## ATTRACTING AND RETAINING TALENT

The insights, creativity, and expertise of our people are what bring our clients to our door. Our success depends on hiring and retaining the brightest, most forward-thinking people with the best and most original ideas.

#### **WHO'S IN CHARGE?**

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

Our Head of Culture champions our values, collaboration and employee engagement, and our Global Director of Inclusion and Diversity champions inclusion across our companies.

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

#### HOW ARE WE DOING? K



women in executive leadership (2018: 36%)



women in senior management (2018: 49%)



training spend, 11 training hours per person (2018: £36.6m)



satisfied with work-life balance (2018: 64%)

#### IN THIS SECTION

# SKILLS, TRAINING AND DEVELOPMENT

Creating opportunities for our people to learn and develop.

### REWARD AND REMUNERATION

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

### **ENGAGEMENT AND FEEDBACK**

How we engage with and listen to our people.

#### **LABOUR RELATIONS**

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

### **INCLUSION AND DIVERSITY**

Increasing diversity and creating inclusive, values-led workplaces.

### **HEALTH, SAFETY AND WELLBEING**

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



## **STRENGTH IN NUMBERS**

AGENCY
SANTO BUENOS AIRES

CLIENT SPRITE

WPP SUSTAINABILITY REPORT 2019

should not be any topics they feel too launched You Are Not Alone, a series of forums on Reddit where young people can express their feelings on issues that make them feel isolated. To get the conversation their own experiences to show people they are not alone. 80% increase in partiment

300% increase in free media

more consumer engagement than previously



OTH GIR o Estas So

#### SKILLS, TRAINING AND DEVELOPMENT (K)

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

In 2019, we spent £38.7 million on training (2018: £36.6 million) and 66% of our people took part in an average 11 hours of formal training per person. In addition, almost 60,000 people accessed online courses through LinkedIn Learning (previously Lynda.com), which provides access to thousands of courses via desktop or mobile devices.

Around 900 of our leaders participated in our group leadership training programmes such as Maestro, which helps senior client-facing people build confidence and effectiveness. We are developing the coaching elements of our programmes to help leaders share the insights and skills gained through our programmes with their teams. During the year, we ran training for our top 200 global leaders on sustainability as a lever for innovation and growth.

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

Development needs are assessed during a formal appraisal process. In 2019, 86% (2018: 76%) of our people had a formal appraisal, including 360-degree appraisals for 65% (2018: 66%) of executive leaders and 64% (2018: 66%) of senior managers.

Our people can find new roles within our companies in the UK, China and Singapore using our online job board, Springboard. In 2019, around 24% of vacancies were filled by people already working within the Company (2018: 23%).

#### INTERNSHIPS AND APPRENTICESHIPS

Internships and apprenticeships provide young people with valuable experience and WPP with access to an additional talent pool. All our internships and apprenticeships are paid positions that are accessible to people from all backgrounds. Many of our internships seek to attract diverse candidates. In 2019, the Company offered 11,000 paid internships and apprenticeships (2018: 8,977) in 53 countries, primarily in Brazil, China, Germany, South Africa and the United States.

For example, Wunderman Thompson Greece hosts a number of paid internships each year in cooperation with the official Advertising Association of Greece (EDEE) and the American College of Greece (DEREE), to offer young people real-life work experience. Six interns from the last two years now have full-time jobs at Wunderman Thompson. In London, M/Six offered paid six-week internships to three young people with autism, as part of the Ambitious About Autism exchange programme.

#### **EDUCATION PARTNERSHIPS**

We partner with schools, colleges and universities to promote careers in our industry and help develop a future talent pool with the skills we need. Our efforts range from large-scale corporate partnerships to support provided by our offices to local education providers. Many senior staff share their time and expertise as visiting lecturers and teachers. Our strongest focus is on countries where our industry is less well-established.

Examples include:

- WPP and Kantar's partnership with Oxford Saïd Business School's Future of Marketing Initiative, which brings together academic and industry partners to discuss the future of marketing in an increasingly digital, interactive, and complex world.
- Our partnership with D&AD's New Blood Academy, an intensive two-week course that prepares young creatives for jobs in the industry and provides WPP with access to the top talent seeking to start their careers.

