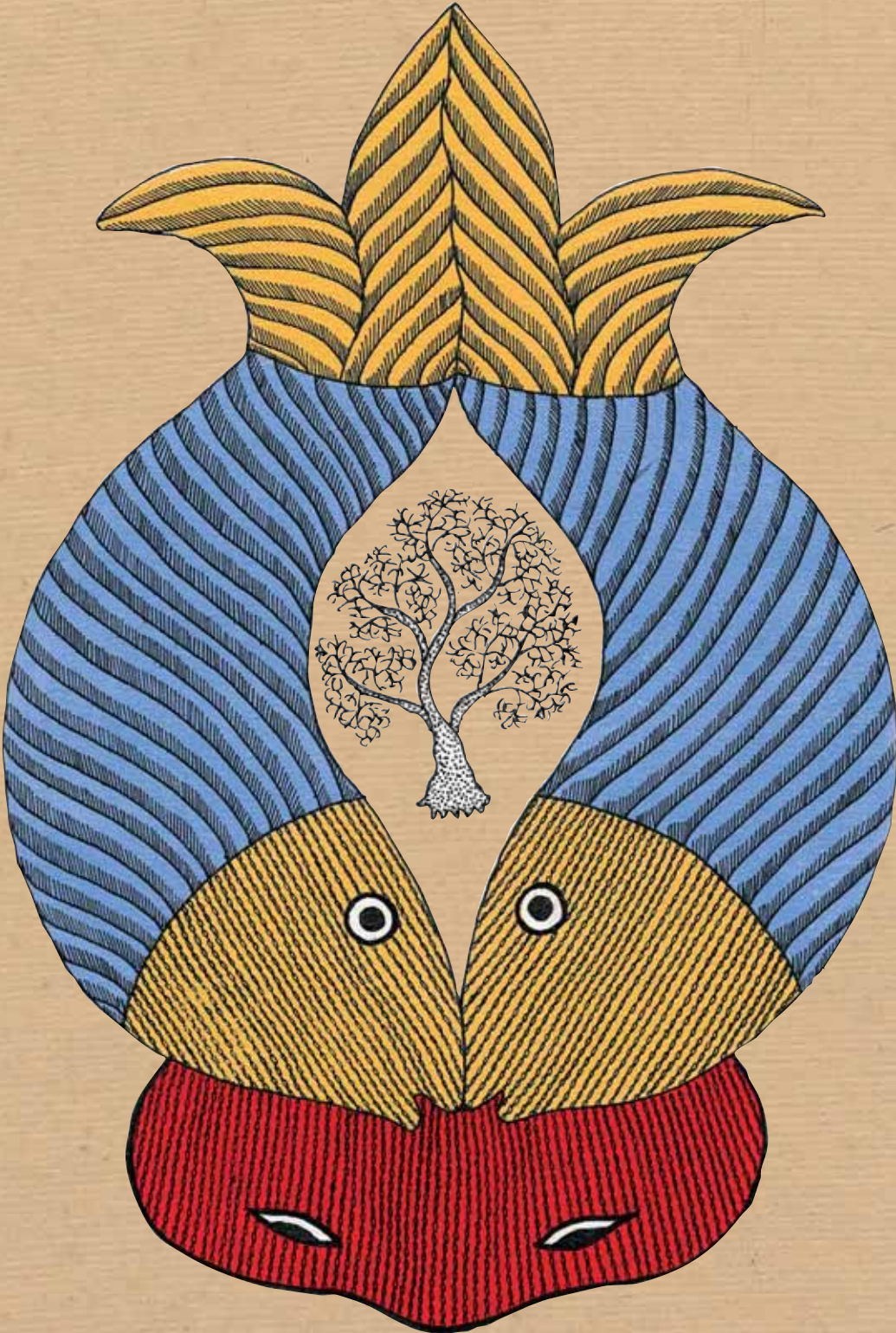


WPP

Corporate Responsibility Report 2005-2006



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Who we are

WPP is one of the world's largest communications services groups made up of leading companies in:

Advertising
Media investment management
Information, insight & consultancy
Public relations & public affairs
Branding & identity
Healthcare communications
Direct, promotion & relationship marketing
Specialist communications



Every WPP company is a distinctive brand in its own right; all with their own identities and own areas of expertise. That is their strength. What they have in common is in harnessing intelligence, talent and experience to bring competitive advantage to their clients.

Through our companies and associates, WPP offers a comprehensive and, when appropriate, integrated range of communications services to national, multinational and global clients.

Our companies work with more than 300 of the Fortune Global 500; over one-half of the NASDAQ 100 and over 30 of the Fortune e-50. Over 390 clients are served in three or more disciplines; more than 270 clients are served in four disciplines; these clients account for around 60% of Group revenues. The Group also works with nearly 220 clients in six or more countries.

Collectively the Group has nearly 97,000* people working in over 2,000 offices in 106 countries.

* Including associates.



How CR affects us



From the CEO

Until relatively recently, companies considered themselves to be good citizens if they paid their taxes, complied with the law – and maybe supported a few good causes. They seldom paused to consider their wider relationship with society, nor were they expected to. Indeed, corporate law seemed to discourage them from doing so; the duty of directors was clearly established as protecting the interests of their shareholders. Stakeholders, either as a word or concept, hadn't yet been born.

Today, two great developments have made change inevitable. Corporations have grown inexorably in size and influence; and there's a long-overdue recognition of our planet's huge and fast-impending issues.

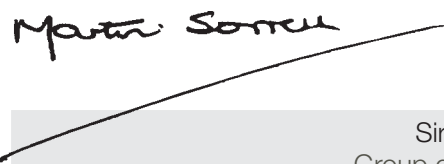
No longer can citizens confidently expect governments alone to sort things out. Throughout the world, the role of multinational corporations is being reappraised. If our planet's problems are to be contained, many of those companies, themselves as big and as rich as entire advanced nations, will need to play a great and growing part. To quote the Association of British Insurers, "Corporate responsibility is about how a company makes its money; not how it gives it away."

At WPP, we have never seen responsible corporate behaviour as a coat of public relations varnish. We have always seen it as a central ingredient of doing business. As the public, the commentators, the analysts, the media and governments all now expect big business to practice responsible behaviour, there are commercial

penalties to be paid by those who do not. In other words, as the issues become more urgent and more widely felt, corporate responsibility has shifted from being a voluntary and often reluctant add-on to a central prerequisite for market success. Perhaps for the first time, there is an almost complete coincidence of interest between producer and consumer: ethical behaviour is demanded by the consumer and must therefore be openly delivered by the producer.

For companies, the implications are profound and permanent. Research and Development programs need to address new challenges. Sustainability and environmental sensitivity edge their way steadily towards the top of the list – and not just because of the selfless philanthropy of the producers but because these are qualities that consumers increasingly value and for which they will even be prepared to pay a premium.

It's against this modestly encouraging background that we are happy to present in this report, not only a review of how we behave, but also evidence of the work that WPP companies are currently undertaking on behalf of their clients; including pro bono assignments.



Sir Martin Sorrell
Group chief executive

Investor and client perspectives

An investor's view

“The Goldman Sachs Media ESG framework (February 2006) is a proxy for overall management quality to identify companies best positioned for long-term performance in the sector. The ESG framework is designed to quantify performance on environmental, social and governance criteria, thematic leadership, and cash returns on investment. Given that two-thirds of the sector’s asset base is comprised of intangibles, and almost half of the costs relate to human and intellectual capital, we view leadership on ESG issues simply as superior management of the assets of media companies.

“Media companies are human capital businesses and, as such, attracting and retaining the best talent in the industry is essential for long-run survival. In an increasingly competitive environment fraught with challenges including new players, emerging technologies, proliferation of distribution channels and changing consumer tastes, media companies are more reliant upon the creativity and innovation of their employees than ever before.

“We believe that media companies which invest in communities, market responsibly, put mechanisms in place to avoid conflicts of interest, and promote environmental and social issues may improve their ability to expand their reach as well as attract and retain employees passionate about such issues. In addition, companies demonstrating leadership in environmental performance are likely to manage business operations in a similarly efficient manner.”

Jean-Michel Bonamy and Sarah Forrest
Goldman Sachs Research

A client's view

“HSBC has always had a strong sense of responsibility to the communities and geographies it operates in. We have developed many different programs over the years with a strong philanthropic philosophy. Our focus is on education and the environment.

“It is increasingly clear that many consumers now use the issues surrounding the responsibility of companies as a way to differentiate them and to express preference and loyalty. The rise of such phenomena as fair trade products and investment funds that are described as socially responsible are manifest evidence of the needs for companies to behave in the right way as it will generate a healthier business in the long term.

“At HSBC we prefer business partners who share our principles and operate active programs in this arena. We are very supportive of the stance WPP takes in this space and believe it is a contributing factor in the two organisations’ continuing respect for each other.”

Chris Clark, Head of Market Planning
HSBC

Details of Goldman Sachs’ Media ESG (environmental, social and governance) framework and rating of WPP are on page 55.

Our significant issues

Corporate responsibility covers a wide range of issues. Its relevance is still being defined for the media sector. We want to play our part in setting the CR agenda and have consulted widely to identify the three most significant CR issues for our business. These are:

- 1** **The impact of our work** including marketing ethics, compliance with marketing standards, protection of consumer privacy, social and cause-related marketing.
- 2** **Employment** including diversity and equal opportunities, business ethics, employee development, remuneration, communication and health and safety.
- 3** **Social investment** including pro bono work, donations to charity and employee volunteering.

These issues represent opportunities for us to strengthen our business by enhancing our reputation with clients and our people. In the event of poor performance or serious and high-profile failures, the first two of these could also present a potential reputational risk to the business. Of less significance, but still part of our CR program, are our environmental impact and our suppliers' CR performance.

Our significant issues

From brief to consumer

CR issues occur at every stage in the development of marketing campaigns and materials: from the way our businesses and offices are run and how our people are treated, to the work produced for clients and the impact it makes.



Our significant issues

Business management

Employment and diversity

Strong employment policies and attractive benefits packages are essential to recruit and retain the most talented and innovative people. A diverse workforce is more creative and can better understand diverse global audiences.

Social investment

Supporting charities and good causes is part of being a responsible business.

Offices

Offices have an impact on the environment through energy use, waste and business travel.

Suppliers

We want our suppliers to meet high standards on the environment and employment practices.

Client briefs

CR is a business advantage

Clients want to do business with companies that share their values and can communicate their environmental and social credentials.

Business ethics

A reputation for operating openly and ethically is essential to maintaining the confidence of investors and clients.

Social awareness

Attitudes to humour, sexuality, religion, alcohol and many other topics differ greatly around the world. WPP companies must understand the changing social agenda so they can give the best advice to clients and create appropriate marketing communications for them.

Privacy

Market research and direct marketing companies must comply with data protection laws and ensure that consumer data is only obtained and used with consent.

Cause-related and social marketing

Linking brands and charities through marketing campaigns can benefit both parties. Social marketing

helps raise public awareness of social and environmental issues and change behaviour.

Pro bono work

Pro bono work for charities at no, or minimal, cost is more valuable than a simple donation and provides creative opportunities for the company.

Creative solutions

Marketing ethics

All marketing should present products fairly and accurately, comply with the law and marketing codes and reflect changing attitudes to questions of taste and decency.

Diversity

Marketing that represents the diversity of the population makes the clients' product appeal to the widest possible audience.

Media planning

Media buying

Media planning and buying businesses must find the most appropriate time and place for ads to run. For instance, TV campaigns featuring products unsuitable for children shouldn't be shown during the day or early evening.

Consumer impact

Marketing for social good

Marketing can raise awareness of environmental and social issues and help to change behaviour. Mainstream campaigns for clients that incorporate elements of CR also raise awareness while enhancing the clients' brand.

Accepting responsibility

Occasionally complaints are made against marketing campaigns. The company must co-operate fully with the government or industry bodies that adjudicate complaints.

CR in the marketplace

WPP companies encounter CR issues in many different markets and countries. They use their expertise to understand the pressures for change and to advise clients on the implications for their business.

Here, two WPP company people share their professional insights and demonstrate the increasing relevance of CR to marketing services.

The first essay describes how ethical issues now affect the choices many consumers make. **Marian Salzman, JWT**, says that values-orientated brands can win over shoppers who care where and how products are made, demonstrating the increasing relevance of CR to marketing services.

In the second essay **Kunal Sinha, Ogilvy & Mather**, explores the new marketing techniques needed to reach poor consumers in developing countries and looks at how brands can contribute to economic and social development.

Marketing with a point of view

Marian Salzman, JWT

The allure of lifestyle

Consumers are interested in buying a mindset rather than just merchandise. They're drawn to the shop that offers a point of view, where they can go as much for the vibe and the experience as for the goods on sale.

What's its source?

As the world becomes more connected and brands more accessible, where brands come from is increasingly important. A growing number of people want their money to stay local to support neighbourhood stores, and to create and protect local jobs.

There's also rising interest in brands that reflect national traits. Spanish shoemaker Camper emphasises the local and rural over the global and urban, and has built a positioning around slowness: "Walk, don't run." "We are part of globalisation, but we get our values from the Mallorcan countryside," says Miguel Fluxa, the son of Camper's founder. Designer Paul Smith's quirky clothes evoke British individuality and eccentricity, while Tommy Hilfiger's ads champion America with fresh-faced models sporting red, white and blue. Smaller brands such as Maple Grove Farms of Vermont use their names and packaging to recall gentler times when ladies made jams and pancakes from scratch.

BuyAmerican.com is for people "passionate about America and purchasing quality American-made products." It represents

more than 600 American manufacturers selling thousands of products made in the US.

Expect to see more national brands as part of a made-in-China backlash. While consumers want ultracheap goods, they also fear Chinese manufacturing and production power. And some are boycotting brands because of manufacturing policies.

But of course the rise of national brands won't change the success of many global brands overnight.*

The rise of ethical consumers

Shopping with a conscience is now cool. Rockers Bono of U2 and Chris Martin of Coldplay promote fair trade, and actors Cameron Diaz and Leonardo DiCaprio drive the environmentally-friendly Toyota Prius.

Choosing fair trade or organic is becoming less motivated by health concerns and more motivated by the broader issues of sustainability. In the UK, for example, the market for ethically-made clothes has grown 30% since 2003, to £43 million, according to the Co-operative Bank's *2005 Ethical Consumerism Report*. UK supermarket chain Sainsbury's estimates it will sell between £45 million and £50 million worth of fair trade products in 2006, a 50% increase year-on-year over the previous two years.

Marks & Spencer was the first major UK retailer to sell clothing made from 100% fair trade cotton. The chain's *Look Behind the Label* campaign tells customers how its products are sourced and made (see page 23).

The American Apparel chain, meanwhile, claims it pays the highest wages in the fashion industry and sells a line made with certified organic cotton. The merchandise is even logo-free, for consumers who, as CEO Dov Charney puts it,

spurn the "false tribalism of the brand scheme." The formula seems to be working: The chain opened its first store in 2003 and now has upward of 100 outlets worldwide.

Growing awareness of ethical issues now affects consumer choices. Market research firm Datamonitor expects that loyal consumers of natural food, drinks, and personal-care products in Europe and the US will almost double from 89 million in 2004 to 173 million by 2009 (representing almost a quarter of loyal consumers).

Companies are providing ways to participate in ethical consumption. American Express has signed up to ethical campaign Red, donating 1% of Red Card users' spending to fight HIV/AIDS in Africa, and the phone company Working Assets donates a portion of its fees to advance global causes.

Along with the rise of ethical consumption comes great interest in corporate responsibility, but despite companies' efforts to demonstrate ethical behaviour, consumers don't trust them. Research commissioned by design consultants Fitch found that 68% don't believe brands are interested in improving consumers' lives.

Implications for the marketing services industry

With the rise of ethical consumers willing to pay a premium for 'natural,' 'green,' or socially-conscious products will come an increase in big marketers buying into values-oriented ventures. Already this year, Colgate has taken a majority stake in Tom's of Maine, the all-natural personal-care brand, and L'Oréal snapped up The Body Shop. These marketers follow Unilever's 2000 purchase of Ben & Jerry's, the ice cream chain, which champions sustainable food production and supports family farms and rural communities.

* In describing national brands, one is not advocating them, but rather describing the phenomenon.

The challenge for the acquirers will be to align themselves to their purchases just enough to reap the halo effect without sacrificing the small brands' home-grown, socially conscious appeal that consumers have come to love and trust.

Being a consumer can often make you feel selfish, but buying from ethically-minded companies can make you feel selfless. More and more, companies will take heed and lose non-biodegradable packaging, non-renewable resources and wasteful production practices in favour of supporting sustainability. And they will win consumers over.

Where does JWT, as an advertising agency, come in? We need to help marketers communicate their cause-related actions or people- and planet-friendly products and services in a simple, subtle way, just like the packaging that ethical consumers favour. For a company to come across as responsible rather than just opportunistic, its messaging cannot be in-your-face or gratuitous.

Word of mouth and grassroots efforts fuelled by our strategic thinking and messaging will play a large part. We can use research and polling techniques to monitor communications that are being fed into social networks, which can be extremely influential. And we can never underestimate the power of celebrity endorsement, especially when it comes from personalities with universal and global appeal (à la Bono). In the words of Bono: "It's sexy to want to change the world." It's time that we, and the marketers we work with, amp up our sex appeal to new, heightened levels.

Reaching poor Indian consumers

Kunal Sinha, Ogilvy & Mather, China
(formerly Ogilvy & Mather, India)

Traditionally, major companies operating in India and other emerging economies have focused on upper and middle-class, urban, 'elite' consumers. Poor and rural consumers have lacked sufficient purchasing power and accessibility.

This is now changing. Businesses are waking up to what the business academic C.K. Prahalad describes as the "fortune at the bottom of the pyramid." Governments and multilateral agencies are recognising that business can help alleviate poverty and achieve the UN's Millennium Development Goals. Introducing commercial activities in poor areas can create micro-enterprises and sustainable livelihoods for people who would otherwise be without an income.

Today the poor market represents the biggest potential growth opportunity for consumer marketers. In India alone there are 125 million poor households with a combined income of \$378 billion. Demand among poor young consumers has increased, due to rising product exposure through mass media and more frequent travel in search of better livelihoods.

So how can marketers gain a foothold in the poor market while adding social value?

For the last decade, Ogilvy & Mather (O&M) has operated a division in India that specialises in reaching low-income consumers. Here, are some of the lessons we have learned.

Researching the underserved

Conventional market research techniques come unstuck when used to understand the poor consumer, as they tend to focus on individual, rather than group decision-making.

Ogilvy India has adapted Participatory Rural Appraisal (PRA) techniques used by development agencies to understand the needs, motivations and drivers of poor communities, and to map communication opportunities in rural India.

The PRA technique involves asking respondents to describe the kinds of lives they lead; collectively. It examines the dynamics of their social environment, for example:

- A Village Mapping exercise, whereby groups of villagers draw a map of the village. This tells us about different caste and community clusters, where the important congregation points are, and where and when group communications occur.
- A Wealth Mapping exercise provides economic data and tells us about villagers' aspirations (which they are often reluctant to articulate directly).
- A Time Line conversation tells us what significant events have altered the community – the first TV set or a drought – and which people were early to adopt change.

These tools can help us define clusters of consumers and determine their propensity and motivations for change as well as giving us a rich store of images and stories for use in local communications.

Communications planning for the underserved market

How can marketers communicate with consumers who have no exposure to TV, radio, print or cinema? O&M's media index shows that only 13% of rural India is media live, 45% is media grey, and 42% is media dark.

In these regions the focus has to be on creating spokespersons for the brand at the community level. For example at folk performances or demonstrations at traditional haats (weekly bazaars) and melas (fairs).

Language and culture are more important in identifying opportunities for communication than geography and income. Local dialects and visual styles should be key components in the development of any grassroots-level marketing communication. Local styles of illustration are likely to elicit greater empathy with the message than a neutral photographic style.

Business models

Products for poor markets have to be cheaper and therefore simpler, stripped down to the key elements most important to the end consumer. Distribution is likely to be more reliant on direct, relationship-oriented channels, often using third parties.

