

# SUSTAINABILITY

## Sustainability is at the heart of our business.

We know we have the opportunity to reset and to create a more sustainable and equitable future.

### WHY SUSTAINABILITY MATTERS

The pandemic exposed and accelerated existing issues, from gender inequality to the importance of mental health. It also revealed new concerns, such as vaccine inequity and the risk that an uneven economic recovery would intensify social and geopolitical tensions.

And just a few months after world leaders gathered at COP26 to commit to rapid action on climate change, a new UN study shows the scale of the task. Many of the impacts of climate change are already irreversible, pushing both people and nature beyond their abilities to adapt.

Companies are responding. Increasingly, our clients are focused on how to ensure the targets and pledges they are making, from combatting climate change to tackling racial

inequity, translate into tangible change. They are looking to WPP and our agencies to help them find and scale solutions.

### OUR RESPONSE

Our industry is at the heart of many of the pressing issues that we face as a society – diversity, racial equity, privacy, data ethics and, of course, climate change.

Our creativity, scale and power to bring people together put us in a privileged position. We can help accelerate the transition to a low-carbon and more equitable economy, make sustainable lifestyles desirable, and support clients as they adapt and innovate. By living up to our purpose, we believe we will deliver a sustainable future not only for our people, planet, clients and communities but also for WPP and its shareholders.

# DEGREE INCLUSIVE

Let's design for a fairer and more inclusive world.

## OFFER EXPERIENCE

AGENCY  
**WUNDERMAN THOMPSON,  
BUENOS AIRES**

CLIENT  
**UNILEVER**

15% of the world's population has a disability, yet products and experiences are still not designed with this community in mind. Across the beauty and personal care industry, there is currently no deodorant product to use that's suitable for people with upper extremity impairment or visual impairment.

Degree Deodorant – maker of the world's #1 antiperspirant – is committed to inspiring confidence in everyone to be active and move more. Degree believes no one should be held back from breaking a sweat and enjoying the transformative benefits of movement.

Degree Inclusive is the world's first inclusive deodorant built for people with visual impairment and upper extremity impairment, co-created by an inclusive team of design experts from Wunderman Thompson and SOUR, including occupational therapists, engineers, consultants and people living with disabilities across the globe.

An innovative deodorant designed for the future, Degree Inclusive is inspiring change across the industry.









**2bn+**  
media impressions

**72k**  
organic impressions  
in one week

## Awards

Cannes Lions, Innovation Grand Prix  
Fast Company, Innovation by Design Award  
SXSW Innovation Award winner

# OUR SUSTAINABILITY STRATEGY

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

Our sustainability strategy directs us to use the power of creativity to build better futures for our people, planet, clients and communities, and supports all five elements of our corporate strategy (see table on page 71).

Our sustainability strategy sets out the action we are taking to be the employer of choice for all people, knowing that when all our people feel secure, safe and confident to share their ideas, it has a direct impact on creativity and the power of collaboration.

It shows how we are tackling the greatest environmental challenges we face,

committing to reach net zero carbon emissions across our supply chain by 2030.

Our clients are increasingly focused on how to ensure their own targets, from combatting climate change to tackling inequity, translate into tangible change. We are building our skills and capacity to assist them on their own sustainability journeys.

The greatest impact we have is through our work for clients, which reaches billions of people and – through its influence on consumer choice, behaviour and outlook – has the power to bring about positive change. We are proud to partner with the

United Nations, especially the World Health Organization and UN Women, to use our creativity and expertise to support their work.

These commitments are not just the right thing to do; they are cutting through with our clients and people who want to work with and for companies that share their values and help them to achieve their own goals.

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



To find out more, watch our ESG investor presentation at [wpp.com/investors/investor-days/building-better-futures](https://wpp.com/investors/investor-days/building-better-futures)

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

STRATEGIC ELEMENT	SUSTAINABILITY STRATEGY	
VISION & OFFER	<b>SUSTAINABILITY AT THE HEART OF OUR OFFER FOR CLIENTS</b> A growing number of clients are embracing inclusion, diversity and sustainability and looking to articulate the purpose of their brands. They look for partners who share their sustainability values and aspirations. Our commitment to responsible	Clients, see page 79
	and sustainable business practices helps us to broaden and deepen these partnerships, and to meet the growing expectations and sustainability requirements in client procurement processes.	Transparency and trust, see page 83
CREATIVITY	<b>SOCIAL INVESTMENT</b> Our pro bono work can make a significant difference to charities and NGOs, enabling our partners to raise awareness and funds, recruit members and achieve campaign objectives.	Communities, see page 81
	<b>DIVERSE, EQUITABLE AND INCLUSIVE TEAMS</b> Diversity and difference power creativity. We foster an inclusive culture across WPP: one that is equitable and respectful of diverse thoughts and individual expression. We want all of our people to feel valued and able to fulfil their potential,	People, see pages 72-74
DATA & TECHNOLOGY	<b>PRIVACY AND DATA ETHICS</b> Data – including consumer data – can play an essential role in our work for clients. Data security and privacy are increasingly high-profile topics for regulators, consumers and our clients. We have a	Data: privacy, security and ethics, see page 86
SIMPLER STRUCTURE	<b>NET ZERO CAMPUSES</b> Our work to simplify our structure and consolidate our office space is driving a positive impact on our energy use and carbon footprint. We continue to move employees into campuses, closing multiple smaller sites and replacing them with fewer, larger,	Planet, see pages 76 and 77
	more environmentally friendly buildings that offer modern, world-class workspaces. By 2025, we expect 85,000 of our people will work in at least 65 net zero campuses powered by renewable electricity.	
PEOPLE & CULTURE	<b>SHARED VALUES ACROSS OUR BUSINESS AND SUPPLY CHAIN</b> Strong employment policies, investment in skills and inclusive working practices help us recruit, motivate and develop the talented people we need to serve our clients in all disciplines across our locations.	People, see pages 72-74
	Selecting suppliers and partners who adopt standards consistent with our own can reduce costs, improve efficiency and protect our reputation.	Supply network, see page 85



# PEOPLE



When all our people feel secure, safe and confident to share their ideas, it has a direct impact on creativity and the power of collaboration.

**i** To learn more about our people strategy, including how we are investing in skills and training, see pages 52 and 53

## DIVERSITY, EQUITY AND INCLUSION

We put the principles of diversity, equity and inclusion at the centre of everything we do, from how we hire and grow our people, to how we ensure our approach to performance management prioritises fairness and equity. Our ambition is to create workplaces where our people feel not only that they have opportunities to thrive, but also that they are celebrated.

