


## ABOUT OUR REPORTING

We have reported on our sustainability performance since 2002. We aim to take an integrated approach to managing sustainability risks and opportunities and to reflect this in our reporting. We integrate key performance information into our Annual Report 2021 and provide further details, data and case studies in our Sustainability Report.

Sustainability data is for the calendar year 2021 and covers all subsidiaries of the Company.

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

The selected ESG performance metrics marked with the symbol  throughout this report have been subject to independent limited assurance procedures by PricewaterhouseCoopers LLP ('PwC') for the year ending 31 December 2021 in accordance with International Standard on Assurance Engagements 3000 (revised) and in respect of GHG emissions data, International Standard on Assurance Engagements 3410, issued by the International Auditing and Assurance Standards Board. A copy of PwC's report is on page 58 and our methodology is available at [wpp.com/sustainabilityreport2021](http://wpp.com/sustainabilityreport2021).

### GUIDELINES AND REPORTING FRAMEWORKS

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

- **Global Reporting Initiative (GRI):** our report references selected GRI Standards, and our GRI Standards content index (available online) lists these disclosures and their location in our report;
- **Sustainability Accounting Standards Board (SASB):** we include some metrics for the Advertising and Marketing Sustainability Accounting Standard in our reporting standards index;
- **UN Global Compact (UNGC):** WPP is a member of the UNGC and this Sustainability Report represents our seventh communication on progress. We provide an index which summarises our approach and progress on the UNGC's ten principles on our website;
- **UN Sustainable Development Goals (SDGs):** we have also indicated where our work on sustainability is supporting progress on the SDGs. More information is on page 15; and

- **World Economic Forum and International Business Council Stakeholder Capitalism Metrics (WEF IBC):** our disclosures against these metrics, launched in September 2020, are listed in our online reporting standards index.
- **CDP:** We also disclose information through various investor indices and benchmarks including CDP climate change



To read our CDP climate change disclosure, visit [cdp.net](http://cdp.net)

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



To read our TCFD disclosure and full carbon emissions statement, see pages 214-217 of our Annual Report 2021

## OUR MATERIALITY PROCESS

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

Our first formal materiality assessment in 2014 included interviews with clients, investors, NGOs, and sustainable business experts, as well as senior executives in our Company functions and our agencies. We periodically repeat a formal materiality assessment, most recently in 2020, to reflect our new corporate strategy and changing stakeholder priorities. Full definitions of each stakeholder priority are available online.