To keep costs low, O&M and its clients have found it useful to plan distribution and communication channels in tandem. There is less reliance on brand-building advertising than on targeted promotions and support services.

We discovered that demonstration is a far more effective communication tool than analogies and metaphors which are grounded in culture and are likely to change every few hundred kilometres in rural India. Demonstrations, on the other hand, allow the rural audience to immediately see the product benefits.

Targeted promotions – including sampling – help change long-entrenched behaviour and shift consumers from commodities to brands. For the shampoo Clinic Plus, we created a talent competition for mothers and daughters with wet demonstrations of the product. Some 250 million rural consumers participated, resulting in an 8% increase in the user base for the brand.

Creating social value

Are brands marketed to the poor being exploitative, persuading already cash-strapped people to spend money on unnecessary goods? O&M believes otherwise, and so do its clients. There are significant positive social impacts to be gained through marketing to the poor. Existing small businesses can generate additional income, while new distribution channels can provide an income for people previously without work.

For example, Hindustan Lever created *Project Shakti* to tap into the growing number of women's self-help groups in the Indian countryside. The company helps to train women to become local distributors of products such as Lifebuoy and Surf. This enables these women to send their daughters to school, lifting the next generation out of poverty.

There can also be desirable spin-off gains from commercial involvement in the countryside, for example:

- Using Indian folk performances to promote brands provides artists with an income outside festival times and helps keep their art form alive.
- When drought hit western India, Castrol (the engine oil manufacturer) and O&M educated 30,000 farmers on drought-proofing their land. This saved lives and generated goodwill for the brand (85% of consumers surveyed perceived the brand as friendly and caring).

Success in the poor market requires a change of mindset. If an organisation's focus is on short-term profits alone, chances are it will not succeed in serving the poor market. If, on the other hand, the objective is to catalyse social and economic change at the grassroots, the long-term pay-off is likely to be significant, both for the company and the local population.

This article is based on a longer essay published in Business Solutions for the Global Poor: Creating Social and Economic Value.

How we work



Corporate responsibility is relevant to all aspects of our business, from the work WPP companies create for clients to relationships with employees and the steps we take to reduce our impact on the environment. This section explains how we approach corporate responsibility in these areas.

The impact of our work

The most significant area of WPP's corporate responsibility is the work of our companies. The advertisements, marketing material and other communications WPP companies produce on behalf of clients are seen and read by millions of people worldwide every day. Our work transcends nations, races, cultures, ages and demographic groups. We sell products and influence opinion and behaviour. We lobby government and regulators. We educate the public on behalf of governments. We develop campaigns for pressure groups and help them raise funds. We are at the core of global commercial, political and social communication.

With so many marketing and communications assignments undertaken, WPP and its companies have to be clear about the principles they bring to their work. Our Code of Business Conduct (see page 57) states:

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

"We will comply with all applicable local laws and regulations, and any other laws with an international reach, such as the US Foreign Corrupt Practices Act, where relevant."

Our CR Policy (see page 58) further states:

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

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

We recognise our responsibility to present products fairly and accurately, comply with the law and marketing codes, protect customer privacy and reflect changing public attitudes to questions of taste and decency or marketing of sensitive products. Beyond this we believe that social and environmental challenges will increasingly engage the marketing industry.

CR in our client work

New products, for example those that reduce society's impact on climate change, require new marketing approaches to succeed. Our companies' commercial and creative abilities play a role in promoting the sustainable consumption patterns of the future.

In this section, we profile campaigns for four clients which contain work with an environmental or social dimension. This work is indicative of a trend emerging in many markets around the world.

What on earth is a carbon footprint?

Everybody in the world has one. It's the amount of carbon dioxide emitted each year due to the energy we use. Calculate the size of your household carbon footprint, learn how you can reduce it, and how we're reducing ours at bp.com/carbonfootprint



beyond petroleum®

© 2006 BP plc

bp.com

Campaign: Calculate Your Carbon Footprint
Client: BP
WPP company: Ogilvy & Mather

BP's *Calculate Your Carbon Footprint* campaign was part of a larger initiative to position BP as an environmentally responsible company. The ads invite people to visit BP's website, calculate their carbon footprint and find out how BP is reducing its own carbon emissions.

The campaign was conceived by Ogilvy & Mather and driven by BP's commitment to environmental and social responsibility. It is targeted at opinion formers – for example in the media, business or government – rather than consumers.

Research showed that concern about climate change is not matched by knowledge about how to reduce climate impact. The BP website answers these questions and shows how BP is taking concrete steps in the area of carbon reduction.

The campaign, which has so far appeared in the UK, US and Germany has been very successful – with almost 800,000 hits to the website in the first six months. Market research in the US and UK showed that favourability towards BP increased following the campaign, and that BP is now well associated with BP Alternative Energy, its new low-carbon power business, and its efforts to reduce carbon emissions.

Ogilvy has worked with BP for over five years and was one of two WPP companies (with Landor) that created BP's new brand in 2000. This introduced the helios logo and Beyond Petroleum strapline – indicating BP's commitment to a low-carbon future.

“

This sort of campaign will be seen as greenwash if it isn't backed up by genuine actions and proof points. This campaign works for BP because they walk the talk – their commitment to environmental responsibility is led from the top by Lord Browne, their Chief Executive, and embedded in the values of the company.

”

Ken Wright, Global Brand Director
Ogilvy & Mather

“

The real power of the carbon footprint communication is its ability to educate and engage our audiences. Unlike traditional corporate advertising, we wanted to start a dialogue about energy issues and offer up the possibility that both BP and society as a whole have a role to play in reducing their impact on the environment.

”

David Welch, Director
BP Brand Communications



half empty?
 half full?

Does sexiness depend on how full your cups are? Join the beauty debate.

campaignforrealbeauty.co.uk  | *Dove*



wrinkled?
 wonderful?

Will society ever accept 'old' can be beautiful? Join the beauty debate.

campaignforrealbeauty.co.uk  | *Dove*

Campaign: Campaign for Real Beauty
Client: Dove (a Unilever brand)
WPP company: Ogilvy & Mather

Dove's *Campaign for Real Beauty* features real women (not models) and celebrates each one's unique beauty. It shows that beauty is something personal and attainable.

The challenge for Ogilvy & Mather was to create a campaign that engaged the consumer and communicated Dove's brand value – Real.

The agency came up with a concept that goes against the grain of conventional beauty advertising. Most product advertising uses photos that have been retouched to create a more 'perfect' image. The team felt that rather than engaging the consumer, this kind of advertising makes women feel ugly and undermines their self-esteem. Research with leading academics, doctors and thinkers confirmed this view. It showed that low self-esteem among young women can also contribute to eating disorders and other problems.

The *Campaign for Real Beauty* promotes beauty that is real, individual and achievable. Ads were adapted for each market to challenge local stereotypes. For example, in Brazil they featured a woman with small breasts. In Japan the campaign broached the subject of eyelid surgery.

The campaign has generated a huge amount of press coverage and debate, and has even been featured on the Oprah Winfrey show, the number one daytime TV show in the US. In the first three months it was covered in 800 publications in 15 European countries, inspiring a debate on what beauty means. It received the Cannes Dove 2005 award (not related to the Dove brand) for contribution to Sustainable Development Advertising.

Dove has now launched the Dove Self-Esteem Fund to support organisations such as the UK Eating Disorders Association (EDA) which is developing new ways to increase self-esteem.



The success of this campaign shows that with the right idea there is no conflict between the commercial and social agenda. This isn't an anti-beauty campaign – it's about making beauty personal and achievable. This makes the customer feel good about Dove and about herself.

Daryl Fielding, Global Category Partner
Ogilvy & Mather

Our ready meals lack a certain something. Hydrogenated fats.

We've removed all the hydrogenated fats from our ready meals and are working to do the same to all our food. The finest ingredients, delicious sauces and a pinch of seasoning are the only things on the menu when it comes to preparing our Cook! Ready Meals. They are also 100% additive free. And without affecting the taste, all our ready meals and Children's Eat Well range are also free from artificial colours, flavouring and flavour enhancers. With our clear labelling policy, you'll always know what you're eating and what you're not. www.marksandspencer.com



YOUR M&S
look behind the label

There's nothing woolly about our commitment to animal welfare.

We're not just fashion conscious, we're conscious about how fashion is made. We have a strict anti-fur policy and continue our complete ban on use of endangered species. These are some of the measures that led the RSPCA to vote us the No. 1 fashion retailer for animal welfare in 2005. The same principles apply to the food we sell. Our Oskham Chickens have been commended by the RSPCA and CWF too. After all, we are a nation of animal lovers. www.marksandspencer.com



YOUR M&S
look behind the label

Campaign: Look Behind the Label
Client: Marks & Spencer
WPP company: Rainey Kelly Campbell Roalfe/Y&R

Marks & Spencer (M&S), the UK retailer, invites consumers to “look behind the label” and see how its products are sourced and made.

The campaign is part of a drive to increase awareness of M&S product quality. It positions M&S as a leader on sourcing practices and environmental, ethical and quality standards and differentiates the company from other food and clothing brands.

A YouGov survey commissioned by M&S in January 2006 showed consumers are thinking more about ethical and health issues when they buy clothing and food. Almost one-third said they had decided not to buy an item of clothing because they felt concerned about where it had come from or under what conditions it had been made. 59% said they had avoided buying a food product due to similar concerns. 78% said they would like to know more about the way clothes are made, including the conditions in the factories where they come from and the use of chemicals in their manufacture.

RKCR/Y&R worked with M&S to identify a series of strong messages about the health, quality and environmental aspects of M&S products. The ads, which appeared in the press and all store windows, featured striking imagery and hard-hitting product stories from sustainable fishing to animal welfare to fair trade to the salt content of M&S food. The range of examples from all areas of the business demonstrates M&S's investment in quality right across its supply chain – and the benefits for its customers. It's a behind-the-scenes tour of the things that M&S is really proud of.

“

Customers want good value, but they care more than ever how food and clothing products are made. Look Behind the Label is the first time we've talked about the lengths we go to to ensure everything we sell is produced in a responsible way. Our customers increasingly want to know about this, which is why we've decided to tell them what we stand for.

Stuart Rose, Chief Executive
Marks & Spencer



”

“

M&S goes to great lengths to ensure it has strong standards on a range of product, environmental and ethical issues. This campaign highlights the 'M&S extra' that goes into all their products and services and appeals to the growing numbers of consumers interested in where their food and clothing comes from.

Tanya Livesey, M&S Business Director
RKCR/Y&R

”





When your children are upstairs, do you know where they are?

/discuss
have your say at aol.co.uk/discuss



If the internet kills the high street, will we miss it?

/discuss
have your say at aol.co.uk/discuss



Does learning about different cultures make us more tolerant?

/discuss
aol.co.uk/discuss

Campaign: /discuss
Client: AOL UK
WPP company: Grey London

Internet access is a saturated market sector in which price and download speed have been the traditional product differentiators. Grey London's */discuss* campaign for AOL brought an entirely new set of product issues into the market. Grey identified an opportunity for AOL to show leadership by addressing consumers in a new way; inviting them to engage in a discussion on the issues surrounding the internet.

The AOL */discuss* campaign highlights the risks and dangers of the internet as well as the benefits and opportunities. The campaign encourages debate on complex issues such as privacy, freedom of expression and the role of the internet in society.

The campaign started with two powerful TV and cinema spots. The first ad highlighted the risks and dangers of the internet – including identity theft and online paedophilia. The second focused on the benefits including online fundraising, people power and education. These were followed by a series of press and poster ads focused on specific issues and explained how AOL's service features can help.

The ads don't patronise consumers or claim that there are simple answers to the questions raised. They direct people to an online discussion forum which includes essays by high-profile 'curators' such as Alistair Campbell, Jarvis Cocker, Mariella Frostrup, Piers Morgan and Will Self.

The campaign has had a big impact. There were one million hits on the */discuss* website in the first month and extensive media coverage.

“

This campaign deals with big global issues but in a way that engages the ordinary consumer – after all what matters more to people than protecting their kids? The success of this campaign shows that consumers are interested in more than just price and trust companies that are honest about difficult issues.

”

Sara Bennison, Managing Partner
Grey London

The social value of brands

Consumer perceptions of the social value of a company or brand have become fundamental to long-term business success.

Young & Rubicam Brands and GoodBrand (a Y&R affiliate partner) have developed a tool to measure the social value of brands. This uses the GoodBrand Social Equity Index™ (an online survey of top brands completed by a representative sample of the public) and the Y&R BrandAsset™ Valuator (BAV), to help clients analyse the extent to which social equity builds brand strength and preference.

The Social Equity Index looks at seven factors shaping consumers' perception of social performance:

- Ethical practice – honest, fair, financially reliable.
- Employment ethos – a good employer.
- Social engagement – responsive to the local community.
- Service orientation – care about customers, reliable.
- Social responsibility – corporate citizenship.
- Emotional proximity – my kind of brand or company.
- Social utility – provides worthwhile products.

By comparing scores across brands, categories and audience types it is possible to identify areas of brand strength and corporate risk. For example, one finding from the latest UK study is that brands that score highly on both innovation and social equity are the brands which are rated as the most profitable and valuable by BAV. This 'Social Energy' represents a new driver of brand preference.

Green consumers

A survey conducted by Landor Associates, WPP's strategic branding company, and Penn, Schoen & Berland, WPP's strategic research-based PR firm, shows that 42% of consumers consider themselves to be 'green interested' or 'green motivated'. These people place a high emphasis on environmentally friendly practices, including corporate responsibility and products that use natural or organic ingredients.

'Green motivated' individuals base their purchasing decisions on whether or not a brand reflects green behaviour. These consumers "take topics like the environment and packaging very seriously," says Allen Adamson, Managing Director of Landor New York, and appealing to them, "requires a true brand commitment, starting with the CEO and moving to every possible touch point."

The survey, based on 510 interviews of adult men and women in the US, showed that consumers use specific features to judge the greenness of a company. This means that brands that use environmentally-friendly technology or organic ingredients in their products are considered 'more green' than those that support environmental causes.

With two out of three consumers unable to name a green brand, there is clearly a huge opportunity for companies to stand out from competitors and appeal to the environmentally conscious consumer. There is also potential to win over the 58% of consumers claiming to be uninterested in environmental issues as companies offer more green products and place more emphasis on ethical values.

Marketing standards

The precise rules and regulations governing advertising and marketing material differ between countries as do the organisations responsible for administering them. WPP companies are required to comply with all relevant rules and regulations and, of course, the law.

Social norms differ greatly around the world. Attitudes to humour, sexuality, religion, alcohol and many other topics are distinctively local. With a presence in 106 countries, WPP companies are well placed to understand the local context and produce work that is both effective and appropriate.

Many of our senior people work with industry associations to engage in debates on marketing standards and help to revise marketing codes in sensitive areas such as advertising to children or of products including processed food, alcohol or tobacco. Here are some recent examples.

“As an ad agency and marketing consulting company specializing in the youth market, Geppetto aims to do what’s in the best interest of both our clients and America’s children. We recognize that sometimes these objectives are difficult to reconcile, and seek to help our clients find the true ‘win/win’ where both business interests and kids’ interests are best served.

“We are active participants in the ongoing dialog about what constitutes responsible kid marketing. We contribute to the opinions and policies put forth by CARU (the Children’s Advertising Review Unit), the self-regulatory body which oversees kid advertising and establishes best practices and guidelines for responsible advertising.

“In addition to having a voice at the industry level, we ensure that the guidelines created by this organisation are practiced in our daily business by taking time to educate all new hires about the guidelines, their purpose and their direction. For instance, we know that children are imaginative and that make-believe play constitutes an important part of growing up. Therefore, we take great care not to exploit unfairly the imaginative quality of children in the ads we create.

“Most recently, given the concern and attention on obesity, we pay particular attention to the way we present food and do our best to encourage balance and moderation in food consumption. The guidelines are thoughtful and not onerous for advertisers who genuinely care about doing what’s best for kids. They can be viewed in their entirety on the CARU website: www.caru.org.”

Julie Halpin, CEO
The Geppetto Group

"I am a member of the Market Research Society (MRS) Market Research Standards Board. The Board recommends to the MRS Council the adoption of regulations to support professional standards for market research. These include the MRS Code of Conduct, best practice guidelines, and disciplinary procedures. The Board enforces and promotes these standards, encourages good practice and acts as the ethical voice of the MRS.

"My role is to help develop or update guidelines for example on research with children or privacy issues.

"During 2005 the Board revised and updated the MRS Code of Conduct. I advise on the interpretation of the Code of Conduct and on data protection issues. I am involved in investigating complaints about marketing research organisations and deciding on sanctions in accordance with the MRS disciplinary regulations."

Sue Brooker, Director
BMRB

"I am a member of the Ethics Policy Committee of the Direct Marketing Association. The Committee's role is to initiate programs to increase customer confidence in the direct marketing industry. This includes developing and updating self-regulatory guidelines and working on privacy issues.

"In 2005 the Committee addressed a wide range of issues including creating new guidelines for e-mail authentication and reviewing possible changes to the Mail Preference Service. We also updated industry guidelines to require companies to remove the names of people who have died from direct marketing lists."

Gary Laben, CEO
KnowledgeBase Marketing

Compliance with standards

WPP companies are expected to comply with all laws, regulations and codes of marketing practice in the work produced for clients. A very small proportion of the marketing campaigns we produce give rise to complaint. Complaints can relate to matters of taste or fact and can be made by members of the public or by competitive brands. In most countries these are arbitrated by government or industry organisations.

We are continuing our efforts to establish an internal reporting system for cases of non-compliance with marketing codes. Our global statistics are not yet comprehensive, but among the many thousands of advertisements prepared by WPP companies we identified some 29 infringements of marketing codes in nine countries, see table on page 29.

We have more complete data in the UK, as information on infringements is published by the Advertising Standards Authority (ASA). In 2005, 2,241 advertisements were changed or withdrawn as a result of ASA action. Of these, 17 complaints related to press, poster, direct mail and broadcast advertisements by WPP companies. The figure for 2004 was nine.

Marketing standards

Complaints upheld by global advertising regulatory organisations 2005

WPP Company	Country	Regulatory Organisation	Type	Ruling
Bates India	India	Advertising Standards Council of India	Broadcast	The product benefit claimed in the advertisement and on the pack was not substantiated with clinically proven data.
Campaigns & Grey	Philippines	Advertising Board of the Philippines	Broadcast	The wording used in an advert gave a negative impression of an industry.
Grey Worldwide	UK	Advertising Standards Authority	Poster	Misleading product quality claim.
Grey Worldwide	UK	Advertising Standards Authority	Broadcast	Product claims made in a TV commercial were found to be misleading.
Grey Worldwide	UK	Advertising Standards Authority	Broadcast	TV commercial might cause children to emulate dangerous behaviour.
Grey Worldwide	UK	Advertising Standards Authority	Broadcast	Product claims made in a TV commercial were found to be unsubstantiated.
Halbye Kaag JWT	Denmark	Danish Medical Board	TV	Medical message was not communicated in a serious enough manner.
Harrison Troughton Wunderman	UK	Advertising Standards Authority	Poster	Breach of rules governing advertising of alcoholic products and the implication of increased strength and bravery.
JWT Cheetham Bell	UK	Advertising Standards Authority	Broadcast	TV commercial could potentially cause a health and safety risk.
JWT	UK	Advertising Standards Authority	Broadcast	Inappropriate scheduling of a TV commercial which was judged to be too sexually explicit for the time it was shown.
JWT	UK	Advertising Standards Authority	Broadcast	A TV commercial was held to be misleading in its use of evidence and product claims.
JWT	UK	Advertising Standards Authority	Broadcast	Misleading price claim.
JWT	UK	Advertising Standards Authority	Poster	Smallprint on an advert was not visible enough.
JWT	UK	Advertising Standards Authority	Press	An advert was found to be potentially misleading because it omitted information about when a product could be used.
JWT	New Zealand	Advertising Standards Authority	Broadcast	Advert could cause offence.
JWT	Spain	Autocontrol	Broadcast	Advert implied that sugar was bad for health.
JWT	South Africa	Association for Communication and Advertising	Broadcast	Advert implied that nutritional benefits of one product applied to the whole product range.
Ogilvy & Mather	UK	Advertising Standards Authority	Poster and broadcast	Adverts wrongly implied that a soft drink had no calories.
Ogilvy & Mather	Philippines	Advertising Board of the Philippines	Broadcast	Advert was judged to exaggerate the product's benefits.
Ogilvy & Mather	Philippines	Advertising Board of the Philippines	Broadcast	Advert was judged to include text and visuals that denigrated a competitor.
Ogilvy & Mather	UK	Advertising Standards Authority	Broadcast	TV commercial gave the impression that a technology was exclusive to one brand when this was not the case.
Ogilvy & Mather Brasil Comunicacoes	Brazil	Public Prosecutor's Office	Broadcast	Tobacco TV commercial found to contain subliminal images and to appeal to young people.
Ogilvy & Mather	Philippines	Bureau of Food and Drug Administration	Broadcast	Advert included an unsubstantiated claim about the taste of a product.
Ogilvy & Mather	Philippines	Bureau of Food and Drug Administration	Broadcast	Advert judged to undermine breastfeeding due to inclusion of feeding bottles and teats.
Rainey Kelly Campbell Roalfe/Y&R	UK	Advertising Standards Authority	Broadcast	TV commercial might encourage fast driving in cities.
Rainey Kelly Campbell Roalfe/Y&R	UK	Advertising Standards Authority	Broadcast	Misleading price claim.
Rainey Kelly Campbell Roalfe/Y&R	UK	Advertising Standards Authority	Print	Print advert included misleading figures.
United (formerly Red Cell)	UK	Advertising Standards Authority	Broadcast	Misleading claim about the speed of product installation.
Y&R	US	United States District Court, Southern District of NY	Broadcast	Case alleging a voiceover in a TV commercial breached the rights to someone's voice. Case settled out of court.