Our Code of Business Conduct sets out our commitment to select and promote our people without discrimination or concern for factors such as sex, gender, race and ethnicity, sexual orientation, age, religion, disability or family status. This Code applies to all our people.

In 2021, we piloted the Inclusive Leadership learning experience for 1,000 mid-level managers to help equip them with the skills needed to embed inclusive ways of working across the employee experience. We will expand the programme to more than 40,000 managers in the coming year.

Progress ultimately relies on accountability. In 2021 we included diversity, equity and inclusion goals in our incentive plans for senior leaders across WPP and our agencies for the first time. We also established a Global Inclusion Council to help accelerate change throughout WPP. Its role is to recommend programmes, policies and initiatives that will systemically create more inclusive and diverse workplaces, provide input on leadership succession, remove barriers to progress and assist in setting aspirational targets for elevating under-represented talent.

**i** For information on our Code of Business Conduct and mandatory ethics training, see page 83

## ETHNICITY

We have acknowledged that we need to improve ethnicity representation at all levels of the Company, especially at senior and leadership levels, and in June 2020 we made a number of commitments to advance racial equity and report our progress annually. For our UK and United States' workforce diversity data, see our Sustainability Report 2021. While we have made some good progress towards these commitments, we recognise there is still much work to do. This will be an ongoing effort across our Company.

**i** For information on our Racial Equity Programme, see page 81 and for workforce diversity data, see our Sustainability Report 2021

## 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.

WPP is a proud member of The Valuable 500, a global business collective made up of 500 CEOs and their companies, innovating together for disability inclusion. As part of our commitment, we established a centre of excellence for inclusive design to help our clients make their customer experiences disability inclusive and accessible (for an example, see page 69).

## GENDER BALANCE

We aim to reach gender parity at all levels of our business. Half (52%) of our senior managers are women (2020: 51%). The proportion of women in executive leadership roles<sup>1</sup> is 39% (2021: 40%). The proportion of women on the Executive Committee increased to 35%, compared to 29% in the previous year. At Board level, the proportion of women is 43% (2020: 43%). In 2021 we were named an industry leader in the Bloomberg Gender-Equality Index for the fourth consecutive year.

To continue advancing gender equity, we expanded our Stella community into India, with over 50 leaders across WPP completing more than 500 hours of mentoring to help guide and inspire 67 aspiring female leaders.

Our UK Gender Pay Gap Report 2021 shows that while there is still work to be done, we are moving in the right direction. Both our mean and median UK consolidated pay gaps narrowed between 2020 and 2021, but for as long as there are any gaps, we cannot be satisfied.



**Download our UK Gender Pay Gap Report 2021 at [wpp.com/gpg2021](https://wpp.com/gpg2021)**

<sup>1</sup> Executive leadership roles are defined by WPP as the agency board and executive leadership population as reported through WPP's financial reporting system.

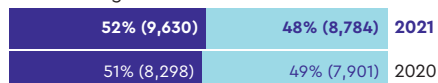
<sup>2</sup> These metrics were subject to independent limited assurance procedures by PricewaterhouseCoopers LLP ('PwC') for the year ended 31 December 2021. For PwC's 2021 Limited Assurance report and the 'WPP Sustainability Reporting Criteria 2021' for assured metrics, see our Sustainability Report 2021.

## GENDER DIVERSITY

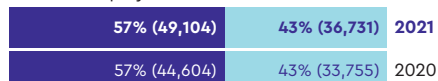
### Board and Executive



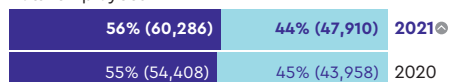
### Senior managers



### All other employees



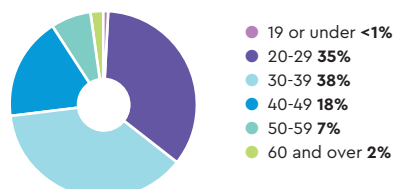
### Total employees



● Female ● Male

Gender diversity figures exclude a small proportion where gender is unknown or undisclosed. In 2021, this accounted for 1% of total headcount.

## AGE DIVERSITY



Age diversity figures exclude a small proportion where age is unknown or undisclosed. In 2021, this accounted for 1% of total headcount.

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

### LGBTQ+

WPP Unite, our Company-wide LGBTQ+ community, advises on policies that impact the LGBTQ+ talent of WPP and its agencies to ensure diverse thinking and creativity thrive within WPP's workplaces and within its work. Spearheaded in the UK and United States, in 2021 Unite expanded to Hong Kong and India, and in 2022 it will expand to other regions.

In 2021, WPP was proud to achieve the highest score of 100% in the Corporate Equality Index, which measures the attractiveness of workplaces for LGBTQ+ employees.

During the year, with the support of Unite, we developed the LGBTQ+ inclusive marketing resource hub, to equip our people with the knowledge, skills and resources to create more inclusive marketing.

We also partnered with The One Club for Creativity to host the first-of-its-kind Behind the Stonewall Riots competition for Black LGBTQ+ creatives. We invited this community to respond to a brief designed to honour the trans women and gender non-conforming individuals behind the Stonewall Riots, who paved the way for the LGBTQ+ community. In addition to offering all participants access to our NextGen Leaders content, we offered the winners cash prizes and internship and mentoring opportunities at WPP.

## LISTENING TO AND ENGAGING WITH OUR PEOPLE

We use formal and informal mechanisms to assess and improve employee engagement and satisfaction. Development needs are assessed during a formal appraisal process.

As we adapted to new ways of working, we launched WPP Pulse, our first global Company-wide survey, with more than 43,000 participants across more than 100 countries. This showed what our people want most from WPP: fulfilling careers, where they grow and discover new ways of working and learning, the opportunity to contribute to inspiring work that creates impact for their clients and a sense of belonging at a company they are proud to be part of.

**i** For information on what we heard from our people and how we are responding, see 'Unlocking our creative potential' on page 52

To ensure our Board understands the views of our employees on WPP's purpose, values and strategy, and to consult on key people issues, WPP established a UK Workforce Advisory Panel (WAP) in 2019. Sponsored by our UK Country Manager, the WAP has representatives from across our UK business who gather feedback from their agencies to feed up to the WPP Board, with Cindy Rose fulfilling the position of designated Non-Executive Director. During the year, similar People Forums were established in the United States and India to enable further engagement with the Company's global employee base. Read more on page 124.

