5 is the maximum score possible indicating maximum risk. Of those companies surveyed, 80% have a dedicated privacy lead.



THE HOPE PAGE

AGENCY
VMLY&R SYDNEY

CLIENT
UNICEF

VMLY&R Sydney created a website for UNICEF that allows you to contribute some of your computer's spare processing power to mine cryptocurrency. Any proceeds are automatically donated to UNICEF, creating an entirely new revenue stream for the global charity and funding life-saving aid for children in need.

RESULTS

210m
people reached
in first 48 hours

25,500
donors
April 2018

TOUCHING MASTERPIECES

AGENCY
GEOMETRY PRAGUE

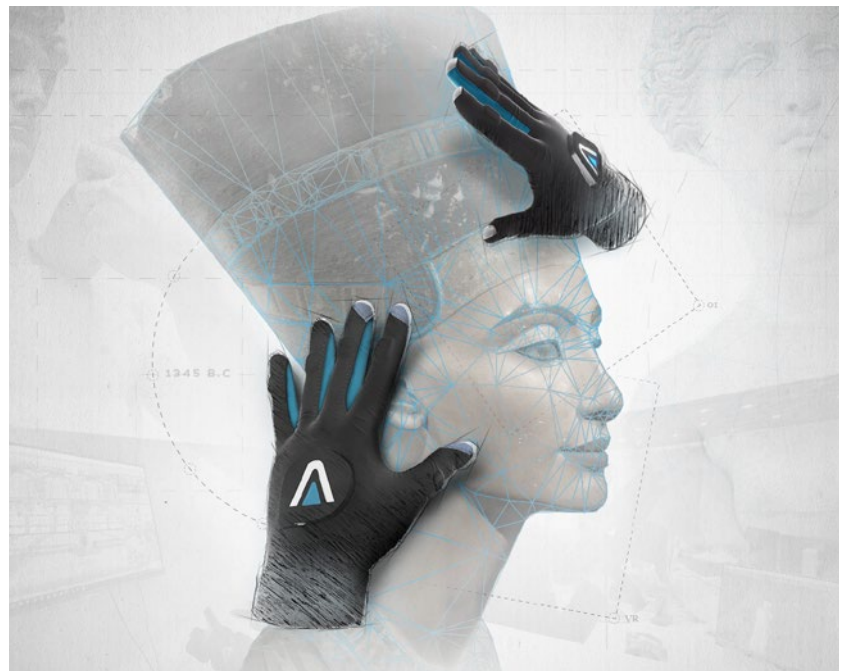
CLIENT
NEURODIGITAL

Geometry Prague, in partnership with NeuroDigital, the Leontinka Foundation and the National Gallery of Prague, launched a project empowering visually impaired individuals to enjoy art. Three art works were recreated in virtual reality, opening up a new age of digital accessibility. The campaign was launched at the National Gallery in Prague.

RESULTS

544m
impressions
March 2018-June 2018

170
countries reached
March 2018-June 2018



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 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 & Accounts* and key elements are summarised below.

TAX PAYMENTS IN 2018

The Company paid corporation and overseas taxes of £384 million in 2018 (2017: £424.7 million). Estimated employer social security-related taxes paid during 2018 were £718 million (2017: £674 million), and estimated employee social security-related taxes paid during 2018 were £435 million (2017: £398 million). Other taxes (primarily property taxes) paid during 2018 were £64 million (2017: £57 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, page 7**

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. Equally, it may involve disclosing and seeking to resolve a known issue prior to the filing of the relevant tax return.

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

TAX PLANNING

We will not engage in purely artificial transactions, the sole purpose of which is to reduce tax. However, we will consider undertaking a transaction in a way that gives rise to tax efficiencies providing this is aligned to our commercial objectives and complies with the associated 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, corporate and social responsibilities, or future working relationships with tax authorities.

We recognise that we have a 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 reputational risk or significant risk of damaging our relationship with the tax authorities in the jurisdictions in which we operate;
- are aligned with the intended policy objectives of the governments which introduced the incentives; and
- are aligned with our business or operational objectives.