84%

of our agencies discuss learning and development with applicants as part of their recruitment strategy

£38.7m spent on training in 2019 (2018: £36.6m)

66%

of our people took part in formal training programmes (2018: 65%)

11,000 paid internships and apprenticeships offered during 2019

### **AFRICA ACADEMY**

The WPP Africa Academy in Johannesburg provides training and development opportunities for all WPP agencies in South Africa. It aims to create a culture of learning and development for everyone from account managers to the CEO. In 2019, the Academy delivered on-site training to 17 agencies in the country. The training covered diverse topics from strategy and leadership coaching to social media masterclasses and presentation skills.

In 2020 the Academy will place 15 previously disadvantaged students into Digify Africa's award-winning 10 week intensive full-time bootcamp covering the A-Z of digital marketing practitioner skills. The students will then circulate through different WPP agencies for internship roles and could be offered the chance to stay on permanently.

#### **REWARD AND REMUNERATION**

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

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

WPP has operated worldwide stock option plans since 1997 and makes grants to more than 38,000 eligible employees each year. Senior people may participate in sharebased incentive plans that align their reward with that of our shareholders.

Executive pay is set in accordance with our Directors' Compensation Policy and the UK Corporate Governance Code. The policy is designed to attract and retain the best available talent to WPP by incentivising Directors to develop their skills and their teams, and so deliver excellent client service and sustainable shareholder returns. In 2020, we will explore linking executive pay to WPP's new environmental targets.

i) Find information about the CEO pay ratio in our Annual Report, page 132

#### **FLEXIBLE WORKING**

Flexible working can make work accessible to a broader pool of talent, including parents and people with caring responsibilities, helping to create a more diverse and engaged workforce. We estimate around 24% of our workforce had flexible working arrangements in place in 2019, such as part-time working, flexible hours, and home working, as well as career breaks and sabbaticals (2018: 25%). More than half of our companies (55%) offer parental leave benefits that exceed local legal requirements (2018: 48%).

38,000+ employees eligible for WPP stock option plans

24% of our workforce had flexible working arrangements in 2019

# COVID-19: IMPACT ON FLEXIBLE WORKING

At the time of writing approximately 95% of our people worldwide are working from home. During this period of remote working we have held regular video town hall meetings, and one of the most common questions from employees is about working from home when restrictions are lifted. Our employees have different needs and concerns, reflecting our diverse workforce. There is interest from some in continuing to work remotely. For others, particularly junior employees, there is a demand to return to working in an office. When we come through the current situation, the world including the world of work - will have changed in ways that we cannot fully anticipate yet. We are reviewing our flexible work policy and putting plans in place to continue to support our people as their working environment evolves, be that at home or as we are able to reopen our offices.

#### **ENGAGEMENT AND FEEDBACK**

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

People forums are one example, which were piloted in the UK in 2019. The views and ideas raised through these forums are shared with our Non-Executive Board Directors responsible for workforce engagement and with the full Board. See the case study below for more details.

Employee surveys help us assess and act on engagement and satisfaction levels. In 2020, we will launch our first Company-wide employee survey. We conducted the first inclusion survey in the UK this year and are currently analysing the results.

The vast majority (95%) of our companies carry out exit interviews with leavers, which often provide helpful feedback on our culture and practices.

Across our operating companies, sustainability enthusiasts are creating Green Teams to embed sustainability initiatives in their companies and drive change in their office.

For example:

- Wunderman Thompson London challenged its people to a Plastic Free July in 2019, with weekly prizes for those taking part.
- Planet H@Hogarth connected a global network of Green Teams during a Recycling Week packed with activities from film screenings to DIY homecare workshops.
- GTB's Dearborn 'Sustainability Matters'
   Green Team part of a global network of
   Green Teams hosted a Green Week with a series of talks, recycling drives, volunteering opportunities and a vegan cooking competition.

#### Read more about GroupM's Mission Zero Working Group, page 40

Input from our people also generates imaginative ways for WPP to help drive change at scale. For example, our Unpack the Problem hackathon brought together people from across WPP's London agencies for two days, to develop ideas for tackling plastic waste. The winning team, who designed a new "green" ecommerce search filter, now has an opportunity to transform their idea into an actionable solution to help reduce the impact of plastic on our planet.

53%

of employees took part in surveys on sustainabilityrelated topics

95%

of our companies use exit interviews

#### LABOUR RELATIONS **K**

We support the rights of our people to join trade unions and to bargain collectively, although trade union membership is not particularly widespread in our industry. In 2019, around 5% of our employees were either members of a trade union or covered by a collective bargaining agreement (2018: 6%). We held 1,507 consultations with works councils, mainly in Europe (2018: 476).