### LABOUR RELATIONS

We support the rights of our people to join trade unions and to bargain collectively, although trade union membership is not particularly widespread in our industry. In 2021, around 4% of our employees were either members of a trade union or covered by a collective bargaining agreement (2020: 4%). We held 268 consultations with works councils, mainly in Europe (2020: 185).

We have made around 3,300 redundancies as a consequence of the Covid-19 pandemic and also as part of our transformation programme, as we merge and restructure some agencies. We consulted with our employees as appropriate and supported affected people through our Employee Assistance Programme, which included outplacement in appropriate cases. We have also created an internal talent marketplace to try and ensure any open roles are filled by employees who have the right skills before recruiting for those roles externally.

### HEALTH, SAFETY AND WELLBEING

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

Our overall sickness absence rate in 2021 was 3.0 days per employee (2020: 3.3). This includes non-work-related illness and injuries, work-related illness and injuries, and occupational diseases such as work-related stress and ergonomic injuries. There were no work-related fatalities in 2021.

Health and safety data is collected locally and, in 2021, inconsistencies were identified in how this data is defined and collated. We are working to improve consistency and, once remediated, aim to include health and safety data in scope for independent limited assurance in future.

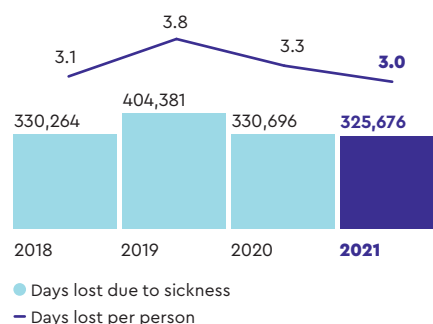
In 2021 WPP strengthened its crisis management and business resilience (CMBR) measures through the launch of a centralised CMBR unit, which coordinated the Company's response to the Covid-19 pandemic and to extreme weather and political events that have caused disruption to our operations. We also established a WPP Covid Relief Fund to give financial support to WPP employees and their families in real time in countries most affected by the pandemic.

**Read more about our Covid Relief Fund in the People section of our Sustainability Report 2021**

Work-related stress is one of our main – and growing – health and safety hazards. With the challenges of the pandemic and other issues around the world impacting mental wellbeing, we launched our Mental Health Allies programme, providing mental health training to 500 leaders, HR professionals and employees across the UK and United States. We will expand into more regions in 2022.

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

### DAYS LOST DUE TO SICKNESS



## COMMIT TO CARE

Changing perceptions of Black men.

### OFFER COMMUNICATIONS EXPERIENCE

AGENCY  
**MINDSHARE, NEW YORK**

CLIENT  
**DOVE MEN+CARE (UNILEVER)**

Research shows that misrepresentation of Black men in media and culture contributes to negative stereotypes that fuel racism in the US. Black men are 150% more likely to be described as criminal and 60% more likely to be described as threatening, compared to white men. Dove recognised the acute need to dismantle barriers that prevent Black men from experiencing care.

So Mindshare together with Dove Men+Care and the National Basketball Players Association created and announced a landmark partnership and content series, Commit to C.A.R.E. (Care About Racial Equity), to help create a society where Black men are cared for, respected, supported and protected.

The initiative amplifies the voices of some of the most recognisable and revered Black athletes today. Partnering with 11 NBA stars, the content series explored how racial injustice impacts them, affects their families, and fuels their passion for activism. From there, the programme moved from voices to action, including hosting voter registration drives, supporting legislation like the George Floyd Justice Policing Act, and holding a Men's Summit to debunk myths surrounding Black men, and more. To empower the next generation, the team created a series of *Tech & Talk* virtual camps, in partnership with the players' charities.

The videos, stories and calls to action were hosted on a dedicated microsite – [committocarenow.com](http://committocarenow.com) – and content was distributed through paid media, driving people to take the Commit to C.A.R.E pledge, and join the fight to end racism.

**12%**

increase in brand awareness

**24%**

increase in association of Dove Men+Care advocating for racial equity





# PLANET



## We support urgent action to tackle the climate crisis.

### OUR CLIMATE STRATEGY

WPP is a proud signatory to the UN Global Compact's Business Ambition for 1.5°C, the purpose of which is to galvanise business support for strong climate action, and to the UNFCCC's Race to Zero campaign.

We are committed to reaching net zero emissions in our operations (Scope 1 and 2) by 2025 and our supply chain by 2030. To deliver this we have set science-based reduction targets (see page 77), approved by the Science Based Targets initiative (SBTi) in June, to reduce emissions as far and as quickly as possible. Our 2021 performance is set out in the charts, far right.

Of our 50 largest clients, 62% have set or are committed to setting science-based reduction targets through the SBTi. These clients look to us to help them find and scale solutions (for examples, see pages 78 and 80). We also know that collaboration with clients and suppliers will be critical in delivering against our own targets. We are very focused on the role our companies can now play in promoting low-impact and regenerative living.

### SCOPE 1 EMISSIONS

Our 2021 Scope 1 emissions were 13,292 tCO<sub>2</sub>e, of which a subtotal Scope 1 emissions were 10,138 tCO<sub>2</sub>e (76% of our total Scope 1 emissions footprint) has been subject to independent limited assurance procedures by PwC. The Scope 1 emissions not subject to assurance procedures relate to locally contracted company cars for which the emissions have been estimated.

We continue to move employees into a global network of campus buildings that bring our agencies together in modern, more energy-efficient, world-class workplaces. In 2021, despite the constraints of Covid-19, we opened a further nine

campuses, taking the total to 31. We aim to have at least 65 campuses, accommodating 85,000 people, by 2025.

Company cars accounted for 57% of our Scope 1 emissions in 2021. We aim to reduce emissions by shifting company cars to electric and hybrid vehicles in all markets where infrastructure makes it feasible to do so. In 2022, we will review how we measure and calculate emissions from vehicles.

### REDUCING SCOPE 2 EMISSIONS

Scope 2 market-based emissions were 21,840 tCO<sub>2</sub>e (28% reduction from 2020). Scope 2 location-based emissions were 55,990 tCO<sub>2</sub>e (9% reduction from 2020).

WPP is a member of RE100 and has committed to sourcing 100% of its electricity from renewable sources by 2025. In 2021, we purchased 74% of our electricity from renewable sources (2020: 65%).