External advice may be sought in relation to tax planning or areas of complexity or uncertainty to support our work in complying with 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 matters, including OECD measures on country-by-country reporting and automatic exchange of information.

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

GOVERNANCE AND MANAGEMENT

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

ROLES AND RESPONSIBILITIES

Paul Richardson, WPP's Group Finance Director, was the Board Director responsible for sustainability in 2018. Andrea Harris, Group Chief Counsel and Head of Sustainability, has operational responsibility for sustainability. She heads our central sustainability team that develops strategy and coordinates sustainability projects and data collection. It communicates on sustainability matters on behalf of the Company and works with Company functions (such as our talent, audit, legal, real estate, IT and procurement teams) and our operating companies to embed our standards.

At Board level, the Nomination and Governance Committee has responsibility for sustainability. We have established a Charity Committee to oversee our donations and pro bono work, see page 15.

EMBEDDING SUSTAINABILITY IN OUR COMPANIES

WPP sets sustainability policy, with every company responsible for implementation. We have a clear policy framework through our Code of Business Conduct, Sustainability Policy, Supplier Code of Conduct, Data Privacy and Security Charter, and 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. Our companies have completed a self-assessment questionnaire and a summary of the findings has been communicated to each company's Chief Financial Officer and the relevant WPP Regional or Country Manager. During 2019 we will be running a series of on-site assessments, engagement and training sessions for our companies, to help them address any gaps and to implement best practice.

RISK MANAGEMENT

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

ESG risks are also included in our programme of internal audits.

Our principal risks and uncertainties are set out in detail in the strategic report section of our [Annual Report & Accounts](#) and include risks relating to cyber and data security and our ability to recruit and retain talented people.

STAKEHOLDER ENGAGEMENT

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

Most stakeholder engagement takes place in the course of doing business. We also carry out more formal research as part of our materiality process, see page 51. We work with clients on sustainability issues, see pages 11-14. Information on employee engagement is on page 25.

INVESTOR ENGAGEMENT

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

We are included in the FTSE4Good Index and participate in the CDP Climate benchmark, receiving a rating of A- in 2018 (2017: B).

WPP MATERIALITY ASSESSMENT



- Our client work
- Our people
- Environment
- Supply chain
- Social investment

¹ Including anti-bribery and corruption, client work ethics such as sensitive products and marketing to children, operating in sensitive countries, ethical standards among partners (JVs, affiliates, associates) and acquisitions.
² Including sustainable consumption.
³ Including environmental impacts of marketing campaigns.

- | | | | |
|-------------------------------------|--|--|--|
| 1 Health and safety | 9 Paper and resource use | 17 Supply chain environmental impacts ³ | 23 Community relations |
| 2 Marketing and compliance | 10 Supplier diversity | 18 Waste and recycling | 24 Water use |
| 3 Ethical standards ¹ | 11 Access to skills/support for skills | 19 Employee engagement | 25 Employee practices/human rights |
| 4 Diversity and inclusion | 12 Climate change | 20 Supply chain labour practices and human rights | 26 Social investment – pro bono, donations, volunteering |
| 5 Government relations and lobbying | 13 Employee wellbeing | 21 Training and development | |
| 6 Privacy and data security | 14 Fair treatment of suppliers | 22 Biodiversity | |
| 7 Tax policy | 15 Living wage | | |
| 8 Employee relations | 16 Marketing and sustainability ² | | |

OUR MATERIALITY PROCESS

We use a materiality process to ensure we focus our work and reporting on the issues of most importance and relevance to our business and our stakeholders.

Our first formal materiality assessment in 2014 included interviews with clients, investors, NGOs and sustainable business experts as well as senior executives in our Company functions and our operating companies. Further reviews were conducted in 2016 and 2017, and we plan to update our materiality assessment in light of our new corporate strategy.

Our materiality matrix shows the issues identified as important to our stakeholders (vertical axis) and our business (horizontal axis). Our reporting focuses on the issues identified as being of high or medium importance.