Privacy

Privacy is an important issue for WPP because our market research and direct marketing companies hold data on consumers. They use this to study lifestyles, purchasing habits and target direct marketing campaigns.

WPP companies are required to comply with data protection laws and marketing codes of practice such as the UK Data Protection Act, the EU Data Protection Directive, the US Safe Harbor principles as certified by the US Department of Commerce, the ICC/ESOMAR International Code of Marketing and Social Research Practice, the US Direct Marketing Association Guidance and the UK Market Research Society Code of Conduct.

These guidelines differ in detail but share common principles:

- Data must be obtained by lawful and fair means with the knowledge and choice of the data subject.
- Data should be accurate, complete and up to date and only used for the purposes specified at the time of collection.
- Individuals should be able to access personal information held about them.

As an example, Research International, one of our market research companies, has a data protection policy and a committee of senior managers responsible for data protection arrangements. Training on data protection is given to all new employees and supporting information is provided on the company intranet.

Susan Blackall, a Research International Board Director, sits on the Market Research Society Standards Board which sets, enforces and advises on professional standards consistent with data protection legislation.

WPP also holds personal information, including name and e-mail address details, for other groups such as users of our website. Use of data from our website is governed by our Internet Privacy Statement, accessible at www.wpp.com. We only collect personal information which is voluntarily submitted and will not transfer data to third parties without permission. Users can access personal information held about them.

Added Value: Privacy safeguards

WPP's brand research business, Added Value, UK, has specific safeguards in place to protect the privacy of consumers who answer its questionnaires:

- Staff and subcontractors must not use information collected in the surveys for any other purpose other than legitimate internal research.
- When Added Value receives information from its online questionnaires, respondent information is de-personalised once verification and cleaning are complete. Only the departments involved in verification and cleaning have access to personal information.
- This information is deleted from completed questionnaires before being handed to a client.
- When respondent data is received from clients, any information not used in a study is deleted from electronic storage.
- Added Value will not release any respondent names, unless previously agreed by the respondent. When a client requests respondent demographic information, Added Value asks for a written statement detailing the use of the information. In the statement, clients commit not to use the information to attempt to sell products or services.

Social marketing

WPP companies undertake work for clients (frequently government agencies) where the objective is to advance a social or environmental cause. These campaigns typically provide public health information, raise awareness of environmental issues or address public safety.

Several WPP companies specialise in social marketing including Ogilvy Outreach, Ogilvy PR's Social Marketing Practice and Thompson Social.

Examples of social marketing campaigns in 2005 include:

Thompson Social: Girls' education in Afghanistan



Thompson Social was commissioned by UNICEF to create a research-based communications campaign highlighting the benefit of girls' education in Afghanistan.

UNICEF was partnering with the government to rebuild the education system in Afghanistan which had virtually collapsed after three decades of war. Girls' enrolment had leapt from 3% in 2002 to 30% by 2003 but one million girls aged 7-13 were still not receiving an education.

Research showed that even prior to the Taliban's exclusion of girls from education, schooling was not generally seen as beneficial or essential for girls in Afghanistan.

Afghanistan is a very religious and conservative society. Thompson Social needed to create a unique campaign that would encourage acceptance of education for girls without asking people to go against their faith or traditions. It had to involve religious leaders and family members and show the value in helping to rebuild Afghanistan.

The campaign included film and radio spots representing a nationwide movement in favour of girls' education and the rebuilding of Afghanistan. Two shorter films invoked the holy scriptures of Islam highlighting religious sanction for girls' education. Press ads and a special sermon booklet were used to help religious leaders discuss the role of education for girls with their community.

Other initiatives included a media kit for journalists and information packs for teachers and community leaders. Thompson Social held train-the-trainer sessions to help UNICEF implement the campaign.



Grey: Transport Accident Commission, Australia

For over 16 years, Grey Australia has helped the Transport Accident Commission to save lives on the roads of Victoria, Australia. Awareness campaigns developed by the agency are estimated to have saved around 5,500 lives and over 11,500 serious injuries during this time.

In 2001, Grey created a campaign called *Wipe off 5* to raise awareness about the dangers of low-level speeding.

The latest phase of the campaign features a crash reconstruction in TV, radio and outdoor advertisements. The ads demonstrate that driving at just five km/h over the 60 km/h limit doubles the risk of having a crash.

Since the launch of *Wipe off 5*, travel speeds in 60 km/h zones in Victoria have dropped by almost three km/h, and fatalities in low-speed zones have dropped by 33%.

OgilvyOne: Cancer Patients Association, India

OgilvyOne India won an award for its work on anti-smoking for the Cancer Patients Association, an Indian charity which raises awareness of the causes of cancer and provides medical assistance to cancer sufferers. The agency won the Yahoo! Big Idea Chair in the Corporate Social Responsibility category at the 53rd Cannes Advertising Festival 2006. Votes for the competition were made online rather than by the Cannes jury.

Cause-related marketing

Cause-related marketing is usually a partnership between a brand and a charity. The details of the relationships differ but frequently the brand will donate a small percentage of the purchase price to the charity in return for use of the charity's logo in its marketing. Cause-related marketing campaigns require careful planning to ensure that consumers

accept the association as meaningful and appropriate. When this is achieved they benefit both the brand and the charity.

Many WPP companies work on cause-related marketing. For example:

Campaigns Social Response: Safeguard and The Philippines Department of Health

Campaigns Social Response (CSR), the new advocacy and social marketing unit of agency Campaigns & Grey in the Philippines, created a handwashing campaign for Safeguard soap and the Philippines Department of Health.

The brief was to educate the public on the importance of hand-washing in preventing the spread of bird flu and other diseases.

CSR approached Procter & Gamble, makers of Safeguard, to sponsor the campaign.

The spot featured a doctor explaining why doctors wash their hands so obsessively, and

demonstrating the proper (and thorough) way to wash your hands. It was a straightforward, informative commercial, which showed the doctor using Safeguard soap.

The agency also produced a more detailed handwash ad which the Department of Health will use in promoting handwashing in hospitals, schools and public government offices.

Safeguard market share went up by 1% in the two months following the ad.



Cause-related marketing



JWT and Ford, US and Australia: Breast cancer support

For the past 11 years, Ford has sponsored the Komen Race for The Cure, a US organisation which aims to increase breast cancer awareness, screening, treatment and research.

JWT created a cause-related marketing campaign to increase sales of a limited-edition Ford Breast Cancer Awareness silk scarf, from Ford dealerships and a special website, www.fordcares.com.

The campaign, *Get Tied to the Cause*, was featured in an episode of the TV drama ER where one of the characters wore the Ford Breast Cancer Awareness Scarf. This was followed by magazine ads, emphasising the cause as “A Real-Life Emergency,” and featuring the female stars of ER wearing the scarf. Within 48 hours of the ER episode there were around 29,000 visits to www.fordcares.com, and over 1,700 scarves were sold. Following the broadcast, news readers on 70 stations wore the scarf and drew attention to the cause.

JWT also arranged for the singer, Melissa Etheridge to write a song for the cause which she promoted on the Oprah Winfrey Show.

The campaign won a silver award at the fourth annual Cause Marketing Forum conference.

In Australia, Ford supports the National Breast Cancer Research Foundation (NBCF). JWT developed a social marketing campaign to promote Ford’s link with the Foundation.

The agency created a TV commercial for the new Ford Focus that featured Australian radio star, Jackie O, with a pink handbag. The pink handbags were then sold at Ford dealerships, lifestyle and NBCF events as well as being given away with each Ford Focus bought. Ford donated AUS\$10 to the Foundation for every bag sold. JWT also created an ad promoting the pink bag in the *Pink Ribbon* magazine, the publication that raises awareness of breast cancer, and on the Ford Australia website, as well as using the NBCF database to market the bag by e-mail.

Ford have sold around 1,750 bags since they were launched in August 2005, raising AUS\$17,500 for the NBCF.

Employment

WPP employs nearly 97,000 people (including associates) in 2,000 offices in 106 countries.

Our companies serve our clients through our people's ideas and insights. So attracting and retaining the most talented and creative people is vital. We offer employment packages to attract and retain the best talent comprising competitive salaries and benefits and performance-related pay. We invest in training to help our employees expand their skills and capabilities.

Mark Linaugh, WPP's Chief Talent Officer, has overall responsibility for attracting, developing and retaining our top talent. Human resources policies, for the most part, are set and implemented at operating company level.

Diversity and inclusion

To produce work that appeals to the widest possible audience we need a talent base that reflects the diversity of the population. Diversity also contributes to creativity and new ideas.

Our non-discrimination policy, introduced in 1992, commits us to select, develop and promote the best people regardless of race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.

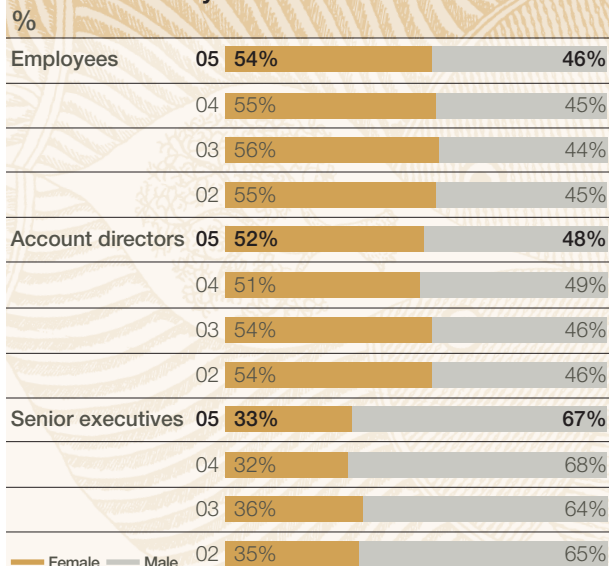
The Group's Code of Business Conduct contains policies on human resource issues, such as harassment and discrimination. Our people can report any concerns or suspected cases of discrimination or misconduct confidentially (and anonymously if desired) through our *Right to Speak* helpline.

Ultimate accountability for diversity resides with the CEOs of our companies but we expect every employee to be a diversity ambassador. We review our companies' diversity programs as part of our annual talent review process.

Diversity data for 2005

In 2005, women accounted for 33% of executive directors, 52% of account directors and 54% of total employees. This is broadly similar to 2004. There are three women on WPP's Board.

Gender diversity 2002-2005



Our data on ethnic diversity is currently incomplete.

Diversity initiatives in the US

Our major agencies in the US have internal programs to increase and sustain the diversity of their workforce. WPP also participates in a number of initiatives to encourage diversity in the advertising industry. These are a few examples from 2005:

1 Partnerships

WPP's US-based advertising agencies are part of *Operation Success*, an initiative launched by the American Association of Advertising Agencies (AAAA) to increase diversity in the US advertising industry.

Our agencies support the work of many diversity organisations. These include the Business Advisory Committee (which helps disabled people to find jobs); Advertising Women of New York; the Leadership, Education and Development Program in Business (LEAD); TORCH (Together Our

Resources Can Help), a program for underserved New York public high school students; the National Black Public Relations Society (NBPRS), the Hispanic PR Association; LaGrant Foundation; and the AAAA Diversity Committee. For example:

- Y&R continues to sponsor LEAD as an active participant in its Summer Business Institutes, which expose outstanding students from diverse backgrounds to career opportunities in business.
- Hill & Knowlton serves on the board of the LaGrant Foundation, an organisation that works to increase the number of ethnic minorities in the fields of advertising, marketing and public relations. H&K provides career training and advice to the program's participants. The company also funds the annual *PR Week Diversity Study*.
- Burson-Marsteller is a corporate sponsor of the Black Public Relations Society and helped coordinate its conference on "Strategies to Achieve Minority Diversity in Public Relations". The company is also working with a graduate student from the Johns Hopkins University on a project to identify minority retention best practices.
- JWT is partnering with the Torch program to help underserved New York City public high school students by exposing them to internships and ultimately careers in advertising. The agency was awarded the Torch Teaching award for its Resume Writing and Interview Skills Workshops.
- Grey is a member of the Diversity Board for Columbia University undergraduate programs.
- OgilvyOne launched the Future Marketers Program in 2002 to interest young inner city sixth graders in the world of advertising and marketing. Students from Ogilvy's partner school, PS 123, visit the Ogilvy offices every two weeks and work toward building a comprehensive marketing plan, under the guidance of OgilvyOne professionals.

2 Internships

Several WPP companies, including The Bravo Group, Grey Worldwide, JWT, MediaCom, Mediaedge:cia, MindShare, Ogilvy & Mather and Y&R participate in the AAAA's *Multicultural Advertising Internship Program (MAIP)*. This enables students from a range of ethnic backgrounds to gain work experience in the advertising industry.

Many of our companies are partnering with the City of New York to pilot the *CAPITAL* program. *CAPITAL* will introduce New York inner city youths to career opportunities in industries they may not know how to otherwise enter. Participants range in age from 16-21. During 2006, WPP will host 75% of the participants across 20 of our operating companies.

Other examples:

- JWT participates in *INROADS*, an internship program for minority youth.
- H&K provides summer internships through the *New York Opportunity Network*.
- Y&R participates in several internship programs as well as scholarship and mentoring initiatives such as the AAAA *Creative Scholarship Support and Executive Leadership Council* mentoring and networking events.
- MindShare takes interns through the *Multicultural Advertising Training* program in California.
- MediaCom participates in the Louis Carr Foundation internship program which provides meaningful internships for minority students in the communications industry.
- Grey Global Group holds an annual disability mentor day for 10 disabled students to experience work in its advertising and media agencies.

“

Interning is the best way to get a foot in the door of the ad industry. The MAIP program gave me experience of what it is really like at an agency; it also raised my expectations and showed me what I needed to do to get taken on full-time. This summer I am taking part in the program as a mentor.

Maurice Jennings, Assistant Account Executive
OgilvyOne NY and former MAIP intern

“

I found out about MAIP in my senior year in college when I saw a flyer in our career center. It was an amazing experience and I realised that no class could ever truly show you what it's like to work in the advertising industry. I was even given the opportunity to be the Art Director on an interactive project and work directly with the Creative Director on a major account!

Tracey Coleman, Web Designer
OgilvyOne NY and former MAIP intern

3 Targeted recruitment activities

WPP's companies have launched initiatives to enhance diversity recruitment at entry, mid and senior levels.

Our companies participate in recruitment fairs and events that help inform a diverse range of talent about new career opportunities and position WPP as a preferred employer. These include:

- The Harvard Business School African-American Alumni Association conference.
- NYU's Diversity Careers Fair.
- The Diversity & Leadership Group at Duke University.
- Howard University.
- The International Radio and Television Society's Minority Career workshop.
- AAF's Mosaic Career Fair, the Advertising Women of New York Career Conference.
- The Virginia Commonwealth University Ad Center.
- The Asian American Diversity Career Expo.
- Success is Working job fair by Dress for Success (an organisation that provides interview suits to women in need).
- The US Department of Labor's Job Fair for Hispanics.

Our companies also use specialised recruitment agencies and publications.

Some examples:

- JWT New York is using Community Connect's recruitment service, and advertises vacancies in the *Black Equal Opportunity Employment Journal*.
- Grey advertises vacancies in diversity publications and websites such as *IMDiversity*, the *Ad Age* Annual Diversity Issue, africanamericanjobsite.com and HBCUCareerCenter.com.
- MediaCom posts job vacancies through the Department of Labor which has a large percentage of diverse applicants.
- Y&R posted vacancies through LEAD, Black Ivy (the Black Alumni Association of the Ivy League), and the LatPro Hispanic job board.

- O&M uses a diversity executive search firm for senior-level positions.
- Ogilvy PR uses publications and organisations to target diversity candidates at all levels including *Latpro.com*; the National Association of Black Journalists; the Black Public Relations Society; National Hispanic MBA Association; National Black MBA Association; WIFV – Women in Film & Video; and the DC Job Bank.
- MindShare uses minority- and female-owned recruitment firms and reaches diverse candidates through contacts such as the AD Club multi-cultural co-ordinator. The company tracks applicant self-identification paperwork to ensure that candidates are drawn from a fair sample of the general population.
- H&K's GRAD – Growth through Recruiting & Diversity – initiative includes a commitment to offer an informational interview to all diverse candidates.

4 Raising employee awareness

Our companies provide training and information to ensure that employees understand the importance of diversity. For example:

- JWT launched an online diversity and harassment training program for employees in its North American offices.
- O&M employees have attended diversity awareness training sessions.
- Y&R has appointed a Chief Diversity Officer who is responsible for co-ordinating and supporting diversity initiatives across its network.
- Employees at Grey receive training on the agency's *Respect at Work* policy.
- Burson-Marsteller held a diversity session for its US leadership team to clarify the business case for diversity and identify opportunities and obstacles for increasing diversity in the public relations industry.

Diversity initiatives in other countries

UK

In 2005 WPP began working with Rare Recruitment, a UK graduate recruitment agency, to find diverse candidates for the WPP Marketing Fellowship. Rare places the most able students from minority backgrounds with companies that have strong diversity policies.

South Africa

The South African Government's Black Economic Empowerment (BEE) policy requires companies to ensure the black population is adequately represented in their workforce and to establish a level of black ownership. WPP companies operating in South Africa are on track to achieve the 30% level of black ownership required for advertising and communications companies.

Diversity initiatives at our South African agencies include the Grey Action Program, which provides internships for 10 young black graduates each year. The interns spend a year at Grey working in different departments and at client companies. Three interns now have full-time roles at Grey.

Grey also undertakes pro bono work for Coda University which offers free tertiary education to previously disadvantaged youngsters from diverse cultures.

Ann Nurock, the CEO of Grey Worldwide, South Africa is Vice Chair of the Association of Communications and Advertising (ACA), which has developed a BEE charter to help its members address black ownership, employment and skills development.

“

Agencies in South Africa need to create advertising that resonates with the needs of Africans of all cultures. This is no small task in a country with 11 official languages, each with its own cultural mores. We need to go beyond the traditionally Eurocentric adverts to embrace linguistic, social and cultural diversity. In short, our work needs to be truly South African. The greatest need in South Africa is skills development. More education and skills development will go a long way to reducing unemployment and equality in terms of economic development.

To this end Grey SA developed the Grey Action Program which hires 10 previously disadvantaged black youngsters, who are trained and mentored in varying departments of the agency. This program has many objectives: to encourage young blacks into the industry, to up-weight agencies and the industry's BEE credentials and to conform with the government's drive for skills development to decrease the high rate of unemployment. We at Grey Worldwide SA are committed to the government's BEE initiatives, and consider it an imperative.