### REDUCING SCOPE 3 EMISSIONS

Our supply chain makes up the overwhelming majority (98%) of our total emissions<sup>1</sup>. We aim to halve our Scope 3 emissions by 2030 (2019 baseline year).

### MEDIA DECARBONISATION

With over \$50 billion in advertising placed annually, WPP is the world's largest investor in media advertising. WPP is the first among its peers to account for media emissions (more than half of our supply chain emissions) in our science-based reduction targets.

We believe that the relative carbon footprint of different media distribution options will increasingly influence where client investment is made. We are seeing this already and expect this to grow substantially over the next three years as the urgency and financial imperative to deliver on net zero pledges increases across all businesses. That is why

through GroupM's Media Decarbonisation programme we are investing to enable investment decisions which factor in supply chain decarbonisation.

**i For more information, see the Planet section of our Sustainability Report 2021**

### PRODUCTION

The carbon emissions generated by the production of the films and other content we create on behalf of clients are responsible for 14% of our total carbon footprint<sup>1</sup>. Through our production agency, Hogarth, we are investing in innovative technology, global partners, and our supply-chain to pioneer a new approach to delivering carbon-optimised work for our clients (see page 5).

### TECHNOLOGY

The technology we use – from data centres to the emails we send – generates 6% of our Scope 3 footprint<sup>1</sup>. As we increase our use of cloud infrastructure, powered by renewable electricity, we will reduce our energy consumption and our carbon emissions, as well as drive down waste.

### AIR TRAVEL

Business travel accounts for around 3% of our supply chain carbon footprint<sup>1</sup>. To offset the resulting emissions, we have been purchasing high-quality carbon credits since 2007, which are charged to each of our agencies to create an internal carbon cost. We aim to permanently reduce air travel by around a third versus pre-pandemic levels.

<sup>1</sup> Data from 2019 baseline.

<sup>2</sup> Independent limited assurance will be sought by WPP over our percentage electricity purchased from renewable sources and Scope 2 market-based GHG emissions reporting. The assurance report will be made available on our website.

## TARGETS AND COMMITMENTS

# 84%

absolute Scope 1 and 2 GHG emissions reduction by 2025 from a 2019 base year<sup>1</sup>

# 50%

absolute Scope 3 GHG emissions reduction by 2030 from a 2019 base year<sup>1</sup>, including media buying – an industry first

# Net zero

across own operations (Scope 1 and 2) by 2025 and across entire supply chain (Scope 3) by 2030

# 100%

electricity from renewable sources by 2025

In 2021, air travel emissions were 11,421 tCO<sub>2</sub>e, a decrease of 51% versus 2020, as the Covid-19 pandemic continued to limit international travel. Some errors and inconsistencies were identified in how these emissions were calculated and reported at a local level, which is reflected in PwC's assurance opinion. We continue to work to improve the accuracy of flight data and refine methodologies for calculating flight emissions to ensure more consistency across the business.

### OFFSETTING

The first step to limiting emissions must always be to reduce the total footprint of any product or service as far as possible. To ensure carbon credits purchased to offset remaining carbon emissions are of a sufficiently high quality, from 2022 WPP will introduce a new offsetting policy.

### CIRCULAR ECONOMY

Moving from a 'take-make-dispose' economy to a circular economy where waste is eliminated, resources are circulated and nature is regenerated could create \$4.5 trillion in annual economic output by 2030. WPP can contribute to this transition through the work we do for our clients (see example on page 78).

Within our own operations, we remain committed to phasing out plastics that cannot be reused, recycled or composted across our campuses and offices worldwide. The ongoing impact of the pandemic, which has kept the majority of our offices closed for much of the year, has slowed progress towards our commitment, which we aimed to meet by the end of 2021. We now aim to meet our commitment by the end of 2022 at the earliest.

**i** For more information, see the Planet section of our Sustainability Report 2021

### DATA QUALITY

A significant challenge for reducing carbon emissions is being able to measure them with confidence. We are working to improve the quality and coverage of our emissions data.

We are working to include the portion of unassured Scope 1 data, relating to locally managed company cars, in scope for limited external assurance in future years. As we refine our methodologies and improve data quality, we will apply these to prior years and restate data if a material gap is identified.

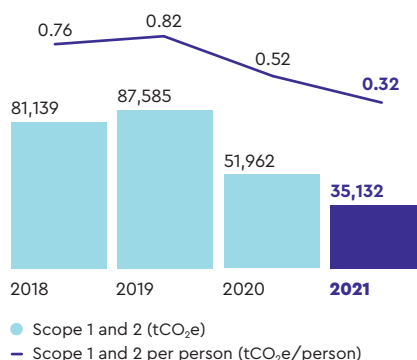
In 2021, some errors were identified in how emissions from air travel were calculated and reported across a number of territories, which is reflected in PwC's assurance opinion. We will work to develop more robust protocols and calculation

methodologies. We expect our wider transformation strategy will enable us to manage more data centrally, improving consistency.

Data quality is particularly challenging for Scope 3 emissions, as they are beyond our direct control. We are reviewing how we capture and calculate Scope 3 emissions and aim to improve both data quality and coverage so that over time we are able to seek independent limited assurance over a larger proportion of Scope 3 emissions. From production to media investment, we support the development of more robust protocols to measure emissions across the industry. In 2021, as a founding member of AdGreen, we helped pilot and launch a new carbon calculator to measure the emissions associated with producing creative content.

## 2021 PERFORMANCE

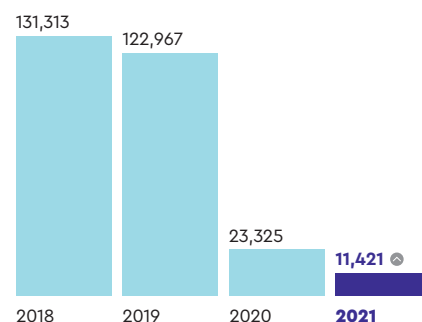
### MARKET BASED SCOPE 1 AND 2 CARBON EMISSIONS PROGRESS



Our scope 1 and 2 market based emissions for 2021 were 0.32 tCO<sub>2</sub>e/person, a 38% reduction from 2020. Our carbon intensity per £1 million revenue was 2.74 tCO<sub>2</sub>e, a 37% reduction since 2020.