ABOUT OUR REPORTING

We have been reporting 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 & Accounts with further details, data and case studies provided in our Sustainability Report.

Sustainability data is for the calendar year 2018.

The majority of our data is collected quarterly through our Company financial reporting system. This covers all subsidiaries of the Company – over 130,000 direct employees. It does not include associate companies or joint ventures. Our per person carbon footprint figures are calculated using data for full-time equivalent employees (FTEs).

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

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

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

GUIDELINES AND REPORTING FRAMEWORKS

WPP are members of the United Nations Global Compact (UNGC) and this Sustainability Report forms our fourth communication on progress. We provide an index which summarises our approach and progress on the UNGC's 10 principles, see pages 53-56.

Our report references selected Global Reporting Initiative's (GRI) Standards. See our GRI Standards context index (pages 53-56) for a list of disclosures and their location in our report.

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



To read our TCFD disclosure and full carbon emissions statement see pages 173-174 of our Annual Report & Accounts

Topic	Number	Disclosure	United Nations Sustainable Development Goals	United Nations Global Compact principles	Where to find it in the report
Reporting Practice	102-45	Entities included in the consolidated financial statements			About our reporting – page 52 Annual Report & Accounts Our sustainability data covers all subsidiaries of the Company. A subsidiary is an entity which we control and/or in which we have a majority shareholding. Associates and joint ventures, where the Company may have influence or joint control, but not outright control, are not included. Data in our financial reporting will include associate companies not covered in our sustainability data.
	102-46	Defining report content and topic Boundaries	12		Our materiality process – pages 51 and 52
	102-47	List of material topics	12		Our materiality process – pages 51 and 52
	102-48	Restatements of information			Following the adoption of IFRS 15, the Company's 2017 and 2016 reported revenue figures have been restated. This impacts the reporting of the proportion of revenue that comes from clients who engage with us on sustainability and our carbon emissions per unit of reported revenue for the restated years. The proportion of revenue that comes from clients who engage with us on sustainability has been revised to 13.4% (from 14%) for 2017, and 11.0% (from 11.4%) for 2016. As outlined under 102-49, our carbon emissions methodology was updated in 2018. The new figures utilise the restated revenue figures. Please see our Annual Report & Accounts for a summary of the restatement.
	102-49	Changes in reporting			After meeting our 2020 carbon emissions reduction target in 2017 we reviewed our methodology for estimating carbon emissions and set a new emissions reduction target. As part of this review, we adopted full market-based scope 2 reporting. This includes the use of residual mix emissions factors in markets where we consume renewable energy. In addition, we had previously estimated scope 3 emissions by adding 15% onto our total emissions. We no longer make this estimate as the methodology behind it lacked verifiability. Our new per head emissions reduction target encompasses our scope 1 and 2 emissions only. It is based on a science-based target setting methodology. It is our aim to expand scope 3 reporting and set targets for material categories.
	102-50	Reporting period			About our reporting – page 52
	102-51	Date of most recent report	12		Sustainability reporting centre
	102-52	Reporting cycle	12		About our reporting – page 52
	102-53	Contact point for questions regarding the report			Sustainability contacts
	102-54	Claims of reporting in accordance with the GRI Standards			About our reporting – page 52
	102-55	GRI content index	12		GRI Index – pages 53-56
102-56	External assurance	12		Independent Limited Assurance Statement – page 57	
201: Economic Performance					
Economic Performance	201	Management approach GRI 103: Management approach	8		Roles and responsibilities – page 50 Attracting and retaining talent – who's in charge? – page 21
	201-1	Direct economic value generated and distributed	8		Annual Report & Accounts – Financial statements Quantifying our impacts – page 7
	201-2	Financial implications and other risks and opportunities due to climate change	8, 13		Governance, strategy and risk management disclosures for the Taskforce on Climate-related Financial Disclosures
	202-2	Proportion of senior management hired from the local community	8, 10		Diversity and inclusion – page 26
	203-1	Infrastructure investments and services supported	8, 11, 17		We provide pro bono services, donate money to charity and negotiate free media space on behalf of pro bono clients which can have a positive social impact. Quantifying our impacts – page 7
	203-2	Significant indirect economic impacts	8		Quantifying our impacts – page 7