Ann Nurock, CEO
Grey Worldwide, South Africa

”

Helping clients with diversity

A number of WPP companies help their clients to implement diversity strategies to reach a multicultural audience. For example, WINGLATINO is a specialist Hispanic marketing agency based in New York. It helps companies connect their brands with Hispanic consumers – and keeps track of changes in the Hispanic community such as levels of acculturation, values and language use. WINGLATINO also sponsors talented Hispanic students in its *Future WINGS* internship program.

CultureCom is the ethnic media unit at MediaCom UK, one of WPP's media companies. It helps clients produce targeted marketing and implement strategies to reach diverse audiences.

At Ogilvy PR's Multicultural Group, a cross-practice client-facing group, clients are helped with projects.

Employment infringements

We strive to treat our employees fairly and give them the support they need. On rare occasions things go wrong.

We have started to track the number of employment cases involving WPP companies but our data is incomplete. In 2005 we are aware of 22 employment cases involving WPP companies that were concluded. Of these, one was withdrawn, two dismissed, four judged against WPP, 14 agreed between parties and one judged in favour of WPP.

All cases are carefully analysed to ensure that we have the right policies and procedures in place to prevent a recurrence.

Employment

Development and training

WPP is a people business and we aspire to high standards of employment progression. We invest in the training and development of our teams.

In 2005, WPP invested £32.7 million in training and well-being across the Group. We run courses to develop creative, client and personal leadership. Our *SparkLab* behavioural workshops are led by performing arts professionals to develop communication and presentation skills. 250 people from across WPP companies took part in 2005.

Staff training and welfare 2001-2005
£000

05	32,700
04	25,145
03	21,793
02	20,921
01	23,419

Our operating companies also run a range of training courses covering all aspects of agency business and creative skills. For example, many agencies in the UK are accredited as *Investors in People* including Coley Porter Bell, EWA Bespoke Communications, Headcount and Ogilvy Healthworld. This is the UK national standard of good practice for training and development.

At Ogilvy Healthworld employees receive a training passport when they join to record the training they receive. This is used to assess progress and training needs during their annual appraisal. Employees from different disciplines take part in core training programs run by internal and external trainers at least once a year. These sessions cover core skills such as coaching, client relationship management, time management and

presentation skills and give employees the chance to meet colleagues from across the business. Additional job-specific training is provided according to individual employee needs.

Coley Porter Bell (CPB) has been an accredited Investor in People since 1999. All employees have individual targets which are reviewed every six months. Development plans identify the skills and training each employee needs to meet their individual targets. For example, a designer needing experience in corporate branding will be assigned to a senior employee working on a corporate branding project. Training programs provided include leadership skills and Mindgym to help employees build their persuasion skills.

Other initiatives at CPB include an annual Blue Sky competition which offers two weeks' holiday and £2,000 spending money for the most creative proposal. This year's winning idea was for branding an adult ice cream van.

CEOs from our operating companies lead annual reviews to develop their executive talent and to ensure responsible succession planning. Our companies provide regular appraisals to give employees feedback and help them develop their careers.

For example, at Hill & Knowlton North America all staff receive an annual written performance review based on their job requirements and performance goals. Senior managers are reviewed by the H&K executive committee on how they have performed in three areas – serving clients, growing the firm's reputation; building a great institution. Every 18 months all employees are invited to participate in a 360 degree feedback process – *Values in Practice* (VIP). Each person is evaluated by their supervisor, peers and colleagues on how they live the H&K values – accountable, bold, collaborative and diverse.

Remuneration and employee ownership

Competitive, performance-related compensation packages help us to attract and retain the most talented and effective people. We aim to match basic salaries with the sector average, and regularly benchmark compensation against others in our sector.

Performance-related pay and bonuses are provided on top of basic salaries to reward exceptional performance. More senior employees are eligible for incentives based on their performance against annual or multi-year goals for the operations they lead.

WPP's Worldwide Ownership Plan, introduced in 1997, has granted share options to 53,000 of our people. People working in WPP companies (including directors) own or have interests in around 113 million shares, 9% of WPP's issued share capital.

Communication

We aim to keep our people up to date with information about the Group. With nearly 97,000 people in 106 countries this can be a challenge, so we place great emphasis on good internal communications. Some examples are:

- WPP's public website (www.wpp.com) and Group intranet site (this year both radically upgraded and improved) and professional Knowledge Communities.
- Our Navigator Group handbook, the *Atticus Journal*, *The WIRE* (WPP's global newspaper), and regular *FactFiles* are distributed to all companies worldwide.
- A monthly online news bulletin – *e.wire*.
- Regular communication on Group initiatives such as the Worldwide Partnership Program, *BrandZ*, the Atticus Awards, the WPP Marketing Fellowship Program and professional development workshops.

- Periodic reports from Sir Martin Sorrell on topics of importance to all people participating in short- and long-term incentive plans.
- Formal and informal meetings at operating company level.

Employee surveys

Our companies seek feedback through regular employee surveys. These help us to understand the views of our people and identify areas for improvement. These are a few examples from 2005:

141 Worldwide

For the first time, 141 Worldwide participated in an employee survey. Areas that were rated highly included loyalty, communications and staff feeling valued. Specific questions that received high scores included commitment to giving their best and being proud to work for the company. Concerns included the need to provide more regular feedback.

Added Value

Participants in the Added Value employee survey gave high ratings for job satisfaction and sense of belonging. There were concerns regarding the work-life balance of employees.

Henley Centre HeadlightVision

Participants in the Henley Centre HeadlightVision employee survey gave a high rating to issues such as treatment of employees and engagement with our work. Training was still an area of concern, despite an improved rating.

Hill & Knowlton Middle East

H&K employees in the Middle East rated work-life balance and professional development highly. Over 80% of participants said that overall they were satisfied with H&K. Network communications was an issue identified for improvement.

Kantar

The Kantar group includes all WPP's market research companies. The 2005 Kantar employee survey was completed by 78% of employees, a total of over 7,000 worldwide. Areas that received a high score included passion for the work people do, pride in the organisation, company trust in its employees and work atmosphere. Development opportunities were an area identified as needing improvement.

Mediaedge:cia

The employee survey at Mediaedge:cia reported high scores on issues such as teamwork, career opportunities and pride in the organisation. More regular feedback was an area identified for further improvement.

Ogilvy & Mather

More than 10,000 employees at Ogilvy took part in the *Ogilvy Acid Test* survey. Over 80% of participants said they feel proud to work at Ogilvy. Confidence in Ogilvy's leadership and the commitment to giving one's best received high scores, too. More regular feedback was an area identified for further improvement.

Responding to the findings

WPP companies act on the feedback received through these surveys. For example, skills development and internal communications were two issues that received relatively lower scores in one Wunderman office employee survey. In response, the company launched a new training program for employees at all levels of the organisation. This covered four categories: technology, skills development, process and collaboration/team work. In 2005, the *Skills Development* initiative was the largest portion of the program. It included four workshops: Flexing Communication Styles, Supervisor's Workshop; Presentation Skills for Managers; Presentation Skills for the New Presenter; Cultural Diversity; and Running Effective Meetings.

Several initiatives have been launched to improve internal communication, including creating a new internal communications function. An Ideas & Opportunities employee suggestion system has been launched to encourage employee feedback and management are holding a series of focus groups to seek employee input on how to respond to the survey findings. *Monday Minutes*, regular informal meetings, have been introduced to highlight new hires, promotions and work to everyone at the company.

Combating workplace stress

The best way to reduce stress is to create an environment where people feel able to discuss any issues, including stress, with their manager or human resources department. Managers play an important role in identifying employee stress through their day-to-day interaction with team members as well as during annual appraisals.

Our companies also assess the risk of work-related stress through regular staff surveys and by monitoring issues raised via our *Right to Speak* helplines, Employee Assistance Programs and during exit interviews. Other indicators of potential problems are staff turnover and absenteeism rates, stress-related compensation or grievance claims and feedback from former employees approached as potential 'win-backs'.

Initiatives to combat workplace stress vary between companies and include:

- Employee Assistance Programs – a source of confidential advice, support and counselling.
- Flexible benefit programs, including subsidised childcare.
- Flexible work arrangements enabling people to work part-time or from home.
- Medical checks and health screening.
- Training on stress and time management.

Employees at Grey Worldwide's offices in London can discuss medical issues with a doctor who visits the company every week. The service saves employees' time and helps them to clear up any health complaints before they become more serious. To date, more than 60% of employees have used the service. Employees can also get advice and counselling support through the Employee Assistance Program and attend stop smoking clinics.

In 2006 Grey will introduce other employee healthcare services such as well woman clinics, physiotherapy and diabetes testing. "Recent management studies show that there is a correlation between staff health and business effectiveness. Our health initiatives are leading edge," reports Liz Nottingham, Head of the People Team at Grey London.

At WPP, the parent company, a Health & Safety Forum has been established at our London office to discuss matters relating to the health, safety and welfare of parent company employees. Employees can raise any health and safety concerns or suggestions with the Forum members in confidence.

Accreditations and awards

Many of our companies have received external accreditation for their human resources programs. These are a few examples:

- 141 Philippines – Personnel Management Association of the Philippines certification.
- Grey Worldwide, Düsseldorf – Chamber of Commerce accredited trainer for apprentices.
- Grey, London – Accredited to the Institute of Practitioners in Advertising Continuous Professional Development standard.
- Hill & Knowlton, Canada – National Quality Institute Progressive Excellence Program, Level 3 certification.
- Mediaedge:cia, UK – Accredited to the Institute of Practitioners in Advertising Continuous Professional Development standard.
- Millward Brown Aef, Spain – Accredited to the HR-ISO 9001 standard.
- MJM, US – Society for Human Resource Management certification.
- Research International, South Africa – Accredited as a Services Sector Education and Training Authority, Provider of Education and Training.
- The Operations Centre, UK – graduate training program is accredited by the MRS Professional Development Scheme.
- Y&R, Chicago – Society for Human Resource Management, Professional Human Resources certification.

These are a few of the human resources awards won by WPP companies during 2005:

- JWT, New York – TORCH teaching award for hosting professional development workshops.
- JWT Technology, US – Voted one of the top 10 places for women to work in Georgia by the Women in Technology Organization.
- Grey Worldwide, UK – Finalist in the HR Excellence Awards, Best Learning and Development Strategy 2005. Finalist for Best Media Employer of the Year, 2005.
- Kantar Media Research, UK – Finalist for the British Market Research Association award for People Management.
- Millward Brown, UK – Finalist for the British Market Research Association award for People Management.
- MindShare, Hong Kong – Employer of the Year on jobdb.com.
- Shire Health, UK – Finalists in Pathfinders Media Employer of the Year 2005.
- VML, US – Rated 23rd in the Great Places to Work ranking, Best Medium Sized Companies to Work for in America.
- Y&R, Uruguay – Rated seventh in the Great Places to Work Awards.
- Wunderman, Chicago – winner of the Work-Life Balance category in the National Association for Business Resources' award for Chicago's 101 Best and Brightest Companies to work for.

Environment

Our CR policy commits us to minimise our impact on the environment.

We have prioritised three environmental issues – energy consumption, paper use and recycling. WPP has more than 2,000 offices so we are focusing initially on 20 of our largest locations. These accommodate 14,860 employees: about 16% of WPP's total. Our annual environmental survey tracks energy use and recycling in these offices.

Twenty of our largest locations

US (10,303 people, 32,286 tonnes CO₂ emissions)

Grey	New York	Third Avenue
Grey Global	New York	Fifth Avenue
JWT	New York	Lexington Avenue
JWT	Detroit	Woodward Avenue
JWT	Chicago	Merchandise Mart Plaza
Mediaedge:cia	New York	Seventh Avenue
MindShare	New York	Seventh Avenue
O&M	New York	Eighth Avenue
O&M	Chicago	Mart Center Drive
Y&R	New York	Madison Avenue
Y&R	New York	Park Avenue South
Y&R	Chicago	North Michigan Avenue

Europe and Asia (4,557 people, 8,545 tonnes CO₂ emissions)

Diamond Ogilvy	Seoul	Chamwon-Dong
H&K, JWT, MindShare, O&M	Shanghai	Changle Road
JWT	London	Knightsbridge
MindShare, O&M, Oracle	Beijing	Jinbao Street
O&M	London	Cabot Square
O&M	Frankfurt	Damstadter Landstrasse
WPP	London	Westbourne Terrace
Y&R	London	Greater London House

Refurbishment and office moves bring opportunities for environmental improvements – as the case studies on the following pages demonstrate. The WPP Space Program, our award-winning online resource for those involved in real estate transactions and project management across WPP's real estate portfolio, includes relevant information on WPP's environmental and corporate responsibility policies.

We continue to develop the integration of environmental considerations into our real estate management activities.

Energy use

In 2005, these offices consumed approximately 79,290 MWh of energy, resulting in around 40,099 tonnes of carbon dioxide (CO₂) being emitted. If the data is extrapolated to cover WPP's global workforce it suggests that around 250,000 tonnes of CO₂ are emitted due to energy consumed by WPP in a year.

Paper use

Three of these offices purchase new paper with recycled content. We think this is too low and are looking for ways to encourage more companies to purchase recycled paper.

Recycled paper now makes up 15% of paper products purchased for our New York offices. In London, new paper and paper product contracts were negotiated with suppliers who only use paper from sustainable sources.

During 2006 we will establish systems to monitor and report the percentage of sustainable and recycled paper and paper products that are bought in both London and New York.

We will also identify preferred suppliers in each of our major markets that supply stationery and paper products that are recycled or from sustainable sources.

Recycling

The majority of our 20 biggest offices have recycling facilities. The main materials recycled are paper, toner and printer cartridges, cans and bottles.

We are identifying preferred recycling partners in the UK and US, to make it easier for our companies to set up recycling programs. We have now identified preferred suppliers for mobile phone recycling in the UK and are investigating similar arrangements in other markets.

Environmental pro bono work

Many of our agencies undertake pro bono work for charities to raise environmental awareness and encourage people to adopt more environmentally friendly behaviour. Some examples can be seen in the pro bono campaigns featured on pages 67 to 101.

Office case study: Environmental improvements at Westbourne Terrace, London

121 Westbourne Terrace is a WPP property in west London. Six hundred people from eight WPP companies are based there.

The building interior was totally redesigned by BDGworkfutures, a WPP company, in 2005. The refit included several environmental improvements in energy efficiency and water use as well as ergonomic furniture.

Halogen lamps were replaced with energy-efficient fluorescent lamps, fitted with both light diffusers and directional filters that can be adjusted to point at workstations. The building was fitted with sensors so rooms are only lit when occupied and the brightness of the lights automatically adjusts to the levels of natural light in the building. The lamps can also be dimmed using remote handsets in the offices. These features will cut energy use by between 15% and 20% and the lamps will also last longer. Lighting examples are shown below.

Further energy savings were made in the heating and cooling system. The old air conditioning system was replaced with a system that uses excess heat from one area of the building to heat or cool other areas making it three times more efficient. The building's tea and coffee points were fitted with instant water chillers and heater units which save energy and water compared to standard urns which heat and cool much more water than is required. Smaller toilet cisterns were also installed which save two litres of water with every flush.

The IT systems were also upgraded and the building's 150 printers, faxes and photocopiers were replaced with 60 integrated devices. Secure parking facilities for bicycles were installed as well as showers and changing rooms.

The building's tenants have set up a Green Committee, with representatives from each company, to introduce recycling and other environmental initiatives.

Health and safety was also an important factor. New ergonomically-designed chairs were purchased which automatically adjust to the weight and posture of the person seated, helping to reduce back strain. The induction process for all new employees includes a detailed ergonomics guide. All employees must sign a statement confirming that they have read and understood this guide.

The building manager and resident companies have launched a number of initiatives to make the building a good place to work. These include a subsidised restaurant and bar that serves fresh food, cooked on the premises.

An intranet is being developed for the building with information on the different companies based there and updates on news and events. The building also runs its own graduate placement scheme, giving candidates the chance of work experience at all the companies based there.



Office case study: Alley 24, Seattle

In February 2006, 250 people from six WPP companies moved into offices at the Alley 24 building, Seattle.

Alley 24 is not just another office development: our employees and two other companies work alongside residential apartments, shops and restaurants. The mixed-use building, pictured below left, will create a vibrant urban community avoiding the lifelessness that hits most commercial areas after 5pm.

The building has achieved Leadership in Energy and Environment Design (LEED) certification from the US Green Building Council. Environmental factors were taken into account at every stage of the development. During construction, 75% of waste building materials were recycled. Water-based and low-solvent paints, glues and sealants were used.

The building has a number of energy-saving features. Ceilings are raised two feet higher than in conventional offices to let more natural light in. The building is fitted with low-energy fixtures. Stairwells are fitted with sensors so that they are only lit when occupied. Exterior and interior shades stop the building getting too hot and tenants can choose between natural

ventilation (from openable windows and air vents at their workstations) or more energy-intensive air conditioning, depending on their needs.

Tenants are billed directly for their electricity use rather than relying on centralised supply. This encourages occupants to save energy. The WPP companies in the building buy electricity from Seattle City Light, which generates much of its energy from hydroelectric and other renewable sources.

Other environmental features include 'waterless' urinals that are cleaned with enzymes to reduce water use, and centrally-managed recycling facilities for all offices. Alley 24 has good public transport links as well as shower facilities, bicycle storage spaces and a car-share scheme to encourage people to leave their car at home. The building has a 700 square-foot roof terrace with a garden to promote insect and bird life.

WPP has installed environmental features in its offices in the building. For example, workstations, reception areas (see below right) and private offices are sited near companies' windows to maximise natural light and ventilation. Lighting is designed to only come on when light levels are low and rooms are occupied.



Micro actions, macro consequences

Gill Parker, BDGworkfutures, UK

Buildings are thought to be responsible for around 40% of global energy use, making them one of the biggest emitters of CO₂. For service companies, like WPP, office buildings are a key link in the chain to being an environmentally-responsible organisation.

For new builds, tougher regulations in developed countries will require developers and landlords to increase energy efficiency. In the UK, anything built after April 2006 will need to be 40% more efficient than in 2002. The energy needed to heat and cool a building can be significantly reduced by fitting insulation and better glazing. Incorporating on-site renewable electricity generation with photovoltaic panels and wind turbines can further reduce CO₂ emissions associated with energy use.

Few organisations can afford a new building, so existing building stock must also be improved. However, the opportunity to reduce an office's environmental impact is too often missed in building refurbishments. Even companies that prioritise social responsibility frequently leave the key decisions to landlords and property experts. Developers are often reluctant to spend extra on sustainable building design since they perceive tenants won't pay a premium for better energy performance. When tenants propose major changes to a building, like installing solar panels, negotiations with landlords can be protracted and unfruitful.

From the outset, an organisation must think green. A business can almost always make smaller changes that bring immediate and significant benefits and help 'greenness' become part of the everyday culture. The right workspace can change behaviour, encouraging employees to make sustainable choices and use less resources and energy. Here are some of the straightforward

options promoted by BDGworkfutures, WPP's workplace design company.

Open up

Open plan layouts use space more efficiently and allow for reductions in energy consumption.

Buy well, buy once – consume less

The main physical elements needed when redesigning a space are lighting, wall finishes, flooring and furniture. In today's market there are more sustainable options for all finishes and furniture and ethical choices can be made based on how and where products are produced. The right light fittings can bring big energy savings. Buying green electricity from the grid will also greatly reduce an office's CO₂ emissions.

A procurement policy should guide day-to-day sourcing decisions, making ethical considerations part of buying anything from tea to paper.

Habit breakers

An office refurbishment can help change ingrained routines and traditions. Locating copiers, printers and faxes centrally encourages people to think twice about whether they really need to print. Double-sided printers can halve an office's paper use.

Installing recycling bins is the easy part – convincing people to use them is much harder. Personal waste bins should be removed and the office designed to make recycling the easiest option.

Configuring a workspace to encourage employees and visitors to use the stairs instead of taking the lift will save energy and encourage exercise.

Promoting sustainability in buildings needs to be driven from all sides, by tenants as well as developers and landlords. Companies like WPP can start with small changes and see significant and lasting results.