### CARBON EMISSIONS FROM AIR TRAVEL

TONNES CO<sub>2</sub>e EMISSIONS



These metrics were subject to independent limited assurance procedures by PricewaterhouseCoopers LLP ('PwC') for the year ended 31 December 2021. For PwC's 2021 Limited Assurance report and the 'WPP Sustainability Reporting Criteria 2021' for assured metrics, see our Sustainability Report 2021.

<sup>1</sup> Target verified by Science Based Targets initiative in line with ambition to limit climate change to 1.5°C from pre-industrial levels.

# LEGO GREEN INSTRUCTIONS

Let's rebuild the world.

## OFFER EXPERIENCE

AGENCY  
**OGILVY, WARSAW**

CLIENT  
**LEGO**

In Poland over three quarters of energy still comes from coal and – according to *The Economist* – the country has the most polluted air in Europe. However, there is limited education in schools about climate change.

The LEGO Group believes children are the builders of the future and, as part of its global 'Rebuild the World' positioning, it enlisted Ogilvy to create a local expression of this ambition, aimed at Poland's growing younger population.

'Green Instructions' show how to use the same bricks to rebuild existing LEGO® sets into greener versions, reflecting a more sustainable future. These instructions help turn cars into bicycles or scooters, planes into electric trains and coal mines into electricity-generating windmills. All with the aim of educating the next generation about a brighter future.

'Green Instructions' were distributed in all LEGO® stores in Poland (printed on recycled paper) with digital versions downloadable from [www.greeninstructions.com](http://www.greeninstructions.com).

During the global lockdown, the campaign moved to online video lessons, led by a well-known Polish teacher. Soon teachers from all over the country discovered them and started using them in their own classrooms.

**723**  
schools downloaded  
the video lessons

**100%**  
positive reaction  
from over 23,000  
comments  
posted by parents

**Awards**  
One Show,  
Green Pencil  
D&AD,  
Graphite Pencil  
Cannes Lions,  
Bronze

**2m+**  
impressions in  
the first two weeks  
of launch



# CLIENTS



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

## WORK WITH IMPACT

We continue to strengthen our offer to ensure we can provide our clients with the latest technology alongside the creativity and sustainability expertise they need to deliver against their own sustainability ambitions.

To train and equip our client leads, this year we launched a Sustainability Playbook to showcase the diversity of our sustainability capability and innovative work. Our Inclusive Marketing Playbook and resource library embeds inclusive marketing principles in everything we do, and our Diversity Review Panel provides a forum to escalate and address concerns around potentially offensive or culturally insensitive work.

GroupM's Media Inclusion Initiative, launched in 2021, aims to direct investment in, and create opportunities for, diverse media companies and content creators with an initial focus on Black-owned media.

We continue to invest in virtual production to reduce emissions, partnering with Microsoft to launch Cloud Studio, an innovative cloud platform that allows creative teams from across WPP's global network to produce campaigns for clients from any location around the world.

**i Find out more about virtual production on page 5**

To help our leaders develop the knowledge and skills to lead in the age of artificial intelligence, this year we launched an executive diploma in Artificial Intelligence in Business at the University of Oxford Saïd Business School.

## ACTING ETHICALLY AND WITH INTEGRITY

The work we do for our clients is powerful – it regularly changes attitudes, opinions and the way people behave. As it is critical that these changes are for the better, we are committed to acting ethically in all aspects of our business and to maintaining the highest standards of honesty and integrity. All the advice we provide to our clients and the content we produce for them must meet rigorous standards and we will not undertake work which is intended or designed to mislead or deceive.

We work hard to maintain strong compliance in areas such as ethics, human rights, privacy and data security. All of this is covered in our Code of Business Conduct and in our mandatory annual ethics training.

There is growing scrutiny – from consumers and regulators – of the descriptions and labels used to promote the environmental credentials of products and services. We are working closely with our agencies to make sure that we are contributing to the discussion and to ensure that our marketing services promote transparency on the environmental attributes of products. In 2022, we will launch further training and resources specifically to help our people appropriately manage and communicate environmental claims in their work.

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

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

## ETHICAL DECISIONS IN OUR WORK

We believe that clients have the right to communicate their views and market their products and services, provided doing so is lawful and complies with all applicable regulations and standards.

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

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

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

Each of our agencies has a global Risk Committee, chaired by its respective CEO, to ensure that leadership has a full understanding of the risks across businesses and markets (see page 88).



**For more examples of our client work to address social and environmental issues, download our Sustainability Report 2021 from [wpp.com/sustainabilityreport2021](http://wpp.com/sustainabilityreport2021)**



# ULTIMATE SAFETY TEST

Volvo Cars placing sustainability at the heart of its brands.

**OFFER**  
**COMMUNICATIONS**

**AGENCY**  
**GREY, LONDON**

**CLIENT**  
**VOLVO**

A leader in automotive safety for decades, Volvo Cars is broadening its focus to sustainability and its commitment to climate neutrality and electric vehicles.

By 2040, with aims to become a fully climate-neutral company across its value chain and, by 2030, it plans to become a fully electric car company.

To announce the news, Grey created the 'Ultimate Safety Test' campaign, devised to reflect the company's commitment to climate neutrality and electrification.

In the new film, a spokesperson takes viewers on a tour of Volvo's safety tests over the decades. During one of these tests in the Arctic Circle, a collapsing glacier becomes a stark reminder that the biggest threat to our safety isn't on the road, it's climate change.

**2.3bn**  
media impressions

**Awards**  
Cannes Lions, Silver  
Ad Age, Top 30 Ads  
of the Year



# COMMUNITIES



We aim to use the power of our creativity and voice to support healthy and vibrant communities.

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

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

## GIVING CREATIVITY BACK AT SCALE

We encourage our people to use their creativity and expertise to support the local causes they are passionate about, from the arts to conservation, health and human rights. At the same time, WPP is proud to partner with the United Nations, including the World Health Organization (WHO) and UN Women, to provide our skills in creativity, communications, data and technology to help effect positive change for society.

During the pandemic, WPP worked with governments, commercial clients, NGOs and international health bodies to produce public awareness campaigns to help limit the spread and impact of Covid-19. We partnered with the WHO and WHO Foundation on a pro bono basis, tailoring public health messages through made-for-market campaigns which reached tens of millions of people across 167 countries in more than 20 languages. We continue to support the WHO Foundation with their vaccine fundraising initiative.