Topic	Number	Disclosure	United Nations Sustainable Development Goals	United Nations Global Compact principles	Where to find it in the report
Anti-corruption	205	Management approach	16	10	Management and compliance – page 45
	205-1	GRI 103: Management approach	16	10	Associates, affiliates and acquisitions – page 45
	205-2	Operations assessed for risks related to corruption	16	10	Transparency and trust – pages 45 and 46
	205-3	Communication and training about anti-corruption policies and procedures	16	10	Our Code of Conduct – page 45
301: Environmental Performance					
Energy	302	Management approach GRI 103: Management approach	7, 12, 13	8	Environment – who's in charge? – page 31 Governance, strategy and risk management (disclosures for the Taskforce on Climate-related Financial Disclosures)
	302-1	Energy consumption within the organisation	7, 8, 11, 12, 13	8	Carbon emissions statement 2018 Environment – performance in 2018 – page 34
	302-2	Energy consumption outside of the organisation	7, 8, 12, 13	8	Air travel and offsetting – page 36
	302-3	Energy intensity	7, 8, 12, 13	8	Environment – performance in 2018 – page 34
	302-4	Reduction of energy consumption	7, 8, 11, 12, 13		Reducing energy use from our buildings and IT – page 35
Emissions	302-5	Reductions in energy requirements of products and services	7, 8, 12, 13	8, 9	Value chain emissions – page 37
	305	Management approach GRI 103: Management approach	7, 13	8	Environment – who's in charge? – page 31 Governance, strategy and risk management (disclosures for the Taskforce on Climate-related Financial Disclosures)
	305-1	Direct (Scope 1) GHG emissions	7, 13	8	Our climate strategy – page 32 Carbon emissions statement 2018 Independent verification statement – page 57 This data is externally assured.
	305-2	Energy indirect (Scope 2) GHG emissions	7, 13	8	Our climate strategy – page 32 Carbon emissions statement 2018 Independent verification statement – page 57 This data is externally assured.
	305-3	Other indirect (Scope 3) GHG emissions	7, 13	8	Our climate strategy – page 32 Carbon emissions statement 2018 Value chain emissions – page 37 Independent verification statement – page 57 Data for business air travel is externally assured.
	305-4	GHG emissions intensity	7, 13	8	Our climate strategy – page 32 Carbon emissions statement 2018
Effluents and Waste	305-5	Reduction of GHG emissions	7, 13	8, 9	Our climate strategy – page 32 Carbon emissions statement 2018 Reducing energy use from our buildings and IT – page 35 Renewable energy – page 36 The People's Seat – page 33
	306	Management approach GRI 103: Management approach	8, 12	8	Environment – who's in charge? – page 31
Supplier Environmental Assessment	306-2	Waste by type and disposal method	8, 12, 15	8	Waste and resources – page 37 Independent verification statement – page 57 Waste to recycling data is externally assured
	308	Management approach GRI 103: Management approach	12	8	Environment – who's in charge? – page 31 Supply chain – who's in charge? – page 40
	308-1	New suppliers that were screened using environmental criteria	12	8	Supplier selection – pages 40 and 41
400: Social Performance	308-2	Negative environmental impacts in the supply chain and actions taken	12	8, 9	Value chain emissions – page 37
	Employment	401	Management approach GRI 103: Management approach	8	
401-3		Parental leave	5, 8		Flexible working and parental leave – page 28 Women returning to work after maternity leave – page 28