We have made around 3,500 redundancies as part of our transformation programme, as we merge and restructure some agencies and as a result of changes in our client base. We aim to support affected people through our employee assistance programmes.

In 2019, there were 44 cases against WPP companies reporting through employment tribunals and other external channels (2018: 47). We resolved 118 cases, including some reported in previous years. Of these, 54 were withdrawn, 21 settled, 31 judged against our companies and 12 judged in our favour.

In September 2019, several WPP agencies signed up to the <u>Create and Strike</u> initiative, committing to giving their employees time off to join the Global Climate Strike on 20 September, and to create materials to amplify the climate emergency message during the strike. The climate emergency is of growing concern to our people, and in 2020 we will roll out Climate Crisis training to equip our people with knowledge around the science of climate change and equip them to respond at home and at work.

#### **PEOPLE FORUMS**

To ensure our Board understands the views of our employees on WPP's purpose, values and strategy, in 2019 we established our first People Forum in the UK. Sponsored by our UK Country Manager, the Forum has representatives from across our UK business who gather feedback from their agencies to feed up to the WPP Board. The Board also consults the Forum on key people issues.

The UK People Forum met three times during the year. In its first meeting, the Forum identified the top five priorities for employees, which included 'creating cultures where all talent can thrive' (top priority) and 'sustainability' (third priority). As a direct result of feedback through this Forum, we are piloting a new Sustainability Knowledge Hub to share best practice and foster collaboration on sustainability issues across our agencies. We also launched the WPP Plastics Initiative (see page 41) and developed resources in collaboration with the Forum.

In 2020, we will roll out an India People Forum representing employees from Mumbai, Delhi and Bangalore.

#### **INCLUSION AND DIVERSITY**

Different backgrounds and perspectives are what drive creativity. A diverse and inclusive workplace is essential to our daily work and our long-term success. We work hard to make all our people feel valued and fulfilled at work, regardless of gender, ethnicity, age, or disability.

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

#### **DISABILITY**

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

As an inclusive business we have signed up to the Valuable500, a global initiative that is putting disability on the boardroom agenda celebrating inclusion among 500 influential businesses. People who identify as being permanently disabled are the fastest-growing minority in the world and have disposable income of US\$8 trillion. We believe disability is big business. As part of our commitment, we launched our new Inclusive Experience Practice, which helps brands to reach and be relevant to the widest market possible by making their communications, products and services inclusive and accessible.

# Industry Leader

recognition for WPP in the Bloomberg Gender-Equality Index

68%

of senior managers were recruited from the country or region in which they work (2018: 69%)

# 1bn

of the world's population identifies as being permanently disabled<sup>3</sup>

\$8tn

disposable income of disabled community<sup>4</sup>



# SHINING A LIGHT ON DISABILITY

On International Day of Persons with Disabilities on 3 December 2019. Wavemaker launched WM Enable, a global initiative to promote understanding of disability and neurodiversity and support employees affected by a disability, whether visible or not. The agency also took part in #PurpleLightUp, which saw its global headquarters in London turn purple to draw attention to the economic empowerment of disabled people. Practical changes to come in 2020 include introducing a handbook containing policies, procedures and advice, as well as training developed in partnership with disability organisations.

<sup>&</sup>lt;sup>3</sup> Disability inclusion, The World Bank

<sup>&</sup>lt;sup>4</sup> The Global Economics of Disability, 2016 Annual Report.

#### GENDER BALANCE K

Our overall workforce has an equal gender balance and 50% of our senior managers are women (2018: 49%). During the year the proportion of women in executive leadership roles increased slightly to 37% (2018: 36%). At Board level, the proportion of women is 40%, compared with 33% in 2018 and a FTSE 100 average of 32.4%. We aim to reach parity.

In 2019, WPP joined the 30% Club, a campaign group of Chairs and CEOs taking action to increase gender diversity on boards and management teams to a minimum of 30% female representation.