Supply chain

Each year WPP companies spend more than \$4 billion on goods and services from suppliers. Approximately half of this is spent on goods and services which we use in the work that we do for clients, such as film and print production and post-production services, and market research services.

WPP procurement negotiates major global, regional or local procurement contracts with preferred suppliers. These Group-level contracts typically cover high-spend categories such as IT, travel, telecommunications, professional services (eg consultancy and recruitment) and facilities management. They account for \$1.5 billion of our total third-party spend. WPP procurement teams are based in the UK, the US, EMEA (France, Germany, Italy and Spain), Asia Pacific (China, India, Japan and Hong Kong) and Latin America (Brazil and Mexico).

For products and services which are purchased for client-related work, the purchase decision and contracting responsibility usually rests with our individual operating companies, although WPP identifies preferred suppliers which our companies can choose to use for client work.

CR in the supply chain

We have a corporate responsibility supply chain vision for WPP:

“Across all of our spend, we want to do business with suppliers that meet high standards on the environment and employment practices. We are committed to managing CR risks in our supply chain, both for ourselves and our clients.”

In 2005, we focused on three areas:

- CR and supplier selection.
 - Managing supply chain CR risk.
 - Recycling initiatives with preferred suppliers.
- (See Environment, page 46.)

CR and supplier selection

We have added ethical and environmental criteria to WPP’s Global Procurement Policy.

Before a company can become a WPP preferred supplier, they are evaluated against a set of business requirements. Typically these include:

- Assurance of supply.
- Quality.
- Service.
- Cost.
- Innovation.
- Corporate responsibility.

We have a simple five-point questionnaire which we use during supplier selection to help us assess whether supplier companies are managing CR issues (see page 53).

Managing supply chain risk: UK pilot project

We have started a pilot project with our UK procurement team to scrutinise the ethical and environmental credentials of major suppliers.

All UK suppliers with WPP contracts have completed our CR questionnaire. The responses show that suppliers typically fall into one of two categories: those with highly developed CR programs and full CR performance reports (mainly multinationals), and those with rudimentary or no information on policy and performance (mainly smaller companies).

During 2006, we are engaging more closely with suppliers in the second category, to encourage good practice in CR management and reporting. We are focusing our efforts on small- to medium-size suppliers, where WPP can make the most difference.

We held a pilot CR workshop for eight suppliers in April 2006 to explain our approach to corporate responsibility and our expectations of suppliers. We selected suppliers that provide products and services which we purchase for clients including print, TV post production and promotions companies. We are following up with each supplier individually to agree an action plan for improving CR management by the end of 2007.

We plan to replicate this assessment and engagement process in other regions.

Training and awareness

Progress on our CR supply chain initiatives is regularly reviewed by our procurement leadership team, made up of WPP regional heads of procurement.

CR is included in our procurement strategy plan and in the personal objectives for each regional head of procurement and the purchasing managers in each of our major markets.

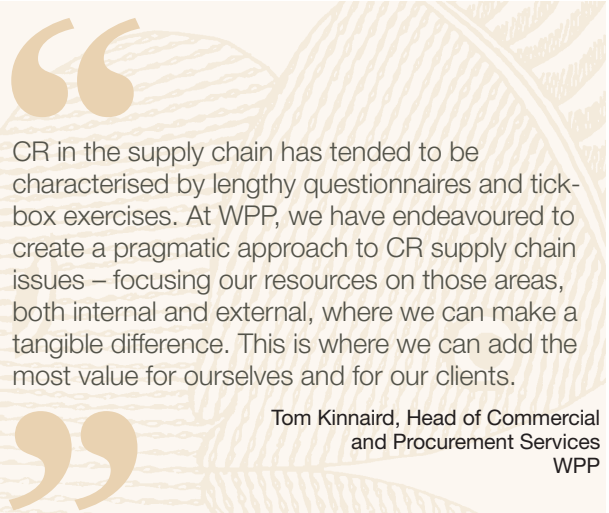
During 2005, a major article on CR was published in our internal procurement newsletter, *Buy-in*, to raise awareness across WPP's buying community. We are also raising CR awareness through our regular cross-business sourcing team activities.

Plans and objectives for 2006

During 2006 we will add CR key performance indicators to our quarterly procurement performance reporting process.

All new Group suppliers, in all major regions, will be required to complete our CR questionnaire.

We will continue our pilot project to assess and improve ethical and environmental credentials with selected WPP suppliers in the UK. We plan to launch a similar initiative in the US.



The five questions we ask suppliers

1. Policy

- Does your company have a CR policy?

2. Responsibility

- Is a senior executive (or executives) responsible for CR performance?
- Does your company have a CR manager or equivalent?

3. Key issues

- Please identify the environmental issues most relevant to your company.
- Please identify the social issues most relevant to your company (social issues include employment, health and safety and community).

4. Reporting

- Does your company publish a CR report?

5. Supply chain

- Does your company have a process for implementing CR standards in its supply chain?

CR management

Paul Richardson, WPP Group Finance Director, is the WPP Board director responsible for assessing CR risks. He chairs WPP's CR committee and provides a yearly assessment of CR risks and performance to the Audit committee of the Board and the Compensation committee.

Our CR committee was established in 2003 to advise on policy, monitor emerging issues, determine CR strategy and co-ordinate communication among Group companies. The committee is made up of senior representatives from WPP's major business categories. Its current members are: Dave Allen, JWT; Nancy Ashbrook, MindShare; Jed Beitler, Sudler & Hennessey; Craig Branigan, B to D Group; Elaine Cruikshanks, Hill & Knowlton; Owen Dougherty, Grey Global Group; Vanessa Edwards, WPP; Chris Graves, Ogilvy & Mather; Julie Halpin, The Geppetto Group; Tom Kinnaird, WPP; Mark Linaugh, WPP; Howard Paster, WPP; Mandy Pooler, Kantar Group; Dominic Proctor, MindShare; Paul Richardson, WPP; and Paul Stanley, WPP.

The committee met once in 2005.

Each WPP operating company has nominated a CR representative responsible for compiling and reporting data to the parent company and co-ordinating CR activity.

WPP's internal audit function includes CR risks in its reviews of Group companies. The audit function is also responsible for collating our annual CR survey of operating companies and validating the data. The data is not independently verified but the data for employment and social investment is reviewed by our external auditors, Deloitte & Touche.

Tracking performance

We have established key performance indicators and have three ongoing corporate responsibility goals:

1 Contribution to society – To undertake pro bono work and make donations to charity to a value of 0.4% of revenue.

2 Marketing ethics – To comply with all laws and industry codes governing marketing material (and to track our performance globally to establish how we are doing).

3 Environment – To calculate climate impact and purchase recycled paper and install recycling facilities in 20 of our largest offices.

Each of our goals requires co-ordinated effort across five continents. This is made more complicated by WPP's management structure that devolves a great deal of management responsibility and discretion to our operating companies.

During 2005, our contribution to society was approximately 0.32% of revenue. This is below the aspiration of 0.4% but comprises a sum of cash contributions and donated services totalling £17.3 million. We are pleased that our social investment has increased in line with increases in our revenue and profit.

We do not yet have systems for capturing compliance with marketing codes in all countries but will continue to strive to achieve full reporting on this issue and to approach our goal of full compliance.

We report energy use and CO₂ emissions from our 20 largest offices, see page 47. Most of these offices also have recycling programs in place. We have set targets for 2006 to identify suppliers for recycled and sustainably sourced stationery in our major markets and to report on the percentage of overall stationery procurement this represents in the UK and US.

Stakeholder engagement

We engage with a range of stakeholders on CR issues. This includes clients who increasingly want to know about our approach to CR, employees and mainstream and socially responsible investors (SRI).

We want WPP people to know about our CR policy and performance. Our CR Report is widely distributed across WPP, with a copy sent to 1,500

senior managers, and 5,700 copies sent to WPP CR representatives, communications departments, key account executives and new business directors. It is also available on our Group intranet and public website. Articles on CR are included in *The WIRE* (WPP's global newspaper) and our *Buy-in* magazine for procurement professionals. We are upgrading our intranet and CR section of our website as part of a greater emphasis on communicating CR issues to our people.

We met with several SRI investors in 2005 to discuss our CR policy and performance. WPP has been listed in the Dow Jones Sustainability World Index, the Dow Jones STOXX

Sustainability Index and the FTSE4Good Sustainability Index since their inception. Many SRI investors hold WPP stock, including Stichting, the Dutch pension fund, which invests according to strict social responsibility criteria.

WPP is a founder member of the UK's Media Sector CSR Forum, a group of leading media companies committed to furthering CSR in the sector.

WPP companies are regular participants in the Westminster Media Forum, an influential organisation in the UK that fosters policy debate between politicians, senior officials and leaders of the media industry.

SRI ratings and surveys

Carbon Disclosure Project	WPP's greenhouse gas emissions will be reported on the Carbon Disclosure Project website from September 2006.
Dow Jones Sustainability Index	WPP is included in the Dow Jones Sustainability World Indexes (DJSI World) and Dow Jones STOXX Sustainability Indexes (DJSI STOXX). WPP was given a score of 59% by Sam Research compared to the average score of 44% for our sector.
E.Capital Partners (ECP), Italy	WPP is a constituent in the ECPI Ethical Index Global.
FTSE4Good	WPP has been a constituent in the FTSE4Good Index since its inception.
Goldman Sachs	WPP was included in Goldman Sachs' European Media sector ESG Framework. "Based on the Goldman Sachs Media ESG framework (February 2006), we find that WPP demonstrates clear leadership on ESG performance, ranking in the first quartile (2nd overall with a score of 77%) of European media companies and leading its advertising agency peers on the key sub-sector theme of expansion into emerging markets while achieving cash returns and growth above its peers. Specifically, WPP leads on issues such as environmental and social reporting, gender diversity in leadership, human resource management, social investment, and responsible marketing." Goldman Sachs
Governance Metrics International (GMI)	GMI, the governance research and ratings agency, gave WPP a global corporate governance rating of 9 out of 10. A GMI rating of 9.0 or higher is considered to be well above average.
Vigeo	Vigeo, the European corporate social responsibility ratings agency, included WPP in its media sector benchmark in December 2005. WPP was rated top of sector for corporate governance and community investment, above average for customers and suppliers and human rights, and average for environment and human resources. Vigeo base their evaluation on public documents and WPP statements.



Corporate governance

The Board of directors as a whole is collectively accountable to WPP's share owners for good corporate governance and is committed to achieving compliance with the principles of corporate governance set out in the Combined Code. Our goal is to comply with relevant laws, regulations, and guidelines such as the Combined Code, the US Sarbanes-Oxley Act of 2002 and their related regulations and, as far as is practicable, policies such as the Hermes Principles and those issued by the Association of British Insurers (ABI), the National Association of Pension Funds (NAPF), the Pensions Investment Research Consultants (PIRC).

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



Business ethics

WPP's Code of Business Conduct and CR Policy set out the standards we expect employees to meet in their work. They provide guidance for our people in dealing with a wide range of ethical, social and environmental subjects. Both documents are included in this report and are publicly available on our website, www.wpp.com.

The CEO of each WPP company is required to sign a statement each year confirming that they comply with the Code of Conduct.

Employees can report any concerns or suspected cases of misconduct in confidence through our *Right to Speak* facility, run by our internal audit department. A *Right to Speak* phone number is available to all employees worldwide and is publicised through induction packs, the WPP Policy Book and on our Group intranet.

Code of Business Conduct

WPP and its companies operate in many different markets and countries throughout the world. In all instances, we respect national laws and industry codes of conduct.

- We, the directors and employees of all companies in the WPP Group ('the Group'), recognise our obligations to all who have a stake in our success including share owners, clients, employees, and suppliers.
- Information about our business shall be communicated clearly, and accurately in a non-discriminatory manner and in accordance with local regulations.
- We select and promote employees on the basis of their qualifications and merit, without discrimination or concern for race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.
- We believe that a workplace should be safe and civilised; we will not tolerate sexual harassment, discrimination or offensive behaviour of any kind, which includes the persistent demeaning of individuals through words or actions, the display or distribution of offensive material, or the use or possession of weapons on WPP or client premises.
- We will not use, possess or distribute illegal drugs. We will not report for work under the influence of drugs or alcohol.
- We will treat all information relating to the Group's business, or to its clients, as confidential. In particular, 'insider trading' is expressly prohibited and confidential information must not be used for personal gain.
- We will not knowingly create work which contains statements, suggestions or images offensive to general public decency and will give appropriate consideration to the impact of our work on minority segments of the population, whether that minority be by race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.

- We will not for personal or family gain directly or indirectly engage in any activity which competes with companies within the Group or with our obligations to any such company.
- We will not offer any items of personal inducement to secure business. This is not intended to prohibit appropriate entertainment or the making of occasional gifts of minor value unless the client has a policy which restricts this.
- We will not accept for our personal benefit goods or services of more than nominal value from suppliers, potential suppliers or other third parties.
- We will not have any personal or family conflicts of interest within our businesses or with our suppliers or other third parties with whom we do business.
- No corporate contributions of any kind, including the provision of services or materials for less than the market value, may be made to politicians, political parties or action committees, without the prior written approval of the Board of WPP.
- We will comply with all applicable local laws and regulations, and any other laws with an international reach, such as the US Foreign Corrupt Practices Act, where relevant.

CR Policy

We believe our business can make a positive contribution to society and the environment by managing our activities with care and by working with responsible organisations that promote social and environmental causes.

Our operating companies are required to comply with this CR Policy and report performance to the parent company annually.

Social investment

WPP companies are encouraged to:

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

Managing relationships

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

Employee development

WPP companies:

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

Marketing ethics

WPP companies:

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

Environment

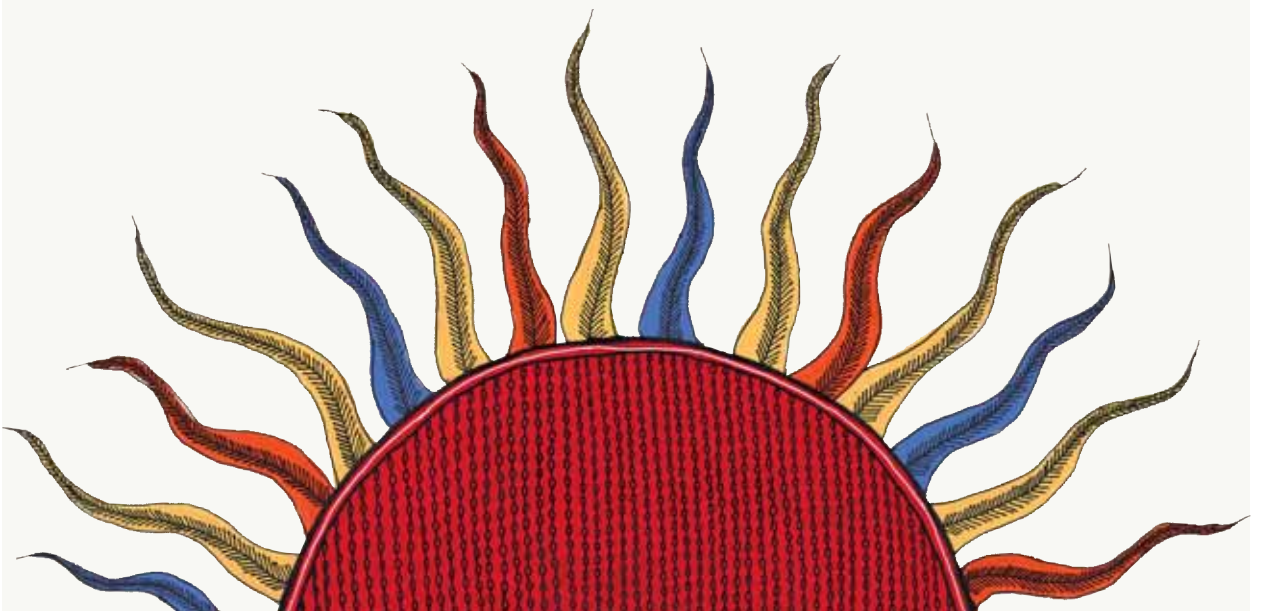
WPP companies will respect the environment by minimising their impact from:

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

Human rights

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

How we contribute



Social investment

The most significant social investment we can make is to use our expertise in advertising, marketing, PR and research to benefit charities. Our companies have a history of working for charities for free or at minimal cost. This pro bono work is worth much more than an equivalent cash donation because it helps charities publicise their campaigns, raise money and recruit new members. WPP also benefits because our people enjoy new creative challenges and the chance to give something back to a good cause.

We also donate money and equipment in support of good causes around the world.

In 2005, our total social investment was worth at least £17.3 million, equivalent to 0.32% of revenue (2.9% of reported before tax profits). This includes £13.9 million in pro bono work (based on the fees the benefiting organisations would have paid for our work) and £3.4 million in donations. We are pleased that our social investment has increased in line with increases in our revenue and profit.

WPP came fourth in the UK *Guardian* newspaper's Giving List 2005 (based on 2004 data) that ranks FTSE 100 companies by the value of their social investment.



Pro bono work and case studies

WPP companies across all disciplines undertake pro bono work. Below are four examples. Some of the many pro bono advertising campaigns and design work undertaken by our companies are featured on pages 67 to 101.

PRISM: Supporting vasculitis research

PRISM, a WPP sponsorship and branding agency, has introduced an annual corporate social responsibility objective. The agency will partner with a less well-known charity each year and do 'everything and anything' it can to help the charity achieve its goals.

In the first year of this initiative PRISM employees voted to support the Vasculitis Foundation (formerly the Wegener's Granulomatosis Association) a US-based charity, which helps people suffering from Wegener's and other rare vasculitis blood diseases. The Vasculitis Foundation is the primary source of information to thousands of vasculitis patients around the world.

The partnership started with a Fresh Forward Thinking Lab – a brainstorming session involving the charity's leadership team and employees from all PRISM offices. The session focused on the most crucial issues facing the charity and produced a number of actions, including:

- Name change – PRISM encouraged the Wegener's Granulomatosis Association to change its name to the Vasculitis Foundation to strengthen the organisation's links with other vasculitis and research organisations.
- Consensus Conference – PRISM instigated the first-ever Vasculitis conference, bringing together top medical professionals, researchers, scientists and government bodies from around the world to create a roadmap for improved medical care.

- Increase awareness – PRISM created and executed PR activities to give the newly-named Vasculitis Foundation a high profile with the medical community and the public. The first-ever Vasculitis Awareness week will occur in September 2007.

“

Without PRISM's support we could not have made the substantial improvements for our patients and their families. Thanks to PRISM our awareness has increased, our annual donations have increased and we have launched more patient initiatives than at any time in the history of this organisation. PRISM's support in pro bono work, ideas and encouragement has advanced our cause by years.

Joyce Kullman, Executive Director
Vasculitis Foundation

”

Hill & Knowlton: Pro bono PR for social entrepreneurs

Since 2002, Hill & Knowlton (H&K) has offered pro bono public relations services to build awareness of Ashoka, an organisation that supports social entrepreneurs (people with ideas that benefit society). This partnership involves H&K offices around the world including the US, Canada, Latin America and France.

Ashoka provides social entrepreneurs with three years' salary, a global network of contacts and professional services to help their work. One such entrepreneur is Dr P. Balakrishnan, managing director of Aurolab, a company which manufactures affordable visual and hearing aids, sutures and drugs. Aurolab's novel approach means that thousands of people can benefit from medical equipment at a vastly reduced price, as well as making the company a profit.

In 2005 H&K Brazil provided PR advice, media relations support and media training to Ashoka Fellows. H&K Canada advised Ashoka on its new social innovation awards to be launched in 2006 and media relations support for the announcement of new Fellows. H&K US provided media training and support for local events, as well as marketing communications to raise awareness and financial and political support worldwide.

So far Ashoka has helped around 1,700 people in 65 countries to realise their ideas.



Burson-Marsteller: Special Olympics

Every two years, Special Olympics enable people with intellectual disabilities from around the world to come together and compete in 26 sports. Over 2.2 million people in more than 170 countries take part. Special Olympics is one of Burson-Marsteller's global pro bono partners.