Topic	Number	Disclosure	United Nations Sustainable Development Goals	United Nations Global Compact principles	Where to find it in the report
Occupational Health and Safety	403	Management approach GRI 103: Management approach	3, 8		Attracting and retaining talent – who's in charge? – page 21 Health, safety and wellbeing – page 28
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	3, 8		Health, safety and wellbeing – page 28 Health and safety data is externally assured.
Training and Education	404	Management approach GRI 103: Management approach	4, 8		Attracting and retaining talent – who's in charge? – page 21
	404-1	Average hours of training per year per employee	4, 8		Skills, training and development – page 23
	404-2	Programmes for upgrading employee skills and transition assistance programmes	4, 8		Skills, training and development – page 23 Internships and apprenticeships – page 24 Education partnerships
	404-3	Percentage of employees receiving regular performance and career development reviews	4		Skills, training and development – page 23
Diversity and Equal Opportunity	405	Management approach GRI 103: Management approach	5, 8, 10	6	Attracting and retaining talent – who's in charge? – page 21 Diversity and inclusion – page 26
	405-1	Diversity of governance bodies and employees	5, 8, 10	6	Diversity and inclusion – Our data on age, gender and ethnic diversity is externally assured.
	405-2	Ratio of basic salary and remuneration of women to men	5, 8, 10	6	UK Gender Pay Gap report
Non-discrimination	405	Management approach GRI 103: Management approach	5, 8, 16	6	Attracting and retaining talent – who's in charge? – page 21 Diversity and inclusion – page 26
	406-1	Incidents of discrimination and corrective actions taken	5, 8, 16	6	Labour relations We do not report separate data on this. Any cases involving allegations of discrimination against employees are included in the data on employment infringements.
Forced or Compulsory Labour	409	Management approach GRI 103: Management approach	8	1, 2, 4	Supply chain – who's in charge? – page 40 Modern Slavery Act Transparency Statement
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	8	1, 2, 4	Modern slavery – page 41 Modern Slavery Act Transparency Statement
Child Labour	408	Management approach GRI 103: Management approach	8	1, 2, 4	Supply chain – who's in charge? – page 40 Modern Slavery Act Transparency Statement
	408-1	Operations and suppliers at significant risk for incidents of child labour	8	1, 2, 4, 5	Sourcing standards – page 41
Human Rights Assessment	412	Management approach GRI 103: Management approach	8, 16	1, 2	Management and compliance – page 45 Supply chain – who's in charge? – page 40
	412-2	Employee training on human rights policies or procedures	8, 16	1, 2	Human rights – page 41 Human rights is included in our ethics training completed by all employees.
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	8, 16	1, 2	Sourcing standards – page 41
Supplier Social Assessment	414	Management approach GRI 103: Management approach	8	2	Supply chain – who's in charge? – page 40
	414-1	New suppliers that were screened using social criteria	8	2	Sourcing standards – page 41 Supplier selection – page 41
Public Policy	415	Management approach GRI 103: Management approach	16		A stronger offer for our clients – who's in charge? – page 11 Management and compliance – page 45
	415-1	Political contributions	16		Political contributions – page 46 Annual Report & Accounts
Marketing and Labelling	417	Management approach GRI 103: Management approach	16		A stronger offer for our clients – who's in charge? – page 11 Management and compliance – page 45
	417-3	Incidents of non-compliance concerning marketing communications	12, 16		We do not currently report data in this area. Compliance with marketing standards – page 12
Customer Privacy	418	Management approach GRI 103: Management approach	16		A stronger offer for our clients – who's in charge? – page 11 Privacy policies and governance – page 47
	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	16		We do not currently report data in this area. Privacy and data ethics – pages 47 and 48

INDEPENDENT LIMITED ASSURANCE STATEMENT TO: THE STAKEHOLDERS OF WPP PLC

INTRODUCTION AND OBJECTIVES OF WORK

Bureau Veritas UK Limited (Bureau Veritas) has been engaged by WPP plc (WPP) to provide limited assurance of selected sustainability data for inclusion in its Sustainability Report 2018 (the 'report'). This Assurance Statement applies to the related information included within the scope of work described below.