## RACIAL EQUITY PROGRAMME

In 2021 we allocated \$9.3 million in inclusion programmes, investing \$5.9 million and committing a further \$3.4 million, as part of WPP's commitment to invest \$30m over three years to use the power of creativity to build more equitable futures for our people and communities impacted by racism.

**i Read more about our Racial Equity Programme and the projects we fund in the Communities section of our Sustainability Report 2021**

## WHAT WE GAVE IN 2021

Our pro bono work was worth £7.6 million (2020: £12.6 million), for clients including UN Women and the World Health Organization. We also made cash donations to charities of £4.8 million (2020: £4.3 million).

During the year WPP matched employee donations to a number of causes including our India Covid Relief Fund, Go Give One Campaign and Racial Equity Donation Match Programme.

Our pro bono work, combined with cash donations, resulted in a total social investment of £12.4 million (2020: £16.9 million), equivalent to 0.9% of headline profit before tax (2020: 1.6%).

WPP media agencies negotiated free media space worth £17.3 million on behalf of pro bono clients (2020: £59.3 million). Our total social contribution, taking into account cash donations, pro bono work, in kind contributions and free media space, was £41.0 million (2020: £76.2 million), a decrease versus 2020 as investments, particularly in free media space, returned to pre-pandemic levels.

## VOLUNTEERING

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

Our agencies provide volunteering opportunities for our employees. For example, to mark its Foundation Day, VMLY&R ceased normal business operations for a day in September to give more than 12,000 employees around the world the opportunity to support their choice of volunteer projects.

## SOCIAL IMPACT

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

We have conducted research to quantify this wider impact. Our most recent analysis shows that in 2021 our pro bono work created wider social benefits worth £110 million (2020: £108 million). This includes, for example, the impact of charities being able to improve health and wellbeing in communities. Adding in our charitable donations and free media space as well as our pro bono work, the wider social benefits created in 2021 were worth an estimated £257 million (2020: £649 million).

**i Read our Quantifying our Impacts report, see more examples of our pro bono work and learn more about our Racial Equity Programme in our Sustainability Report 2021**

## SANTANDER BANK ELA

The first Women's Day celebration in the form of a credit programme.

**OFFER**  
**COMMERCE**

**AGENCY**  
**VMLY&R, SÃO PAULO**

**CLIENT**  
**SANTANDER BANK**

Santander Bank is committed to diversity, equity and inclusion, and asked VMLY&R for a campaign in honour of Women's Day. But the agency's research showed that women didn't want a campaign at all. What they wanted was greater opportunities, more jobs, equal payment and respect in and out of the workplace.

So, instead of ads, VMLY&R took the entire \$250 million budget and created a financial product: a new line of credit for microentrepreneurs – exclusively for women. VMLY&R assessed Santander's clients' data and that of millions of potential clients, focusing on the 25% of Brazilian women earning less than US\$85 a month, cross-referencing global data on gender (women) and location (low-income areas). From the insights gained, the target group were sent simple text messages, reinforced by communications within Santander's branches.

The initiative also featured in a series of debates streamed live on social media, with the CEOs from some of Brazil's biggest ecommerce businesses and banks taking part. The results were impressive: all available funds were lent within a week; there was widespread media coverage; and the World Bank was so impressed, it asked to become a partner in the project for the following year.

**100,000** **44%**  
women joined  
Santander Ela on  
the launch date  
of borrowers from the  
bank were women after  
the campaign (20%  
previously)

### Awards

Cannes Lions, Bronze  
Effie Brazil, Bronze



# TRANSPARENCY AND TRUST



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

## OUR CODE OF BUSINESS CONDUCT

Our policy framework and training set clear ethical standards for our people and agencies. We want to embed a culture of integrity and transparency where our people make the right decisions automatically and instinctively.

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

It is underpinned by more detailed policies on topics including anti-bribery and corruption (ABC), hospitality and gifts, facilitation payments, the use of third-party advisors, human rights and sustainability. In October 2021, we refreshed the WPP ABC policy and Advisor Payment Policy and produced a Business Integrity Booklet on ABC to reflect updated processes around managing ABC risk and provide additional guidance to our people. In January 2022, we updated the WPP sustainability policy and introduced a new environmental policy to reflect our climate commitments.

Our people are required to take our online ethics training promptly upon joining and then on an annual basis thereafter. Topics include diversity, human rights, conflicts of interest and avoiding misleading work. In 2021, more than 100,000 employees, freelancers and contractors completed the training.

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

Part of WPP's Code of Business Conduct is making sure that our people have the confidence to speak up and know how to raise concerns through various channels without fear of retaliation. Our approach to this is described under Whistleblowing on page 90.

## MANAGEMENT AND COMPLIANCE

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

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

In 2021, a total of 494 reports were received from whistleblowers (2020: 418), 333 of which were through the Right to Speak hotline. The most commonly raised concerns were about respect in the workplace and protection of WPP's assets. All reports were followed up, investigated where appropriate by our business integrity team, and reported to the Audit Committee (see page 90).

## ASSOCIATES, AFFILIATES AND ACQUISITIONS

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

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

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

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

## INSTITUTE OF BUSINESS ETHICS

WPP is a member of the Institute of Business Ethics (IBE) and considers it an important partner and support for the approach that the Company takes to business integrity, sustainability and ethics. As set out more fully in Risk Governance Framework on page 88 and Business Integrity Programme on page 89, we want to champion and facilitate a culture where our people feel that acting with honesty and integrity is an expected metric for success and this is also the IBE's ethos. The IBE shares knowledge and good practice as well as advice on the development and embedding of relevant policies through networking events, regular publications and training sessions, research and benchmarking reports. The IBE is a registered charity funded by corporate and individual donations.

# PUBLIC POLICY



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

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

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

## OUR STANDARDS

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

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

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

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

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

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

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

## POLITICAL CONTRIBUTIONS

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

## POLITICAL ACTION COMMITTEES

In countries where it is consistent with applicable law, individuals working at WPP companies may make personal voluntary political contributions directly to candidates for office.

BCW and Finsbury Glover Hering also maintain political action committees (PACs) which accept voluntary donations from their people to support political candidates. In 2021, these PACs made disbursements worth \$129,386 (data from fec.gov).

## LOBBYING AND POLITICAL ADVOCACY

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

We advocate on sustainability issues including climate change, for example at COP26 in Glasgow. We also advocate through partnerships such as the Common Ground initiative in support of the UN Sustainable Development Goals. Demet İkiler, WPP's Turkey Country Manager and EMEA CEO of GroupM, serves on the local board of the UN Global Compact with responsibility for diversity and inclusion. Karen Blackett OBE, WPP's UK Country Manager and GroupM UK CEO, serves as a non-executive director of the Board of the UK's Cabinet Office.