The 2005 Special Olympics World Winter Games were held in Nagano, Japan, the first time the Winter Games were held in Asia. Research showed that there was relatively low awareness of the games in Japan and of learning disabilities in general. Burson-Marsteller Tokyo worked pro bono to promote the Games, with a particular focus on engaging foreign media in Japan. The agency provided a media strategy, logistics and support to international news agencies based in Japan and assisted in preparing messages and materials for press stories. This work helped to attract large numbers of international guests and press to the Games in Nagano.

To raise awareness of people with intellectual disabilities, Special Olympics China set an ambitious target in 2001 to raise the number of participants in China from 30,000 to 500,000 by 2005. Burson-Marsteller was engaged on a pro bono basis to help meet this target.

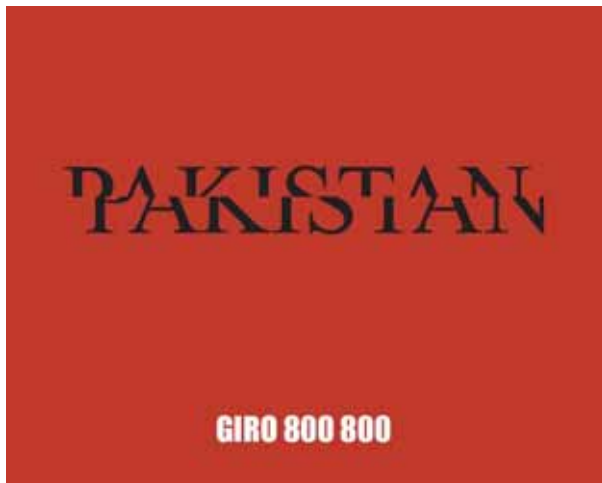
The agency capitalised on media attention around the 2008 Beijing Olympic Games to encourage the Chinese authorities to bid for the 2007 Special Olympics Summer Games. The agency helped Special Olympics Shanghai and the city mayor's office win the bid – only the second time that the Summer Games have been awarded to a city outside the US.

Burson-Marsteller provided strategic counsel and training in support of Special Olympics' goal to have China become its fastest-growing global program ever. Surpassing its original target, Special Olympics China has grown from 30,000 athletes in 2000 to more than 550,000 athletes at the end of 2005. Today, it has the largest level of quantitative growth of all the Special Olympics Programs in the world.



Supporting the fight against HIV/AIDS

WPP companies Grey, JWT, Ogilvy and Y&R are part of a major international project to raise awareness of HIV/AIDS 25 years after the disease was first diagnosed. The companies will each produce a new ad to be launched on World AIDS Day 2006, tackling issues that contribute to the spread of HIV, including unsafe sex, stigma and gender inequality. The agencies will work pro bono and make the ads available rights free to media around the world. The effort is part of the Global Media AIDS initiative launched by the UN Secretary-General in 2004 which aims to mobilise the world's media in the fight against AIDS.



Support for victims of the South Asia earthquake

WPP companies donated time and money to help victims of the South Asia Earthquake. These are just a few examples:

- Hill & Knowlton, JWT Pakistan and local associate Asiatic PR, provided assistance at a subsidised rate to the Pakistani government's rescue, relief and reconstruction efforts. Hill & Knowlton committed a team member to on-site support in Pakistan along with teams in Washington DC, London, Singapore and Islamabad to help officials coordinate aid and communicate with the media.
- Grey's Pakistan affiliate, Prestige Communications, helped negotiate food supplies and medicines from its clients at discounted prices. The company donated old outdoor advertising hoardings for making waterproof tents. Employees volunteered their time to sort relief goods and to load containers and trucks at donation camps.
- Research International US's employees organised fundraising events and the company matched the money raised.
- JWT Pakistan's employees all donated a day's salary to the relief efforts.



- MediaCom's Pakistan office is helping The Citizen's Foundation (TCF) to raise funds to rebuild houses and lives in the Neelum Valley, Kashmir. Employees have given their time to help rebuild houses and coordinate livelihood creation projects. All employees have donated a day's salary.
- O&M set up the Ogilvy Pakistan Appeal Fund for donations from O&M offices worldwide. Funds are being used to provide a shelter for the large number of children made homeless in areas affected by the earthquake. O&M Amsterdam created a billboard and newspaper campaign pro bono for the fundraising organisation, the Co-operation of Dutch Relief Organizations. The adverts were part of a national campaign which raised €41,500,000 for the victims of the Pakistan earthquake.
- Fitch Doha worked on a pro bono basis to create an identity and advertising campaign for the charity Reach Out to Asia, which organises fundraising events for underprivileged and disadvantaged people in Asia and is supporting the earthquake relief efforts (see above right).
- WPP, the parent company, donated £14,000 to UNICEF to help relief efforts in Pakistan.

Charity donations

Our companies support a wide range of charities through cash donations totalling £3.4 million in 2005. Some of the largest donations in 2005 went to:

- Asian Tsunami Relief.
- Hurricane Katrina relief efforts.
- The Good Neighbor Award Foundation, which recognises people who have given exemplary service to their community and the nation.
- Habitat for Humanity, a charity dedicated to eliminating poverty housing worldwide.
- UNICEF, the United Nation's children's fund.
- The American Red Cross.
- Every Child, providing children in developing countries with healthcare, education, and family support.
- NABS, a UK charity that supports marketing communications professionals.
- Steppenwolf Theatre, Chicago.
- MERCY Malaysia, a medical relief organisation dedicated to providing humanitarian services in crisis and non-crisis situations.
- New York Women in Communications, which helps women in all communications disciplines to reach their full potential.

Many of our companies have coordinated social investment programs. For example, Hill & Knowlton UK has launched a charities committee to manage its community investment. Three charities have been selected, after nominations from H&K employees. These are St Barnabas (which works with homeless people in the area near H&K's London office), the Leukaemia Research Fund and Plan UK (an international humanitarian organisation).

The company has launched a payroll-giving scheme to make it easy for employees to give money to the nominated charities. H&K will match contributions up to £60 per employee per year.

Employees can also take one day of paid time to volunteer for one of the charities. H&K will provide pro bono PR advice, media training and event organisation up to a value of £15,000 per charity.

Parent company activity

WPP, the parent company, focuses its support on education, the arts and youth, giving £379,000 in 2005. Many senior WPP executives also give pro bono advice and support.

In the UK WPP supports a range of organisations including: the Royal College of Art annual illustration competition and support of Hardship Fund; two bursary awards for D&AD, the professional association for design and advertising and the Natural History Museum in London. We are a corporate member of the Media Trust which provides training and communications services for the voluntary sector.

Sir Martin Sorrell is an active participant in programs at the following international business schools: London Business School; IESE, Spain; Indian Business School; Harvard Business School; Boston University; and Whistling Woods International Institute for film, television and media arts, Mumbai, India.

WPP and Sanyang village, Gambia

A donation from WPP has paid for a library to be built at the Lower Basic School in Sanyang village, Gambia. This has been stocked by books donated from across WPP companies. WPP is now paying for the construction of an extension to the library which will be used to house internet facilities. This is the first state school internet library in Gambia.

During 2005 WPP funds were used to help build, equip and staff a healthcare clinic in the village of Medina Salaam in southern Gambia.

WPP is paying for a local community nurse for the second year. The clinic is hoping to use a further donation from WPP to install a small solar power unit during 2006.

Books and sports equipment donated by WPP companies and employees are now being distributed to schools across Gambia through a nationwide scheme run by the Gambian Ministry for Education.

WPP and the World Economic Forum

WPP is one of the partners working with the World Economic Forum to create the *Celebrating Success* campaign. The aim is to encourage business and government leaders as well as young people across the world to reappraise Africa as a successful place to do business, to live and to work.

WPP and several of our agencies will provide pro bono marketing services support to help change perceptions of Africa. The campaign will be launched at the World Economic Forum in Davos in January 2007.

WPP and the Mandela Legacy Trust

WPP is providing pro bono marketing support to the Mandela Legacy Trust UK (www.mandelatrust.com). The Trust was launched in 2004 to raise awareness and funding for the three organisations set up by Nelson Mandela to improve the lives of Africans – The Nelson Mandela Foundation, The Nelson Mandela Children's Fund and the Mandela Rhodes Foundation. These charities focus on health issues, in particular AIDS, children and family issues, and education and leadership. Enterprise IG, one of WPP's branding and identity agencies, has developed the brand identity and promotional material (see below). The Mandela Legacy Trust has already received donations of several million pounds.



“
I am very grateful for all the help with the marketing of this charity; we look forward to the continued involvement of WPP.
”

Niall FitzGerald, Chairman
Nelson Mandela Legacy Trust UK

Employee volunteering

We encourage employees to give their time to good causes as volunteers. This benefits the charity and the employee and can help to improve job satisfaction. Many of our companies enable employees to take paid time off for volunteering. For example:

- *Good Deeds* is the volunteering program for Y&R and Mediaedge:cia employees in Detroit, US. Employees can spend two work days each year giving back to the community through individual or company-wide volunteering activities.

The initiative is designed to build a stronger community presence by encouraging employees to share their time and talents with others. For each employee that participates the companies donate \$100 to the community organisation supported.

- MJM recognises the importance of community participation. Employees can take up to two days of paid company time, every six months, for community service activities. Organisations supported by MJM employees include NYU School of Social Work, The Women's Venture Fund, Tribeca Film Festival and the Jefferson Market Community Garden.

- VML's community service program gives employees two workdays a year to volunteer in the community. VML employees work with five Kansas City organisations that need volunteers: Children's Mercy Hospital, Christmas in October, YouthFriends, Hope Lodge, and Mattie Rhodes Counseling and Art Center.

- Burson-Marsteller China launched a volunteering program in 2005, giving employees two working days a year to support community activities.

Many WPP company executives hold voluntary positions as board members, trustees and advisors to charities. For example:

- Alice Germanetti, Creative Director of Ogilvy & Mather Los Angeles, is a board member of the Amie Karen Cancer Fund for Children Foundation.

- Heather McNamara, Senior Vice President of Hill & Knowlton, is a board member for Habitat for Humanity, a housing aid charity.

- Jorge Rodriguez, President of JWT Puerto Rico, is a board member of the Red Cross. He is also vice president of the Alliance for Drug Free Puerto Rico and a board member of the community organisation, Juan Domingo en Accion and the children's charity, Hogar del Nino.

- John Clinton, CEO of Grey Canada, is a director of Special Olympics Canada, a charity which gives people with special needs a chance to play sports at a competitive level.

- Michael Wolkowitz, Co-CEO of MJM, is a member of the board of trustees of the organisation Prevent Gun Violence.

- Mike Breslin, Manager, Hill & Knowlton Houston, is a board member of both the American Diabetes Association, Houston chapter and the Houston Forum, a non-profit organisation that sets up community lectures.

- Tom Beall, MD of the Social Marketing Practice at Ogilvy PR, is a board member of the Epilepsy Foundation of America, the National Research Center for Women and Families, the Older Women's League and Sewall-Belmont House, a museum exploring the role of women in society.

Pro bono campaigns



WPP companies produce hundreds of pro bono campaigns for good causes every year. This work is worth more than a cash donation. It helps charities recruit new members, raise awareness and further their campaigns. Many of our pro bono relationships are long-standing partnerships, helping a chosen charity over several years. On the following pages we highlight just a few recent examples.

ParatyCine Film Festival O&M, Brazil

ParatyCine is a film festival for ordinary people, not just commercial movie makers or big studios. The festival takes place in the historic town of Paraty near Rio de Janeiro. It promotes film making in Brazil with free screenings and workshops. Many of the events focus on the preservation of Brazil's cultural and environmental heritage. Representatives of tribes from around the town take part and the festival includes an exhibition on their culture.

The festival organisers have few resources so Ogilvy worked pro bono to create promotional material for ParatyCine. Striking posters and flyers were developed using 'The eye of Paraty' (see right) – a symbol of both film creators and spectators.

The festival received extensive coverage in the national press and a record number of people attended.

"II Festival de Cinema de Paraty took cinema closer to the residents of Paraty, in Rio de Janeiro. Screenings of short, medium and feature films for free and workshops for children provided entertainment, information and culture for Paraty people. Ogilvy & Mather Rio de Janeiro is our partner in this successful event. The advertising campaign developed by the agency attracted audiences and enchanted our guests. Catalogues, posters, bus doors, adverts in magazines and invitation cards brought five thousand visitors a day to ParatyCine for five days. Undoubtedly, a successful synergy."

Helio Pitanga, II Festival de Cinema de Paraty
(ParatyCine) producer
Bossa Produções





II FESTIVAL DE CINEMA DE PARATY

DE 19
A 23
DE OUTUBRO

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PATROCÍNIO:   Eletrobrás 

INSTITUCIONAL:   Câmara de Comércio e Indústria
Brasil-China
Chamber of Commerce and Industry
巴中工商总会

REALIZAÇÃO:    www.mao dupla.net

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Greenpeace Y&R, Brazil



An area of Amazon rainforest the size of eight football fields is cut down every minute. The forest is cleared to create grazing land for cattle and soya plantations. Much of the logging is done illegally.

Y&R created a series of magazine ads and negotiated free media space for Greenpeace as part of their campaign (see example, left) against destruction of the rainforest.

The ads featured aerial views of forest, cleared in the shape of crop circles, accompanied by the slogan, “Proof: stupid life exists on Earth.” They urged Brazilians to join Greenpeace in the fight to protect their country’s forests.

National Trust

Enterprise IG, UK



Enterprise IG created the identity for the *History Matters...Pass It On* campaign. The campaign is a joint venture between the National Trust, English Heritage, Heritage Link, Historic Homes Association, Heritage Lottery Fund and the Civic Trust. It aims to encourage more British people to take an interest in their country's cultural heritage.

History Matters...Pass It On aims to secure government funding by demonstrating the public's enthusiasm for history and by showing that

heritage organisations in the UK can successfully work together. The campaign encourages people to visit local places of historic interest and take part in *History Matters* events from Victorian military re-enactments to Regency fashion shows.

Enterprise IG worked pro bono to create the campaign identity. The simplicity and flexibility of the identity allows for its effective application across a wide range of platforms, both online and offline.

Aiutare i Bambini Wunderman, Italy



Aiutare i Bambini is a Milan-based charity that helps orphans and abandoned children. Wunderman was commissioned by the charity to help raise funds for street children in Kenya. The challenge was to reach as many people as possible, while keeping costs to a minimum.

Ads were printed on newspaper with the slogan “for too many African children this newspaper is a bed, a blanket and a house...”. The mailout was sent to 250,000 people with a letter appealing for donations.

Wunderman produced the campaign for less than half the amount normally charged for a similar marketing campaign. The mailout generated €125,000 in donations.

The campaign can easily be adapted for future appeals by using a newspaper from the country whose children the campaign is trying to help.

Bombay Natural History Society

RMG Connect, India



The charity Bombay Natural History Society (BNHS) has been campaigning to protect India's natural heritage for 120 years. In 2005, BNHS launched a campaign to raise awareness among the people of Mumbai about the importance of conserving nature, in particular trees.

RMG Connect developed a pro bono campaign to make people think about how much poorer the world would be without trees. TV, press and outdoor ads ran over the Christmas period, and used images of a clothes rack decorated like a Christmas tree. An actual clothes rack was displayed in busy department stores in Mumbai.

"We liked the campaign as it was in sync with our mission and was topical as the work was released around Christmas time. Not only did it draw public attention to a worthy cause, it also informed the public as to how they could help – by becoming a member of the BNHS. Furthermore, the rampant illegal cutting down of trees, both inside and outside protected areas, is of great concern to the BNHS and that is another issue that this communication managed to address."

Ruby Madan, Marketing and Communications
Divisional Manager
BNHS

The CarbonNeutral Company

Lambie-Nairn, UK

Emissions of carbon dioxide are the principal cause of climate change. Future Forests has been helping companies and individuals to reduce their carbon emissions for over a decade through tree planting and investment in renewable technologies.

In 2005, Lambie-Nairn began working for Future Forests, creating a new brand identity for the organisation, and changing its name to The CarbonNeutral Company. The agency worked for a small fee – less than half the price a client would normally have paid for the work.

The new identity included a call to action asking people to commit to reduce and offset their carbon emissions by signing on the dotted line. The new logo is particularly suited to co-branding as it allows the logo and signature of The CarbonNeutral Company to sit comfortably alongside those of its corporate partners.

The dotted line identity featured on poster, newspaper and magazine ads as well as on the company's website. Many of the ads are endorsed by celebrity signatures.

Lambie-Nairn has now committed to becoming a CarbonNeutral company itself.

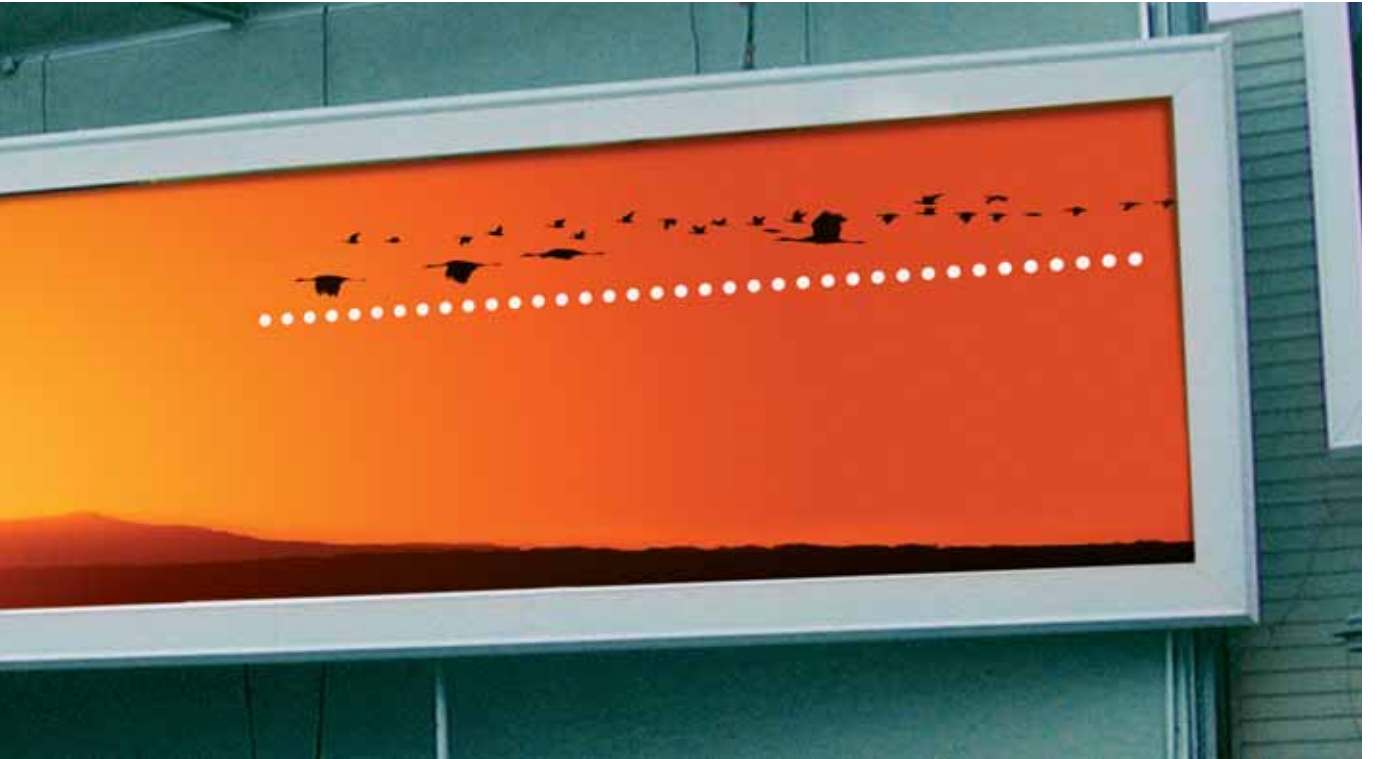


“The CarbonNeutral Company’ says exactly what we do. It expresses the problem and the solution and works for both consumers and businesses. We are thrilled with the result.”

Sue Welland, Co-founder and Creative Director
The CarbonNeutral Company



Pro bono campaigns



Sharkproject Y&R, Frankfurt

Many shark species are close to extinction because they are hunted for their fins.