SCOPE OF VERIFICATION

The scope of our work was limited to assurance over the accuracy of the sustainability data listed below and included in this report. Our work includes all global operations under WPP's control for the period of 1 January 2018 to 31 December 2018 for the following indicators ('Selected Information'):

GHG EMISSIONS & ASSOCIATED ACTIVITY DATA

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

EMPLOYMENT DATA

- Age and gender data
- Ethnicity data (UK and 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

LIMITATIONS AND EXCLUSIONS

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

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

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

RESPONSIBILITIES

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

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

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

ASSESSMENT STANDARD

We performed our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after 15 December).

SUMMARY OF WORK PERFORMED

As part of the independent verification, Bureau Veritas undertook:

- interviews with relevant personnel of WPP responsible for GHG emissions accounting, waste data, H&S and employment data;
- a review of WPP information systems and methodology for data collection, aggregation, and analysis;
- a review of information and calculations used to determine GHG emissions, including the relevant activity data and the emissions factors applied;
- a remote review of a sample of the Selected Information against the corresponding source documentation from 10 of WPP's operations worldwide. The operations were selected on a risk basis, taking into account energy consumption, geographical coverage and head count;
- the electricity consumption and H&S data from one operation was eventually removed from our sample, due to the site being unable to provide supporting evidence within the deadline for verification;
- the gender diversity data for another site was removed from our sample, also due to the site being unable to provide supporting evidence within the deadline for verification. These did not have a material impact on the sample and the conclusion drawn thereof;
- physical visits to five additional WPP operations: GroupM Essence Digital US, New York; Wunderman Salmon UK, Watford; Kantar, Hyderabad; WPP AUNZ Corporate Head Office, Sydney; CMI Compass, Philadelphia; and
- a review of the consolidated 2018 data to check end of year accounting and accurate transposition.

CONCLUSION

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

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

REPORTED GHG EMISSIONS

Scope 1:

8,851 tonnes of CO₂e

Scope 2 (location based):

114,234 tonnes of CO₂e

Scope 2 (market based):

91,012 tonnes of CO₂e

Scope 3 (air travel):

85,459 tonnes CO₂e

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

STATEMENT OF INDEPENDENCE, INTEGRITY AND COMPETENCE

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

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

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



Bureau Veritas UK Limited

London
14th March 2019

¹ Certificate of Registration FS 34143 issued by BSI Assurance UK Limited.

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

QUANTIFYING OUR IMPACTS: METHODOLOGY AND RESULTS

This section explains the results, principles, methods and data used in quantifying the economic, social and environmental impacts associated with our operations. See Quantifying our Impacts for a summary of the results. This analysis was carried out with Sustain Value and is based on established social and environmental accounting techniques.

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

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

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

ECONOMIC IMPACT

We considered the benefits associated with our economic activities including salaries, payments to supplier partners, taxes to governments and dividends to shareholders.

As for previous years, our analysis shows a significant direct positive contribution to economies as well as a significant multiplier effect from the salaries and payments we make, which enable our people to buy goods and services and our supplier partners to create jobs and spend in the economy.

GROSS VALUE ADDED: £12.8 BILLION ECONOMIC IMPACT

The direct contribution our activities make to the worldwide economy is measured as Gross Value Added (GVA). This is calculated as the financial value of the services we sell minus the cost of all inputs directly related to delivery of these services. The value of services we produce stands at £12.8 billion for 2018. This income is used to cover operating costs and taxes, and dividends.

PAYROLL: £8.2 BILLION IN SALARIES AND BENEFITS

We are a major global employer, offering many thousands of well-remunerated positions. The £8.2 billion we spend on salaries and benefits (excluding social security costs) provides a cash injection into local economies in the 112 countries in which we operate. Our contribution through payroll is calculated based on the aforementioned items as disclosed in the Company's audited financial statements for 2018.

TAXES: £1.6 BILLION PAID TO GOVERNMENTS

Payments of taxes to national and local governments, including corporation and overseas taxes (£384 million), employer and employee taxes including estimated social security (totalling £1.2 billion) and other taxes (primarily property taxes) (£64 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 2018.