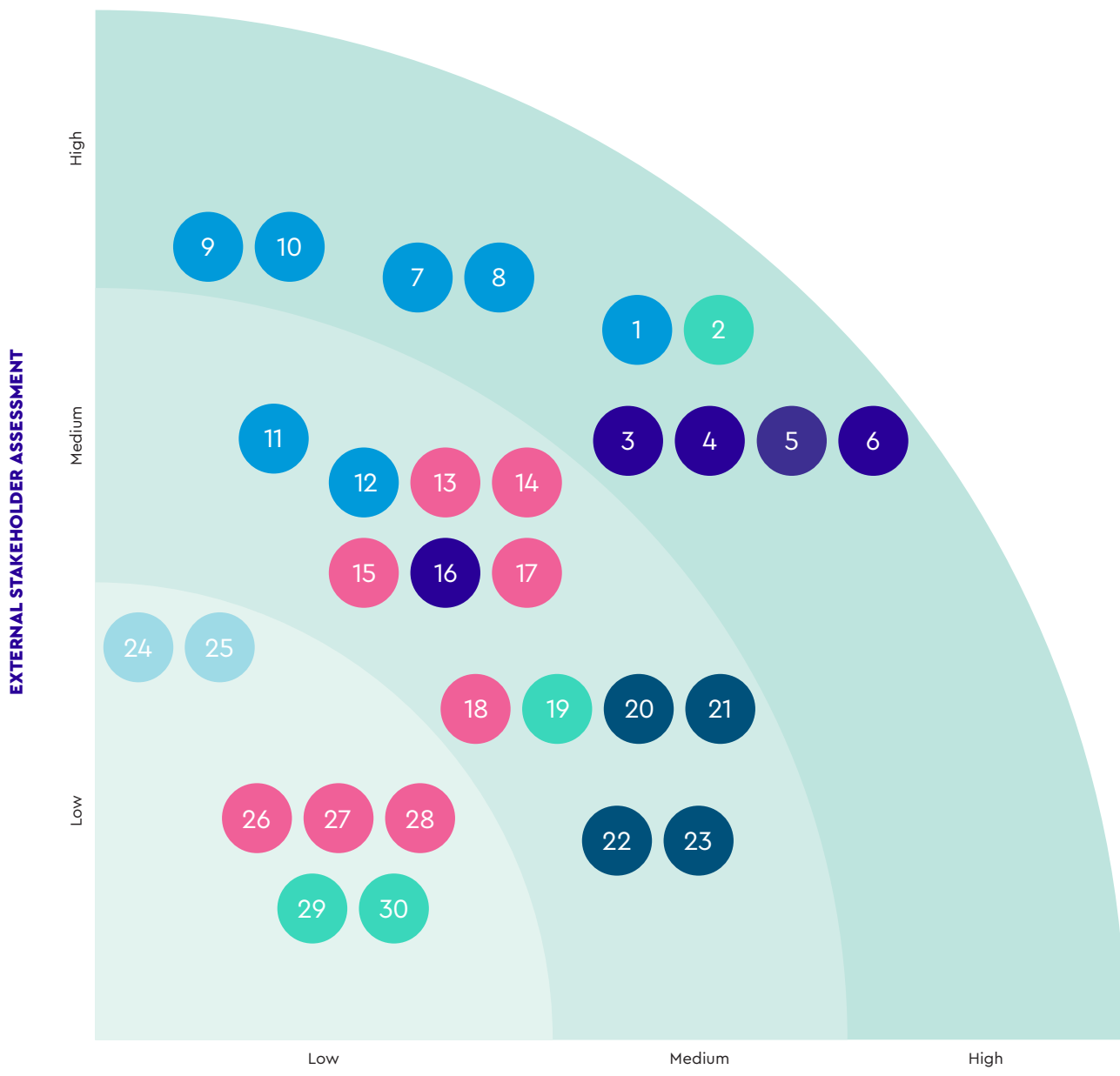
Our materiality matrix (page 57) shows the issues identified as important to our internal stakeholders (employees, future employees, and leadership – horizontal axis) and external stakeholders (clients, investors, partners and suppliers, and civil society – vertical axis).

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

In 2021 we assessed changing stakeholder priorities in three ways:

- First, through ongoing dialogue through the course of doing business;
- Second, through a formal sustainability stakeholder mapping exercise conducted by H+K Strategies to help WPP strengthen the effectiveness of our engagement on sustainability issues; and
- Third, through a more localised materiality assessment. To date, our materiality assessments have been conducted at Company-level, but for the first time in 2021 we conducted a materiality survey across 21 markets through our agency networks.

WPP MATERIALITY ASSESSMENT



INTERNAL STAKEHOLDER ASSESSMENT

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

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

HIGH RISK


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

MEDIUM RISK

- 11 Employee relations<sup>2</sup>
- 12 Health, safety and wellbeing
- 13 Anti-bribery and corruption
- 14 Business integrity
- 15 Emergent technologies<sup>3</sup>
- 16 Promoting sustainable norms and culture<sup>4</sup>
- 17 Client products and impacts<sup>5</sup>
- 18 Operations in sensitive countries
- 19 Circular economy
- 20 Human rights and labour practices in the supply chain
- 21 Environmental impacts in the supply chain
- 22 Supplier diversity
- 23 Fair treatment of suppliers<sup>6</sup>

LOW RISK

- 24 Social investment<sup>7</sup>
- 25 Community relations
- 26 Government relations and lobbying
- 27 Tax payments
- 28 Joint ventures, affiliate and associate companies and acquisitions
- 29 Biodiversity
- 30 Water use

 To read full definitions of each stakeholder issue, visit [wpp.com/sustainability](http://wpp.com/sustainability)