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

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

## MEMBERSHIP OF TRADE ASSOCIATIONS

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

At the WPP level, our memberships include: 30% Club, the American Benefits Council, BritishAmerican Business Inc., Business Disability Forum, CBI, China Britain Business Council, Institute of Business Ethics, the Northeast Business Group on Health, Partnership for Global LGBTI Equality, RE100, The Valuable 500, Women on Boards, and the World Economic Forum.

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



# SUPPLY NETWORK



WPP is committed to creating an inclusive, sustainable, ethical and diverse network of business-enabling suppliers.

The wide range of services we offer and our organisational structure means we have a complex and dynamic supply chain ecosystem to manage. We work with over 75,000 companies across our supply network.

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

## RISK ASSESSMENT

We assess supply chain risk based on country, industry and procurement category. This is then combined with a supplier-specific questionnaire covering governance, compliance, sustainability, human rights and labour standards.

## SUPPLIER SELECTION

During supplier selection and before WPP enters into a commercial agreement, the procurement team ensures potential suppliers sign WPP's Business Code of Conduct – Supplier Version, confirming they will comply with our standards or demonstrate that they have the equivalent standards in place. These standards include requirements relating to labour practices (such as anti-harassment and discrimination, and health and safety), human rights (including modern slavery issues such as child, forced or bonded labour), social impacts (such as anti-bribery and corruption) and other sustainability issues.

Our Code requires suppliers to apply similar standards to companies within their own supply chain, including evidencing diversity and social responsibility in their cultures, behaviours and attitudes.

Suppliers are also required to complete a self-assessment questionnaire which includes specific questions on modern slavery (see 'Modern Slavery', right). Any issues raised from the responses are flagged to the relevant WPP team for further investigation.

As part of the supplier onboarding process, we include a right-to-audit provision in the supplier documentation where appropriate.

## SUPPLIER DIVERSITY

WPP is committed to including Certified Diverse Suppliers (CDS) in its purchasing lifecycle, both internally and for the benefit of our clients<sup>1</sup>.

Our Supplier Diversity Programme encourages WPP and our agencies to buy from CDS. Through the Global Supplier Diversity Alliance, with memberships in Australia, the UK and the United States, we have access to global directories of CDS, so we can actively search and include them in our RFPs and client tender responses. We can also access best practice so diverse suppliers not only win contracts but also thrive in our ecosystem. In 2021, through the UK chapter, MSDUK, we sponsored the UK's first accelerator programme to help minority-owned businesses become supply-chain ready.

**i Learn more about the accelerator programme in the Responsible Business section of our Sustainability Report 2021**

## HUMAN RIGHTS

Respect for human rights is a fundamental principle for WPP. In our business activities we aim to prevent, identify and address negative impacts on human rights and we look for opportunities to promote and support human rights, including children's rights, through our business activities and in areas such as our pro bono work.

WPP companies must comply with our Human Rights Policy Statement which reflects international standards and principles, including the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the Children's Rights and Business Principles.

We are a member of the United Nations Global Compact and report progress against its ten principles annually.

Our most direct impact on human rights is as a major employer. We recognise the rights of our people, including those relating to freedom of association and collective bargaining, and we do not tolerate harassment or any form of forced, compulsory or child labour. Human rights are included in the mandatory ethics training completed on joining and then annually by all employees.

We work with clients to manage any human rights risks from marketing campaigns, for example by protecting children's rights in relation to marketing (see page 79). WPP agencies will not undertake work designed to mislead on human rights issues.

## MODERN SLAVERY

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

WPP recognises the prevalence of modern slavery across all countries. We aim to implement appropriate measures to mitigate the risk of it occurring, either in our own operations or those of our partners. Our global Supplier Agreement includes a specific clause relating to modern slavery compliance. WPP reserves the right to terminate its contract with any supplier found to breach or fail to comply with any legislation relating to modern slavery.

As part of our due diligence process, suppliers are required to complete a self-assessment questionnaire which includes specific questions on modern slavery. Any issues raised from the responses are flagged to the relevant WPP team for further investigation.



**To learn more about our Supplier Code of Conduct, Human Rights Policy and Modern Slavery Act Transparency Statement, see [wpp.com/sustainability/policies-and-resources](http://wpp.com/sustainability/policies-and-resources)**

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



# DATA: PRIVACY, SECURITY AND ETHICS



The rise in privacy and data regulation around the world reflects consumer demand to put the interests of the individual at the heart of considerations around data usage. WPP demonstrates, through its expertise and direct engagement, that we are a trusted partner for our clients, suppliers and associates.

Our policies and governance ensure we are well placed to respond to new regulation, including the introduction of new laws in China, the United States and the Middle East, among others. Through our active engagement in industry bodies, particularly in the UK with the Advertising Association and the United States with the 4As and the Network Advertising Initiative, we are able to monitor and influence the changing regulatory landscape.

## CLIENTS

Interest and engagement from our clients continues to grow on data privacy, protection and ethics, not only through commercial and contractual negotiations, but throughout the operational relationship.

Our privacy teams have established direct relationships with their client counterparts to ensure alignment and engagement on this subject and we have jointly hosted privacy-focused client sessions establishing a shared understanding in the work being undertaken.

We recognise our clients' focus on the increasing importance of first-party data and data access and variety rather than acquisition at volume. In April 2021 we launched Choreograph, our new data products business, which epitomises our data philosophy: that clients should own their own data to future-proof their businesses. Choreograph plays a critical role in navigating the privacy and compliance landscape, giving clients control and ownership of their first-party data.

## DATA ETHICS

Data ethics continues to be a focus for WPP. In 2021, we further developed the WPP Data Ethics Statement and Artificial Intelligence (AI) Statement into full policies outlining to our people, clients and stakeholders the foundations of our ethical data processing.

In 2021, GroupM – WPP's media investment group – launched the industry's first tool to operationalise data ethics. The Data Ethics Compass is a global web app which allows advertisers to quickly and consistently evaluate the ethical risk level of data assets and decisions.