SUPPLY CHAIN: £2.7 BILLION INDIRECT ECONOMIC BENEFIT

Our companies procure a range of services worldwide. This spending provides indirect benefits to economies by supporting livelihoods and job creation.

In 2018, we spent an estimated £4.9 billion with our supplier partners. This figure was derived based on a GVA multiplier assessment undertaken last year using 2016-17 procurement spend. Data 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 last year's Impact Valuation Report. That multiplier was established by analysing our expenditure on suppliers broken down by country, sector and type of spend. The 2016-17 spend for each sector was converted into an estimate of GVA using gross value added data from relevant sectors obtained from UNdata.

There are several limitations associated with this approach worth noting. Firstly, we are assuming the same broad pattern of expenditure as for the 2017 data which was used to obtain a weighted average overall % GVA that is applied to the total 2018 spend. Secondly, we only focused on those countries with the greatest spend (top 15 out of 62 countries, representing 96% of overall expenditure). Finally, around 10% of the spend was recorded as "uncategorisable" and assumed to have an average GVA spend multiplier.

INDIRECT CLIENT IMPACT: NOT QUANTIFIED

The communications services we provide create a further indirect benefit by helping our clients to increase their revenues, which stimulates growth and helps create jobs. However, we also recognise that the associated increase in production and consumption will result in other indirect environmental and social costs. We are still considering ways of measuring these.

SOCIAL IMPACT

Our companies support social and charitable activities through cash donations, by undertaking pro bono work (marketing advice and campaigns for little or no fee) and negotiating free media space for charity campaigns. This has an impact by helping charities to achieve campaign objectives, raise funds and recruit new members, and indirectly contributes to improving human health and community cohesion, and the protection of human rights and the environment.

Our companies provide internship and apprenticeship opportunities, which equip people with skills and experience that enhance their future life prospects. In addition, our companies train staff at all levels. This not only improves WPP's performance, but also enhances the human capital (eg skills base) within the Company.

PRO BONO WORK: C.£91 MILLION SOCIAL BENEFIT

The direct value of our pro bono work was £11.3 million in 2018, 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 £91 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) two years ago to ascertain the average social return on investment (SROI) ratio generated by the same categories as those represented by the pro bono work undertaken. This includes arts, education, environment, health, human rights and local community.

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

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

CHARITABLE DONATIONS: C.£49 MILLION SOCIAL BENEFIT

In 2018, the Company's direct charitable donations were £6.2 million. These donations support important work in areas such as education, health, human rights, local community, environment and the arts. The overall value of social benefits resulting from these donations is estimated to be around £49 million.

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

FREE MEDIA SPACE: C.£191 MILLION OF SOCIAL BENEFIT FACILITATED

WPP has also helped negotiate free media space for our pro bono clients worth £23.8 million in 2018. This represents the cost saving to our pro bono clients for them not to have to purchase media space for their environmental and social campaigns. For the purposes of this assessment, we have assumed that free media space has an impact similar to that of the pro bono work and charitable donations, calculated to be around £191 million. As there is no breakdown of spend by category for this, we have applied an overall weighted average SROI ratio based on the ratios and spend for pro bono work and charitable donations.

INTERNSHIPS AND APPRENTICESHIPS: £9.9 MILLION SOCIAL BENEFIT

In 2018, we provided 9,852 paid internship and apprenticeship positions across the Group. We estimate these create benefits worth £9.9 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: £39.8 MILLION MINIMUM SOCIETAL BENEFIT

In 2018, WPP spent £39.8 million on training courses for staff at all levels, with additional travel, accommodation and subsistence costs of £5.7 million also being incurred. The £39.8 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 added value to staff in subsequent reports.