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

#### Read more on page 23

Our development programmes to support career progression for mid-level and senior women include:

- Our WPP Stella network expanded to France and the United States in 2019, in addition to being active in India, Italy, Mexico, South Africa, Taiwan and the UK. It aims to tackle barriers that may prevent women progressing to the most senior roles. It runs events, networking opportunities, coaching and training and maintains a speaker database to raise the internal and external profile of our senior women.
- Our award-winning Walk the Talk programme aims to address gender imbalance at leadership level. It gives participants the chance to focus on their professional and personal ambitions and develop their confidence to take the next steps towards their goals. 234 senior female leaders had participated across 59 of our companies by the end of 2019.

- Our Propeller programme provides training and coaching for high potential women.
   It helps participants develop their crosscompany networks and address the hurdles that women frequently encounter in their career progression. 98 women had completed Propeller by the end of 2019.
- Lumena, GroupM's global female development initiative, is run collectively by all the women involved in the programme and aims to ignite the future leader in all women by providing development opportunities, knowledge-sharing and an expanded network.
- Our Hero programme is a two-day workshop created by and dedicated to women, through which they can share experiences, increase self-awareness, and support one another's professional development.

#### **UNSTEREOTYPE ALLIANCE**

WPP and our agencies support the Unstereotype Alliance, a UN Women initiative that seeks to eradicate harmful gender stereotypes from all media and advertising content. Since its inception, our agencies have been active within the Alliance, making commitments to eradicate stereotypes from their work, producing research that supports the Alliance's manifesto, and promoting diversity within their workforces. For example, following Berlin-Cameron's 'Girl Brands do it Better' campaign, the inclusive swimwear brand Chromat is now stocked in Nordstorm stores across the United States.

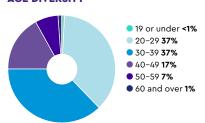
#### **GENDER DIVERSITY**

**Board and Executive** 

Doard and Executive			
37% (1,513)		63% (2,577)	2019
36% (1,452)		64% (2,614)	2018
Senior Managers			
50% (8,689)		50% (8,578)	2019
49% (8,474)		51% (8,792)	2018
All other employees			
57% (47,625)		43% (36,118)	2019
56% (47,131)		44% (36,630)	2018
Total employees			
55% (57,827)		45% (47,273)	2019
54% (57,057)		46% (48,036)	2018

#### **AGE DIVERSITY**

• Female • Male



<sup>6 2019</sup> Hampton-Alexander Review.

## WPP: A GLOBAL COMPANY



#### HEALTH, SAFETY AND WELLBEING K

Supporting our people's physical and mental health and wellbeing is good for our people and good for business. The main health and safety hazards in our business are work-related stress and ergonomic injuries. 71% of our companies employ someone responsible for health and safety management (2018: 76%). There were no work-related fatalities in 2019.

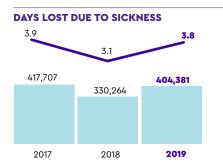
The range of programmes on offer in our businesses include: fitness facilities and subsidised gym memberships; health and nutrition services, including health insurance and medical assessments; counselling and employee assistance services; and ergonomic risk assessments and specialist equipment.

Our overall sickness absence rate in 2019 was 3.8 days per employee (2018: 2.9). This includes non-work-related illness and injuries, work-related illness and injuries, and occupational diseases such as work-related stress and ergonomic injuries.

#### MENTAL HEALTH

Work-related stress is one of our main – and growing – health and safety hazards. Though having good policies and procedures in place for managing mental health issues is important, we also need a working culture where people feel able to discuss concerns and seek support. In countries where very long working hours are the norm, our companies need to take additional measures. These can include overtime restrictions and monthly management reviews of overtime worked.

In 2019, mental health was a major focus for our companies in the UK. For example, Mindshare held a week of workshops as part of its Balance employee wellbeing programme while MediaCom trained employees as Mental Health Allies to provide mental health support to their colleagues when needed.



- Days lost due to sickness
- Days lost per person





# BUILDING CONNECTIONS

AGENCY
DESIGN BRIDGE

CLIENT LIPTON

One in three people feel lonely. Just 15 minutes of quality connection a day can help reduce this feeling. To shine a light on the issue and encourage positive action, Lipton turned to Design Bridge. #YouMeTeaNow launched on World Mental Health Day and asks people to reach out and take a time-out with others over a cup of tea. Recognising that loneliness is never far away, we kicked the campaign off at work. Employees at Unilever and Design Bridge stepped away from their desk to help combat loneliness, one cup of tea and one connection at a time.

90m people across 37 countries got involved 1m reached within 24hrs

Data from: October 2019