Y&R produced a TV and magazine campaign for Sharkproject, the international shark conservation organisation, to change the reputation of the shark. The magazine ads show that sharks are not bloodthirsty killing machines – in fact they are the ones in need of protection. The TV commercial highlights that, while there are 10 fatal shark attacks worldwide each year, humans kill over 200 million sharks.

After the campaign there was a 74% increase in the number of hits to the charity's website, with the TV ad being downloaded more than 100,000 times, and the number of people attending Sharkproject's lectures doubled.

The campaign won the Golden Megaphon National Commercial of the Year 2005 award and the Environment and Human Rights award at the 2006 Jahrbuch der Werbung, Germany's most prestigious advertising awards.

"Thanks to the enthusiasm and efforts of Y&R Germany the Sharkproject now has strong communications and public exposure. This has led to increasingly more support from sponsors and better media coverage."

Gerhard Wegner, President
Sharkproject



WaterAid Digit, UK



Digit, WPP's digital brand communications agency, worked with the charity WaterAid to highlight World Water Day 2006.

The agency created a playful and interactive installation at the Eden Project, an education and conservation centre in Cornwall, UK, visited by more than one million people each year.

Digit set out to engage visitors and educate them about the global affects of water shortage, the need for clean, accessible water across the globe, and the importance of using less water in the home.

The Water Shed looked like an ordinary garden shed complete with watering can, hosepipe and bucket. However, one of the shed walls was actually an interactive digital landscape.

When visitors 'watered' the shed, vines and trees started to grow and spelled out water information and WaterAid's campaign messages. When visitors aimed the hose or watering can at the sky the clouds parted to reveal messages, and landscapes ranging from a British garden to a village in Burkina Faso, with information about each environment.

"The installation appealed to visitors of all ages and was a memorable way for families to learn about water conservation.

Through the Water Shed, Digit has created a really engaging and innovative way of communicating the importance of water. Visitors at the Eden Project enthused over the Water Shed, which while being great fun to use also carries poignant educational messages about the importance of water both in the UK and in developing countries. Innovations such as this are a great way to raise awareness of WaterAid and its work, reaching more people with our vital messages."

Tamsin Maunder, Communications Services Manager
WaterAid

Amnesty International O&M, Hungary



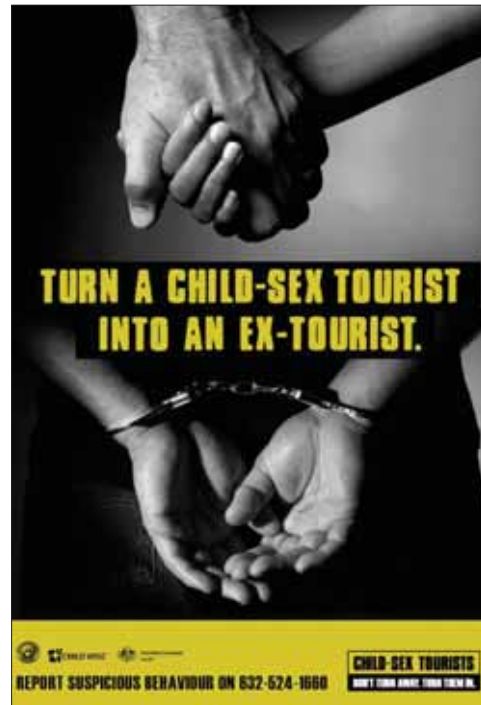
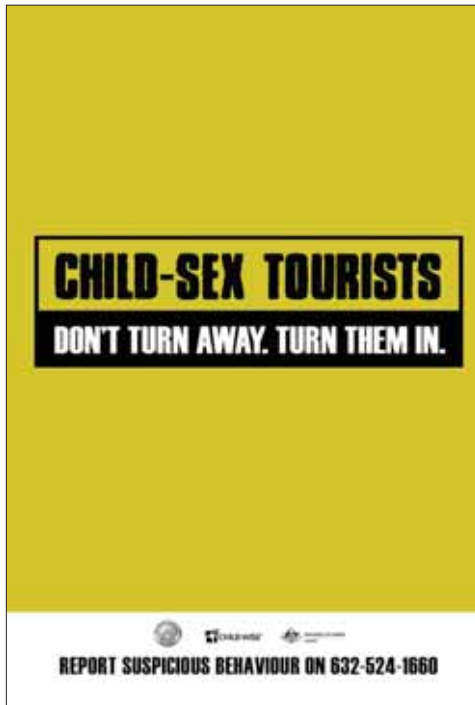
Ogilvy & Mather has worked pro bono for Amnesty International for the last two years. Recently, Ogilvy employees helped set up the Amnesty International English group in Budapest and created a press advertisement and direct mailout to announce the opening.

The print ad played on the traditional image of an event opening, but the ribbon was replaced with barbed wire being cut by pliers, to symbolise the charity's fight against oppression.

A writing pad, with the lines crossed to look like barbed wire, was sent to the members of the group to remind them to write letters campaigning for the cause. The group is now doing well and holds regular meetings and campaigning events.

The print ad won Hungary's first-ever award in the New York Festival's International Advertising Awards and the direct mail campaign was also shortlisted.

Child Wise Grey, Melbourne



Two million children around the world have been forced into the sex industry. Some of them are as young as five years old. Many of these children live in South East Asia – indeed in some countries in this region up to one-third of all prostitutes are children.

Child Wise is a small Melbourne-based organisation set up to protect children from exploitation. Grey agreed to work pro bono on a campaign to raise the issue of child prostitution among tourists in South East Asia.

The aim was to encourage tourists to report any suspicious behaviour to the local authorities and to warn potential child-sex tourists that they would be caught.

Using the slogan, “Don’t turn away, turn them in”, the campaign was launched in Malaysia, Singapore, Brunei, Cambodia, Laos, Vietnam, Philippines, Myanmar, Indonesia and Thailand.

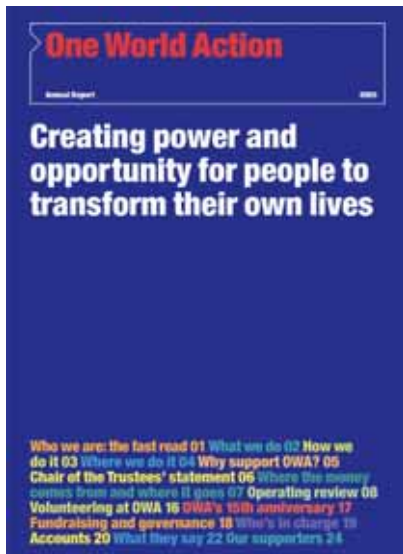
It included TV spots, in-flight advertising, posters, and other material such as stickers.

The campaign was highlighted as an example of best practice at the World Tourist Organisation’s Global Taskforce in London. The Australian government has agreed to fund a local version on TV and in print to encourage Australian tourists to report child-sex tourism.

“The impressive support from Grey Worldwide will see the unveiling of a world-class behavioural change campaign – a campaign which will not only heighten awareness about child-sex tourism but ignite public action to keep children safe.”

Anita Dodds, Program Manager
Child Wise

One World Action Addison, UK



Addison worked pro bono to design the 2004-05 One World Action annual report. One World Action partners with local organisations to help the world's poorest people transform their own lives. It also campaigns against international policies that contribute to poverty.

The annual report is a valuable fundraising document for the charity and explains to donors what their money is used for and how it changes lives across the world.

“We are extremely grateful to Addison. Their creativity and professionalism made the annual report project very useful and enjoyable. As a fundraiser, this report will be invaluable in explaining succinctly how and why we work.”

Tanya Hassan, Head of Fundraising
One World Action

Surfrider Foundation

Y&R, France



Y&R Paris created a pro bono marketing campaign for the Surfrider Foundation, a non-profit environmental group whose goal is to protect the oceans and coastlines through research, education and local action.

The agency developed a campaign to show the impact of pollution on fish and other marine life and to encourage people to get involved in the Foundation's clean-up programs. Y&R created TV, press, radio, outdoor and postcard ads that ran in France, Spain and Canada.

One of the ads looked like an encyclopedia illustration of fish species; but the fish were

pictured belly up, having been killed by pollution. Y&R also created a traditional seaside souvenir, sand in a bottle, but with a layer of cigarette butts. The 'souvenir' was sent to politicians of the coastal regions and to the press and television stations on the day of the beach clean-ups to generate media attention.

The value of the work donated for the latest campaign was around €28,000. The campaign raised the profile of the Surfrider Foundation and has helped to increase membership and the number of volunteers taking part in clean-up operations by almost 50% over the last three years.

Hospital do Cancer JWT, Brazil

Hospital do Cancer (The Cancer Hospital) is the leading oncology (the study and treatment of tumours) centre in Brazil. The hospital, which is staffed by over 350 volunteers, gives 623,000 people access to the latest cancer treatments each year, including many who can't afford treatment elsewhere.

JWT has worked pro bono for the hospital for almost seven years. The agency initially created awareness-raising campaigns for the hospital and then, after three years, created ads to encourage public donations.

Recently, JWT created a magazine ad campaign to raise funds needed to expand the hospital. The agency used a number of creative treatments to highlight that many people are waiting for cancer treatment and the difference that each donation can make. JWT is also revamping the hospital's website.

So far the ads have helped raise US\$1 million for the hospital.





Women's Aid Grey, London



A quarter of women in the UK will suffer from domestic violence in their lifetimes, and every two weeks two women are murdered by their partner or ex-partner.

Women's Aid launched a campaign on 14 February 2006 to show that even on Valentine's Day many women live in fear of a violent partner.

Grey London donated time worth £40,000 to create the ad campaign and people from the agency's account management, planning, creative, production, new business and PR departments all got involved. The agency ran a series of focus groups to gain a deeper understanding of attitudes to domestic violence. Grey then created two ads featuring traditional romantic images but with a shocking twist.

Grey negotiated free media space in major national newspapers and on radio. The campaign, which was supported by Sarah Brown, wife of British Chancellor Gordon Brown and a Women's Aid Patron, received extensive media coverage. Donations increased 24-fold during the period of the campaign.

Grey London continues to work with Women's Aid and will be launching a long-term high-profile campaign later in the year.

"Working with Grey has been a fantastic opportunity for a charity like Women's Aid. We'd be hard pressed to put a value on what they have created for us so far – their Valentine's Day campaign raised our profile tremendously and really started to get people talking about our cause."

Nicola Harwin, CBE, Chief Executive
Women's Aid

Jaipurfoot

Ogilvy & Mather, India



Since 1975, the Jaipurfoot project has fitted 900,000 people with artificial limbs and other mobility aids free of charge, including around 70,000 people in the last year.

Jaipurfoot runs camps in India and 18 other countries in Asia, Africa and Latin America which fit the world's poorest people with artificial limbs while they wait. 95% of the organisation's patients live below the poverty line and they are offered free accommodation and food while they are being treated.

O&M India created an outdoor ad campaign for the charity on a pro bono basis. The ads, placed around the city of Jaipur featured pictures of children cropped at thigh level and positioned so that the supports for the hoardings acted as artificial limbs.

The campaign was a success raising awareness and increasing donations for Jaipurfoot. The charity now plans to set up camps in Seychelles, Zambia and Pakistan. O&M Chairman, Piyush Pandey, will continue to help Jaipurfoot with media relations and advertising.

Substance Abuse and Mental Health Services Administration (SAMHSA)

Grey Worldwide, US



In the aftermath of hurricanes Katrina and Rita in the US, the immediate priorities were access to water, food, shelter, medical care, and security. The disasters, however, also caused longer-lasting mental health problems for many people.

Grey Worldwide, New York, worked pro bono for the Substance Abuse and Mental Health Services Administration (SAMHSA) to encourage those affected by the hurricanes to seek help for sadness, distress or depression. The agency created an ad campaign to publicise a toll-free support helpline run by SAMHSA and manned by trained professionals.

The first in the series of three ads was targeted at adults, with the message that it is natural to feel overwhelmed by the hurricanes and there is no shame in asking for help. The second was aimed at caregivers, highlighting that children

might need professional help to cope with their experiences. The third was aimed at first responders (such as police, ambulance and fire crews) among whom there was a high incidence of alcoholism and suicide during and after the rescue efforts.

SAMHSA and Grey are teaming up again to remind survivors of the importance of dealing with mental health concerns left behind from last year's hurricane season.

"I am confident that after seeing the compelling public service announcements developed by Grey, and learning more about the campaign, many more hurricane survivors were encouraged to call the confidential toll-free hotlines to get help."

Peggy Conlon, President & CEO
The Advertising Council

Hyde Park Blast Landor, Cincinnati



Since 1970 around 12,000 people have enjoyed the Independence Day celebrations organised by a Cincinnati neighbourhood community. Since 2002, this has included a charity fundraising race.

Landor has worked with the organisers since 2002 on a pro bono basis. The agency created an identity for the event giving it the name Hyde Park Blast and developing a logo of a bounding Statue of Liberty. Landor's work helped attract a huge turnout to the first Hyde Park Blast, making it one of the largest events in Cincinnati.

This year Landor created all the marketing posters, entry forms, sponsorship ads, race T-shirts and websites. The event raised \$80,000 for the

cancer support charities, Leukemia and Lymphoma Society, the Wellness Community and the Lance Armstrong Foundation.

"The Landor team gave us the identity we needed to make us one of the largest events in the city and raise a good amount of money (as well as generating awareness) for charity. Most races do not turn profits or generate good fundraising in the first few years and our new brand allowed us to overcome these challenges."

Chad Sims
Hyde Park Blast

Francis House Children's Hospice CheethamBell JWT, UK



Francis House Hospice gives families of very sick children a rest from their role as carers and the children a loving home from home. The hospice only gets enough government funding to operate for 17 days a year, so it relies on public support.

CheethamBell JWT has worked pro bono for the Hospice since 1999. The company developed a campaign starring Kirsty Howard, a four-year-old girl born with her heart back to front who was a patient at the hospice.

Since then, the company has created around four pro bono ad campaigns a year and rebranded the appeal twice to help raise £5 million needed to secure the hospice's long-term future. The company

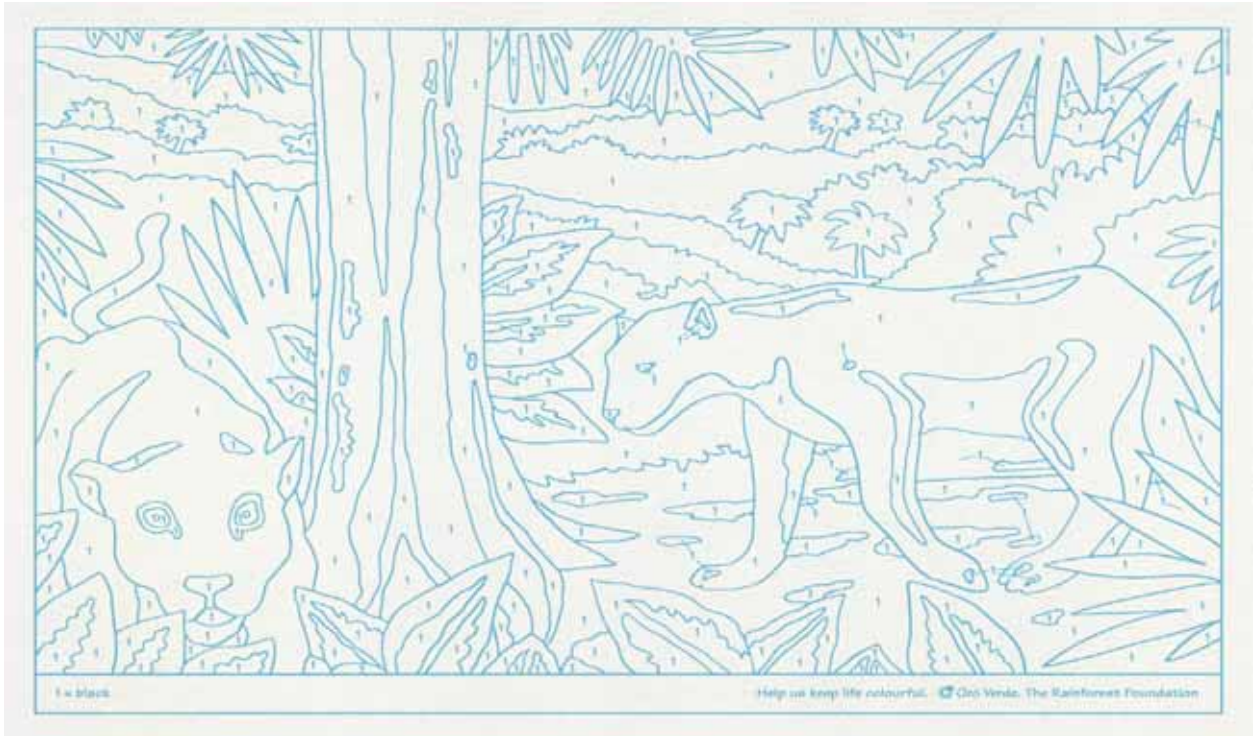
used a number of tactics to help maintain support for the appeal, including using the Commonwealth Games to highlight Kirsty's determination and courage and creating a spoof Nike TV commercial that was aired when Kirsty started the Great Manchester Run.

Now just £700,000 short of the £5 million target, Cheetham Bell JWT has re-branded the Kirsty Appeal with a new logo and the strapline 'the home straight' to help raise the final million.

Kirsty continues to defy medical expectation and has just celebrated her tenth birthday.

Oro Verde

Ogilvy & Mather, Frankfurt



Ogilvy has given pro bono support to the German rainforest conservation charity Oro Verde, since 2003. The charity has completed over 30 successful conservation projects in Latin America, Africa and East Asia over the past 17 years.

In 2005, Oro Verde struggled to generate funds for its vital work because many public donations were diverted to help the victims of the Asian tsunami.

Ogilvy created a print and internet campaign to help the charity increase donations. The ads featured a painting-by-numbers rainforest scene which, if completed, would be filled out completely in black. The message was that we will lose the colour and variety of the rainforest forever unless we take action now.

“The work with Ogilvy has helped to gain awareness for our foundation. Moreover, it has called attention to the danger of the constant destruction of the rainforest. We hope this successful cooperation will continue.”

Birthe Hesebeck, PR and Marketing Manager
Oro Verde

GRAACC

OgilvyOne, Brazil

GRAACC is the Support Group for Adolescents and Children with Cancer. It provides medical care and educational support for young people suffering from cancer as well as care homes where patients can stay with their family while they receive treatment.

OgilvyOne Brazil developed a direct marketing and online campaign on a pro bono basis to generate support for GRAACC.

The challenge was to deal with the tragic subject of child cancer in an uplifting way. OgilvyOne created an interactive web advert featuring a boy who was diagnosed with cancer aged nine. The viewer's mouse turned into a hair shaver when it was moved over the image and the person was asked to shave the boy's head, as if to prepare him for chemotherapy. But at the end of the ad, the boy raises his head to reveal a huge smile and a Mohican hair cut – he has been cured of cancer and is preparing for his band's first live performance.

During the campaign, donations to GRAACC increased by 28%. The campaign won a silver award at the Cyber Lion Cannes Advertising Festival in France and the Pencil One Show in the US and gold awards at El Sol Festival in Spain, Cyber Sinos in Portugal, Gramado Festival in Brazil, the Brazilian Creative Annual Brazil and at the Caples Awards in the US.

“The partnership between GRAACC and Ogilvy has existed since 2002 and has been essential in helping us achieve our goals, in terms of acceptance of new members and institutional recognition. Ogilvy’s innovation and creativity have helped GRAACC to achieve a privileged position, showing the public our needs in an optimistic and positive way. We look forward to continuing to do good work with Ogilvy.”

Tammy Allersdorfer, Corporate Development Manager
GRAACC



Pro bono campaigns



Fundación Ramón Rubial

JWT, Spain



Hundreds of Spaniards are sent to prison each year for committing drug offences while abroad. Most of these are young travellers.

JWT developed a campaign for the Fundación Ramón Rubial, a charity working to improve the plight of Spanish prisoners abroad, to raise awareness of this issue.