SUPPLIER DIVERSITY SPEND

In 2018, WPP collated data for the first time on supplier diversity in relation to its US supplier spend. In total, 2.1% was spent on diverse suppliers (the equivalent of £81 million out of £3.8 billion), of which 64% was on women owned business enterprises, 17% on minority and woman-owned business enterprises, 10% on Minority Business Enterprises and 10% on "other". Overall there was an equal split between spend on certified and classified diverse enterprises. Collation of equivalent WPP data spend for supplier diversity in other countries is currently under consideration.

Benefits associated with business supplier diversity spend are gained by the purchasing business itself, the suppliers, and the wider economy. A widely referenced survey of manufacturing and service companies found that companies focusing "heavily on supplier diversity" generated \$3.6 million in revenue for every \$1 million in procurement costs, a 133% greater return than realised by those who did not (Barreda et al. 2016). A range of benefits accrue to companies spending on diverse suppliers through cost-saving and greater innovation and flexibility. These benefits will ultimately manifest themselves in WPP's financial accounts through increased revenues, profits and cost savings.

Benefits to the suppliers themselves include potentially more rapid growth and a boost in morale and performance. However, perhaps the most significant benefit is the potential knock-on economic impacts within the local and national economy. For example, CVS Health (2017) spent \$2.3 billion on diverse suppliers, which had a knock-on (multiplier) effect of an additional \$1.6 billion indirect spend in the supply chain and a further \$1.9 billion induced spend in the community (giving an economic impact spend multiplier of 2.52). All supplier spend will have similar such associated economic impacts, but with supplier diversity the jobs and expenditures often reach the more vulnerable and more needy local economies. Further work is needed to quantify the impacts of our spend with diverse suppliers.

ENVIRONMENTAL IMPACTS

Climate change remains our most significant environmental impact. We have also analysed impacts associated with waste disposal.

GREENHOUSE GAS EMISSIONS: £3.8 MILLION NET COST TO SOCIETY

Currently, businesses such as ours do not bear the environmental costs of mitigating their greenhouse gas (GHG) emissions. This service is provided for free by nature or at the cost of future generations. The hidden cost of our emissions was £7.7 million in 2018. This calculation takes into account our GHG emissions from energy and business air travel (but excludes other estimated impacts such as leased cars, taxis and couriers) as well as the benefits resulting from our green electricity purchasing (zero emissions assumed). With our investments in renewable energy offsets included (see below), our net cost to society is £3.8 million.

In 2018, WPP invested in renewable energy projects to offset 85,459 tCO₂e emissions associated with climate change impacts of business air travel. Based on the assumed social cost of carbon, this represents a positive societal impact of £3.3 million. In addition, WPP purchased renewable energy certificates (RECs) in the US, equivalent to saving 16,851 tCO₂e, with an assumed societal value of £0.6 million.

The basis of the above GHG calculations is that each tonne of GHG released into the atmosphere damages society, the environment and the economy by impacting on, for example, climate, health, and the built environment. The economic cost of this damage is called the social cost of carbon. Many studies have identified a range of estimates for the social cost of carbon. The estimates span from 0 to over £400/tCO₂e as they take into account uncertainties in climate and climate change impacts.

For consistency, we applied the same approach and value as 2014 (based on the Stern Report), but adjusted upwards to allow for inflation (ie £38.23 tCO₂e). For transparency, we split the value into the negative impact of our gross emissions and the positive impact of our carbon offsets. In addition, we assume zero emissions for the purchase of renewable electricity. We have been recording our emissions in line with international standards since 2006 and as part of our reporting process we capture scope 1, scope 2 and a number of scope 3 emissions.

WASTE DISPOSAL: £0.14 MILLION COST TO SOCIETY

While 54% of WPP's waste was recycled in 2018, 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 £143,000, which relates to GHG and other air emissions, leachate and other associated disamenity 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. This year the social cost of carbon component of the different waste disposal impacts (a significant component of the overall societal cost) has been updated to be in line with social cost of carbon used in the GHG calculations. More detailed country-specific costs could be estimated.

References

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- Stern, N. (2007) *Stern Review: The Economics of Climate Change*. Cambridge University Press.
- [UNdata \(2018\)](#).

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