## DIVERSITY, EQUITY AND INCLUSION

WPP is committed to diversity, equity and inclusion in our business, supply chains and client work. Increasingly, clients ask us to demonstrate our people are from diverse backgrounds and representative of their own customers. We are working to continually improve how we measure performance. For over 30 of our markets, we have developed detailed guidance on how we can collect and report on such data in line with regulations and in a way that is culturally sensitive to our own people. We also want to play our part in developing industry standards.



For information on diversity data, see the People section of our Sustainability Report 2021

## GOVERNANCE, POLICIES AND TRAINING

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

The WPP Risk sub-Committee is responsible for reviewing and monitoring the Group's approach to regulatory and legal compliance, as well as monitoring data privacy, ethics and security risk. This is pivotal in our approach to our own and our clients' data, as well as contributing to our overall strategy. Co-chaired by WPP's Chief Privacy Officer and Chief Information Officer, members represent the security, technology and data leadership.

The WPP Data Privacy and Security Charter communicates our approach to data, setting out core principles for responsible data management through our Data Code of Conduct, our technology, privacy and social media policies, and our security standards (based on ISO 27001). The Charter was updated in 2021 to include the WPP AI and Data Ethics policies.

All new and current employees, as well as consultants, are required to complete our Safer Data training, which covers data protection and privacy. The training is refreshed annually and is updated in line with privacy regulations. This training is augmented by subject-focused training, where required, covering specific regulations, regional laws or activities undertaken by our agencies.

Our annual Data Health Checker provides us with insight into how data is used, stored and transferred and helps to identify any parts of the business that need further support on data practices. The results show us that the majority of our agencies continue to have mitigation measures that match or exceed their level of privacy risk, with the average risk score being 1.6 out of five (2020: 1.6), where five is the maximum score possible and indicates maximum risk.

## AI, MACHINE LEARNING AND DATA

The privacy, data protection and security teams work closely with the technology team facilitating both strategic and compliance alignment particularly for the development of client-focused data services.

We are developing skilled, knowledgeable teams with an understanding of the centrality of data to our business. In 2021, there were 10,000 course enrolments through the WPP AI Academy. Our Demystify AI training was awarded Data IQ best data literacy programme.

In 2021 we launched a new WPP Data and AI Ethics Hub to share our ethical guidelines and principles across WPP. The hub features a new WPP Ethics Guidelines Tool, which offers practical advice to ensure that all work conforms to WPP guidance on transparency, fairness, respect and accountability.

We encourage a culture of curiosity and sharing. In 2021, we held over 40 webinars through our Data and AI Community, and grew the community in Asia Pacific.

# OUR APPROACH TO SUSTAINABILITY



## EMBEDDING SUSTAINABILITY IN OUR COMPANIES

WPP sets sustainability policy, with every agency responsible for implementation.

The Board is responsible for the overall long-term success of WPP and for setting the Company's purpose, values and culture and strategic direction, including on sustainability.

The Sustainability Committee supports the Board in its oversight of corporate responsibility, sustainability and reputational matters. It reviews and monitors implementation of the Company's sustainability strategy and reviews policy statements on environmental and social matters. The Committee meets a minimum of four times a year (see page 131).

The WPP Executive Committee sets the sustainability strategy and oversees the approach across agencies in its implementation, ensuring consistent execution and embedding the Company's culture and values. The Global Sustainability Director has operational responsibility for sustainability.

We have a clear policy framework through our Code of Business Conduct, Sustainability Policy (updated in February 2022), Supplier Code of Business Conduct, Data Privacy and Security Charter, Human Rights Policy Statement and other policies included in the WPP Policy Book. Our operating companies are required to comply with sustainability policy and report performance to WPP on an annual basis.

In 2021, we launched a new sustainability strategy aligned with our purpose (page 70) and set science-based carbon-reduction targets for the Company (page 76). Our internal sustainability advisors work to ensure consistent implementation of our standards.

## STAKEHOLDER ENGAGEMENT

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

Most stakeholder engagement takes place in the course of doing business. We work with clients on sustainability issues (see page 79).

Information on employee engagement is on page 73. In April 2021 we launched WPP's net zero commitments at a global townhall hosted by CEO Mark Read. During the year, agencies including GroupM, Hogarth and Landor & Fitch have developed training and tools to equip our people with knowledge around the science of climate change and give them practical tools with which to respond. This remains a priority in 2022.

## INVESTOR ENGAGEMENT

We believe the more we behave in line with our purpose, the better our business will perform, thereby maximising shareholder return. We regularly engage with investors on ESG topics and in June we held our first investor ESG presentation.

Our involvement with investors, rating agencies and benchmarking organisations on sustainability during 2021 included: Bloomberg Gender-Equality Index; EcoVadis; Ethibel; Vigeo Eiris; FTSE Russell; Human Rights Campaign Foundation's Corporate Equality Index; MSCI Research Inc.; Sustainalytics; and Thomson Reuters D&I Index. We are included in the FTSE4Good Index and participate in the CDP climate change benchmark, receiving a rating of A- in 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 stakeholders.


Our first formal materiality assessment in 2014 included interviews with clients, investors, NGOs and sustainable business experts, as well as with senior executives across WPP. We periodically repeat a formal materiality assessment, most recently in 2020, to reflect our new corporate strategy and changing stakeholder priorities (see Sustainability Report 2021).

## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

We support the UN SDGs as a framework for government agencies, civil society, the private sector and citizens to work together to create a more sustainable future. We have analysed the 17 Global Goals and the 169 targets which sit behind them to identify those which are most relevant for our business. To learn more about the Goals

we believe we can make the most significant contribution towards, see our Sustainability Report 2021.

## ABOUT OUR REPORTING

Data included in this Annual Report is for the calendar year 2021 and covers all subsidiaries of the Company. 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 and our methodology is on our website [wpp.com/sustainabilityreport2021](http://wpp.com/sustainabilityreport2021).

The majority of our data is collated locally, and a common challenge is reconciling inconsistencies in calculations and data capture. This prevented us from obtaining independent limited assurance over certain metrics including waste and health and safety data. We aim to include these in scope for assurance in the future. For further information on data quality, see page 77.

## NON-FINANCIAL INFORMATION STATEMENT

This section provides information required by regulation in relation to:

- environmental matters (page 76) and TCFD statement (pages 214-216);
- our people (pages 52 and 53, and 72-74);
- social matters (page 81);
- human rights (page 85); and corruption and bribery (page 90).

In addition, other related information can be found as follows:

- business model (page 16);
- principal risks and how they are managed (from page 93);
- non-financial key performance indicators (page 58).