The campaign uses images of well-known tourist spots viewed through barred windows. The message is that if you go near drugs, your trip could be for life. The postcards feature countries with the harshest penalties for drug users or smugglers.

The challenge for JWT was to be direct and clear, without offending the countries featured in the postcards. This was especially important since the Spanish public health ministry subsidised the campaign.

The postcards were sent to young people between the ages of 18 and 30 in Barcelona and Madrid, selected using the Fundación's database and from the most 'at risk' areas of the cities.

They were also displayed in bars, in racks alongside real tourist postcards in airports, train and bus stations and in travel agencies, vaccination centres, police stations and drug support centres.

The campaign won awards at a number of ad festivals, including a silver award at the 2005 Cannes Advertising Festival.

“The designs created by JWT are an original and intelligent way to raise awareness among travellers of the serious consequences of being involved with drugs abroad. The international recognition of the designs in Cannes gives the advertising even more value. The JWT work has helped advance the cause of the Fundación Ramón Rubial.”

Adriana Sanclemente, Programme Coordinator
Fundación Ramón Rubial

Childcare Grey, India



In India, an estimated 18 million children live on the streets. Most of them are forced into begging by their parents or organised gangs. Childcare India is an NGO that helps rehabilitate street and beggar children.

Grey India created an outdoor advertising campaign to raise awareness of Childcare and support its rehabilitation projects.

Several life-size cut-outs of beggar children were put up on the doors of shopping malls, restaurants and other public places. The push sign on the doors was replaced with a message about Childcare urging people not to turn away from street children.

The campaign has won awards at the Asia Pacific Advertising Festival, the Goafest, and the Ad Club Awards (the Abbys).

The Advertising Council and Environmental Defense Ogilvy & Mather, New York



The Advertising Council and Environmental Defense launched a national public service advertising (PSA) campaign in 2006 to motivate Americans to help combat global warming. The ads were created pro bono by Ogilvy & Mather New York and distributed across the US.

The ads take a powerful, emotional approach to show Americans that global warming is an urgent problem requiring their immediate action. The campaign included TV, radio, and internet spots directing the audience to www.fightglobalwarming.com, a website where people can calculate their personal contribution to climate change, and learn simple energy-saving tips.

“With so many messages appearing in the media about global warming, we needed a different way in. We need to jolt people a bit. To think that a child today will have to bear the consequences of our apathy in years to come should be shameful and scary. If this doesn’t hit everyone right where it hurts, nothing will.”

Josh Tavlin, Group Creative Director, Senior Partner
Ogilvy & Mather

“I’m confident that these compelling PSAs, developed pro bono by Ogilvy & Mather, will go a long way to inspiring Americans to incorporate simple behaviors into their daily lives that will help to combat global warming.”

Peggy Conlon, President & CEO
The Advertising Council

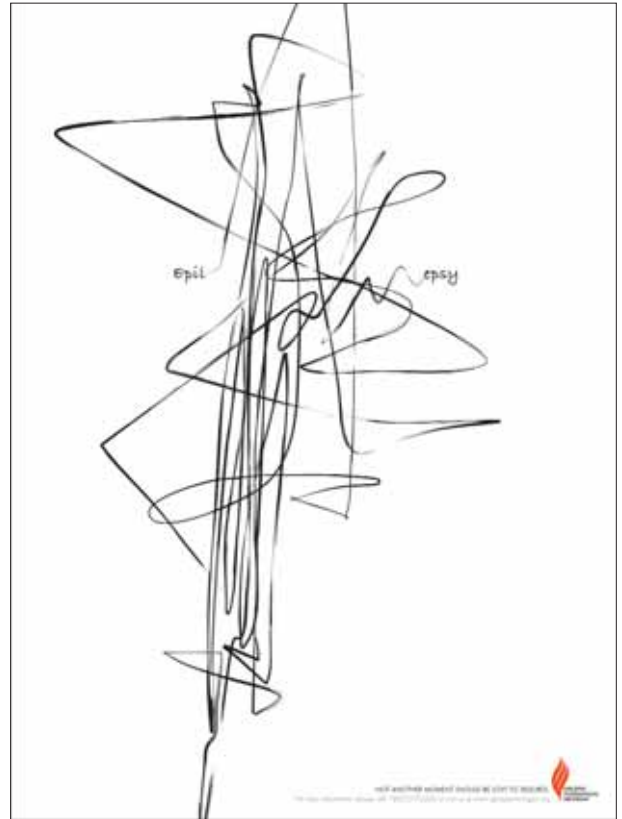
The Epilepsy Foundation of Michigan JWT, Detroit

About one in 100 people have epilepsy. That's over 100,000 individuals in the state of Michigan alone.

The Epilepsy Foundation of Michigan is a non-profit organisation that supports people with epilepsy. JWT created a campaign to help the Foundation raise money and challenge the misconception that epilepsy is a debilitating condition. The campaign message that “not another moment should be lost to epilepsy” showed that sufferers can live normal lives if they have the right support.

There was no budget for running the campaign so JWT partnered with the Detroit Newspapers and their Partnership for Humanity program who agreed to run the ad in the Detroit News and Detroit Free Press papers at no charge.

JWT aimed to raise awareness and increase donations to the Foundation by 10% from the previous year. The campaign far exceeded these targets with donations increasing by 44%. There were 16,395 hits on the Epilepsy Foundation website after the ads ran in the press.



The Alannah and Madeline Foundation

Y&R, Asia Pacific



In Australia, a child is reported abused or neglected every two minutes. The Alannah and Madeline Foundation supports children who are victims of abuse, violent crime or family loss.

During 2005 Y&R Australia worked for the Alannah and Madeline Foundation on a pro bono basis to raise awareness of its important work.

The Foundation raises most of its funds through its Starry Starry Night event. Guests pay up to AUS\$10,000 to sponsor a table and have the chance to meet celebrities. Y&R Australia helped the Foundation ensure that its 2005 event would be a success. The agency created a unique direct marketing pack to generate table sales for the evening, including an autograph booklet and letter. The event was a sell-out, raising over AUS\$400,000.

In 2005, Y&R Australia also helped the Foundation appeal directly to the public for donations for the first time. The agency created a communications campaign to promote the 'Buddy Bear Chocolate Treat', a chocolate bar developed in conjunction with Cadbury, which raised over AUS\$120,000 for the Foundation.

"Each year Y&R Australia donates over AUS\$500,000 in pro bono services to our organisation. Working on our branding, communications and event marketing programs the agency is integral in assisting us to raise funds to help break the cycle of violence in the lives of Australian children."

Dr. Judith Slocombe, Chief Executive Officer
The Alannah and Madeline Foundation

Pathways to Housing Grey Worldwide, US

Steve Krauss, the Creative Director of Grey Worldwide New York passed a homeless man on his walk to work through Manhattan every day. After a while he got talking to the man and learnt that his name was Tony, a Vietnam veteran who had been on the streets for 25 years.

Steve decided to try and help. He found Pathways to Housing, an organisation that houses mentally ill people in New York. It was a real challenge to gain Tony's trust but eventually he agreed to be helped by Pathways who found him his own apartment.

Grey created a public service ad to highlight Pathways' valuable work – following Tony's move from the street to his own apartment. The ad was aired on major TV networks in New York and

Washington and on the Monday after it was first shown the organisation received 75 calls from individuals offering their support, offering to volunteer or searching for loved ones. The number of calls over the following months prompted Pathways to set up a volunteer program.

"Steve and everyone else on the team at Grey have done a remarkable job in not only expressing our mission, but also in raising public awareness and advocating an end to homelessness, one person at a time. The Pathways community is very grateful for their talent and their contribution."

Sam Tsemberis, Founder and Executive Director
Pathways to Housing



WWF

O&M, Beijing

China's economy is developing at breathtaking speed. This growth is improving the lives of millions of people, but taking its toll on the environment and endangered animals. WWF, the conservation charity, launched a campaign to raise awareness of the dangers facing China's wildlife and the urgency with which these must be addressed.

O&M created a series of dramatic and memorable installations to promote environmental protection. To coincide with an international environmental conference, WWF placed a life-sized polar bear made of solid ice in the busiest shopping street. As the bear melted in the mild temperature shoppers were reminded that "No more polar temperatures, no more polar bears."

A show in a prominent gallery in Beijing, featured pictures of traditional Chinese paintings of men battling tigers and ripping up trees with their bare hands. Next to each scroll was a basket of rotten fruit. Volunteers were encouraged to throw the fruit at the environmental villains.

A street installation in Beijing showed that "The only thing standing between their survival or extinction is you." Passers-by could stand between pictures of a man with a gun and an endangered animal in a gesture of defiance. Bullet holes were placed around the animals as if they were on a firing range.

The campaigns were a success. Over 400 new volunteers or supporters signed up. Corporate partners, such as Canon, strengthened their commitment to the charity. The ads also grabbed the attention of the media and were reported by over 20 Chinese and international news agencies and networks. The campaigns won awards at the 2006 Asia Pacific Advertising Festival, the 12th China Advertising Festival and the 16th Times Asia Pacific Festival as well as reaching the finals of the 2005 London International Awards and the One Show Awards.

Ogilvy & Mather has provided pro bono creative work for WWF campaigns around the world since the charity was founded, and is a WWF Conservation Partner.

"As Conservation Partner to WWF, the global conservation organisation, Ogilvy & Mather has contributed to WWF's conservation efforts by providing generous pro bono services and free advertising. In China, Ogilvy has supported a number of WWF China's conservation initiatives through its creative and passionate work. WWF values the partnership with Ogilvy, and appreciates the support of Ogilvy towards our mission of building a future in which humans live in harmony with nature."

Jing Hui, Communications Manager
WWF China

Pro bono campaigns



95. These three artwork panels will be viewed by their generations. The Chinese characters read: "The tree has been cut down, and the person has been cut down. The person has been cut down, and the tree has been cut down." The person has been cut down, and the tree has been cut down.



96. These three artwork panels will be viewed by their generations. The Chinese characters read: "The tiger has been killed, and the person has been killed. The person has been killed, and the tiger has been killed." The person has been killed, and the tiger has been killed.



97. These three artwork panels will be viewed by their generations. The Chinese characters read: "The person has been cut down, and the tree has been cut down. The person has been cut down, and the tree has been cut down." The person has been cut down, and the tree has been cut down.



Right to Play Y&R, Toronto

Right to Play is an international humanitarian organisation that uses sport and play as tools to promote development, health and peace.

Y&R Toronto created a pro bono campaign to raise awareness of Right to Play, and encourage more people to volunteer or give money to support its work.

The campaign included print, radio and TV spots promoting the message that the benefits of sport aren't just physical – but mental and emotional too. Kids who play sport learn lessons that help them grow into well-balanced adults.

The TV ad juxtaposed images of war and play to intrigue viewers. The ad begins with children in a gunman's line of fire. Gradually it becomes clear that the gun is really a starter's pistol and the children are actually having a race.

Seventy-six television stations agreed to run the commercial and enquiries to the Right to Play call centre and website increased by 30%.



“Y&R has understood every aspect of our vision, mission, philosophy and values and managed to transform difficult messages into compelling short stories and marketing material. The material produced, such as hard-hitting ads, have been picked up by TV stations across the country and are airing on a daily pro bono basis. This is purely because the ads are so compelling and of such high quality. Our partnership goes into brand design, marketing plans and organizational behaviour. Thanks to Y&R for being one of our most important partners in Canada.”

Johann Koss, President and CEO
Right to Play

Pro bono campaigns



Our companies and associates

Advertising

ADK¹
www.adk.jp

Bates Asia
www.batesasia.com

BrandBuzz[■]
www.brandbuzz.com

Dentsu Y&R^{1,2,■}
www.yandr.com

Diamond Ogilvy
www.diamond.co.kr

Grey Worldwide[■]
www.greyglobalgroup.com

LG Ad¹
www.lgad.co.kr

JWT
www.jwt.com

Marsteller Advertising[■]
www.marsteller.com

Ogilvy & Mather Worldwide
www.ogilvy.com

Red Cell

Soho Square
www.sohosq.com

The Voluntarily United Group of Creative Agencies
www.group-united.com

Y&R[■]
www.yandr.com

Media investment management

GroupM:
MAXUS
www.maxusglobal.com

MediaCom
www.media.com

Mediaedge:cia
www.mecglobal.com

MindShare
www.mindshareworld.com

Outrider[■]
www.outrider.com

Other media agencies
Kinetic Worldwide²
www.kineticww.com

KR Media²

Information, insight & consultancy

The Kantar Group:
www.kantargroup.com

Added Value
www.added-value.com

BPRI
www.bprigroup.com

Cannondale Associates
www.cannondaleassoc.com

Center Partners
www.centerpartners.com

Everystone
www.everystonegroup.com

Focalyst²
www.focalyst.com

Fusion 5
www.fusion5.com

Glendinning
www.glendinning.com

Henley Centre HeadlightVision
www.hchlv.com

IMRB International
www.imrbint.com

KMR Group
www.kmr-group.com

– AGBNielsen Media Research²
www.agbgroup.com

– BMRB International
www.bmr.co.uk

– IBOPE Media Information¹
www.ibope.com.br

– Marktest¹

– Mediafax
www.mediafax-pr.com

Lightspeed Research
www.lightspeedresearch.com

MVI
www.mventures.com

Mattson Jack Group
www.mattsonjack.com

Millward Brown
www.millwardbrown.com

Research International
www.research-int.com

RMS Instore
www.rms-uk.com

Ziment Group
www.zimentgroup.com

Other marketing consultancies
ohal
www.ohal-group.com

Public relations & public affairs

BKSH[■]
www.bksh.com

Blanc & Otus
www.blancandotus.com

Buchanan Communications
www.buchanan.uk.com

Burson-Marsteller[■]
www.bm.com

Chime Communications PLC¹
www.chime.plc.uk

Clarion Communications
www.clarioncomms.co.uk

Cohn & Wolfe[■]
www.cohnwolfe.com

Federalist Group
www.federalistgroup.com

Finsbury
www.finsbury.com

GCI Group[■]
www.gcigroup.com

Hill & Knowlton
www.hillandknowlton.com

Ogilvy Public Relations Worldwide
www.ogilvypr.com

Penn, Schoen & Berland[■]
www.psb surveys.com

Public Strategies
www.pstrategies.com

Quinn Gillespie
www.quinn-gillespie.com

Robinson Lerer & Montgomery[■]
www.rlmnet.com

Timmons and Company
www.timmonsandcompany.com

Wexler & Walker Public Policy Associates
www.wexlergroup.com

Branding & identity

Addison Corporate Marketing[■]
www.addison.co.uk

BDGMcColl
www.bdg-mccoll.com

BDGworkfutures
www.bdgworkfutures.com

Coley Porter Bell
www.cpb.co.uk

Dovetail
www.dovetailfurniture.com

Enterprise IG[■]
www.enterpriseig.com

Fitch
www.fitchww.com

Lambie-Nairn[■]
www.lambie-nairn.com

Landor Associates^{■,■}
www.landor.com

The Partners^{■,■}
www.thepartners.co.uk

VBAT[■]
www.vbat.nl

Walker Group[■]
www.wgcnl.com

Warwicks
www.warwicks-uk.com



Healthcare communications

CommonHealth
www.commonhealth.com

Feinstein Kean Healthcare
www.fkhealth.com

Grey Healthcare Group*
www.ghgroup.com

Ogilvy Healthworld
www.ogilvyhealthworld.com

Sudler & Hennessey*
www.sudler.com

Direct, digital, promotion & relationship marketing

A. Eicoff & Co
www.eicoff.com

Bridge Worldwide
www.bridgeworldwide.com

Brierley & Partners¹
www.brierley.com

Dialogue Marketing
www.dialmkg.com

Digit
www.digitlondon.com

Einson Freeman
www.einsonfreeman.com

EWA
www.ewa.ltd.uk

FullSIX²
www.fullsix.com

Good Technology^{▲*}
www.goodtechnology.com

Grass Roots¹
www.grg.com

G2*
www.g2.com

Headcount Worldwide Field Marketing
www.headcount.co.uk

High Co¹
www.highco.fr

KnowledgeBase Marketing[■]
www.knowledgebasemarketing.com

Mando Brand Assurance
www.mando.co.uk

Maxx Marketing
www.maxx-marketing.com

OgilvyOne Worldwide
www.ogilvy.com

RMG Connect
www.rmgconnect.com

RTC Relationship Marketing[■]
www.rtcrm.com

syzygy¹
www.syzygy.net

VML[■]
www.vml.com

Wunderman[■]
www.wunderman.com

141 Worldwide
www.141worldwide.com

Specialist communications

Corporate/B2B
Brouillard
www.brouillard.com

Ogilvy Primary Contact
www.primary.co.uk

Custom media
Forward
www.theforwardgroup.com

Spafax
www.spafax.com

Demographic marketing
The Bravo Group¹
www.thebravogroupyr.com

Kang & Lee[■]
www.kanglee.com

MosaicaMD

UniWorld¹
www.uniworldgroup.com

WINGLATINO^{*}
www.winglatino.com

Employer branding/recruitment
JWT Specialized Communications
www.jwtworks.com

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

PCI Fitch
www.fitch.com

The Event Union
– MJM

– Pro Deo
www.prodeo.com

– facts + fiction
www.factsfiction.de

Foodservice marketing
The Food Group
www.thefoodgroup.com

Sports marketing
Global Sportnet
www.globalsportnet.com

Performance SportEnt
www.performance-worldwide.com

PSM
www.premiere.co.uk

PRISM Group
www.prismteam.com

Entertainment marketing
Alliance^{*}
www.alliance-agency.com

Youth marketing
The Geppetto Group
www.geppettogroup.com

G Whiz^{*}
www.thinkgwhiz.com

Real estate marketing
Pace
www.paceadv.com

Technology marketing
Banner Corporation[■]
www.b1.com

Media & production services
Clockwork Capital¹
www.clockworkcapital.com

The Farm Group
www.farmpost.co.uk

MEDIAPRO Group¹
www.mediapro.es

Metro Group
www.metrobroadcast.co.uk

WPP knowledge communities

The Channel
dmuir@wpp.com

The Store
m.johnson@the-store.org

Key

- ¹ Associate
- ² Joint venture
- [■] Minority investment
- [▲] A Young & Rubicam Brands company
- ^{*} A Mediaedge:cia company
- ^{*} A member of B to D Group
- ^{*} A Grey Global Group company
As at August 2006





About this report

This report describes WPP's corporate responsibility (CR) activities in calendar year 2005 and the first half of 2006. It is our fourth report. Data relates to the calendar year 2005 only.

The information is collected via an internal survey of our businesses. This survey is conducted annually and signed off by the CEO for each operating company. The results are

collated and validated by our audit function. The data is not independently verified but the data for employment and social investment is reviewed by our external auditors, Deloitte & Touche.

The data in this report includes the businesses of Grey Global acquired by WPP in March 2005.



Contact points

Feedback

We welcome your views on any of the information in this report or CR at WPP. Send us an e-mail at: cr@wpp.com

Further information

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

Conceived, written and produced by WPP
Consultancy by Context
Designed by Addison Corporate Marketing
Illustrations by Bhajju Shyam
Printed on Hello Silk in the UK by Royle Corporate Print
Hello Silk paper is created from sawmill residues, forest thinnings and timber from sustainably managed forests. Both paper mill and printer are accredited with ISO14001 environmental certification.
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About the illustrator

Bhajju Shyam was born in 1971 in Patangarh village in the Madhya Pradesh state of India. He belongs to the Gonds, a tribal community with a highly visual tradition. Their work is painted on the mud walls of their houses – telling stories of creation, animals, deities and village life. Bhajju says: “My mother painted the walls of our home – as is our tradition – and she would ask me to help her paint the parts she couldn’t reach.”

Bhajju left his village at 16 to work as a night-watchman in Bhopal – until his uncle, a celebrated Gond artist, took him on as an apprentice.

Bhajju initially painted out his uncle’s work but, fifteen years after he left his village, he achieved a breakthrough in the West with *The London Jungle Book* (Tara Publishing). It was through the book and a show at the Museum of London that Bhajju came to the attention of WPP.

WPP, as a global company, has always looked on India with admiration and respect. This creative partnership symbolises that relationship brilliantly.





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