

ENVIRONMENT

We support urgent action to tackle the climate crisis and aim for net zero carbon emissions in our Campuses by 2025.

WHO'S IN CHARGE?

Our Group Chief Counsel and Head of Sustainability has operational responsibility for managing our response to climate change. She gave an annual assessment of sustainability risks and opportunities (including climate change) and performance to the Board. At Board level, the newly formed Sustainability Committee has responsibility for sustainability and climate change, and meets a minimum of four times a year.

HOW ARE WE DOING?

0.60

tonnes CO₂e emissions (Scope 1 and 2) per person (2018: 0.76tCO₂e)

25%

of floor space certified to advanced green building standards, meeting our 2020 target a year early (2018: 21%)

35%

of electricity from renewable sources (2018: 32%)

100%

United States electricity from renewable sources for the first time

IN THIS SECTION

OUR CLIMATE STRATEGY

Our response to the climate crisis, including new carbon targets and support for the Taskforce on Climate-related Financial Disclosures (TCFD).

REDUCING ENERGY USE FROM OUR BUILDINGS AND IT

Including our Campus strategy.

RENEWABLE ENERGY

Including purchasing 100% of electricity from renewable sources in the United States for the first time this year.

AIR TRAVEL AND OFFSETTING

How we seek to minimise our impact through air travel.

VALUE CHAIN EMISSIONS

Breakdown of our Scope 3 emissions.

CIRCULAR ECONOMY

Our approach to managing waste and resources, and our new plastics initiative launched in 2019.



WHY WAIT?

AGENCY

GEOMETRY

CLIENT

**ESSENTIAL COSTA RICA
AND PRESERVE PLANET**



Countries around the world are legislating to ban single-use plastics. But at 564 tons of plastic waste a day, Costa Rica asked, "why wait?". Geometry asked eco-activists across Costa Rica to take photos of products with unnecessary layers of plastic and share them on social media. The team then asked a group of young product designers to create sustainable alternatives that save time, save money, and save our planet. These solutions were published online so that companies could find and implement them.

In just six weeks post-launch, the campaign had generated:

255m
fewer plastic pieces

450,000
likes

196
solutions created

Data from: March – April 2019



wpp.com/rubbishrubbish

OUR CLIMATE STRATEGY

We support urgent action to tackle the climate crisis through the Paris Climate Agreement.

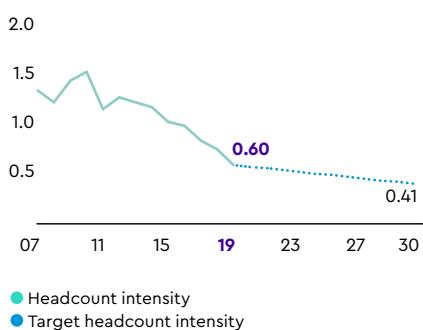
We recognise that modern lifestyles have contributed significantly to the climate crisis and environmental degradation. We also know the threat these impacts pose to global social and economic development. Advertising has undoubtedly played a role in fuelling consumerism – but we are excited about the part it can now play in promoting low-impact and regenerative living.

Our environmental management programmes are reducing our carbon emissions and broader environmental impact, while helping us to identify and mitigate climate-related risk. These programmes reduce costs and business risks, while meeting our clients' and colleagues' expectations.

In 2018, we committed to halving our scope 1 and 2 emissions intensity by 2030, from a 2017 baseline. We use a carbon intensity target per person, as headcount is closely linked to levels of business activity and this allows us to reflect the impact of acquisitions and disposals without needing to adjust our baseline. Our target was developed to align with climate science using a methodology aligned to the Science Based Target Initiative.

This year, we are going further, setting a new goal to reach net zero carbon emissions in our Campuses by 2025. We also plan to complete a scope 3 carbon inventory in order to set net zero commitments across our value chain.

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



To achieve our target, we are focusing on two areas:

- Reducing emissions from our buildings and IT: we met a year early our goal for 25% of our floor space to be certified to recognised green building standards by 2020. We are also reducing energy use through office consolidation and IT transformation.
- Purchasing renewable electricity: our goal is for 100% of the electricity we buy to be from renewable sources by 2025.

Our target builds on our progress to date. We have cut carbon emissions intensity (scope 1 and 2) by 69% and absolute emissions by 58% since 2006.

We aim to reduce business air travel and offset unavoidable emissions, as described on page 39.

We participate in the CDP Climate Change programme to disclose our climate strategy and performance to a collaboration of institutional investors. In 2019, our score dropped to B from A- in 2018, mainly due to our score for governance of climate-related issues and being unable to report on our full scope 3 inventory at the time of reporting. While disappointing, we now have measures in place to help to restore our score. These measures include strengthened governance through our new Board-level Sustainability Committee, and the work on scope 3 emissions described on page 40.

TARGETS AND COMMITMENTS

0.41

tonnes of CO₂e per employee by 2030 aligned with climate science – a 50% reduction from 2017

100%

renewable electricity by 2025

Net zero

carbon emissions in our Campuses by 2025

100%

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

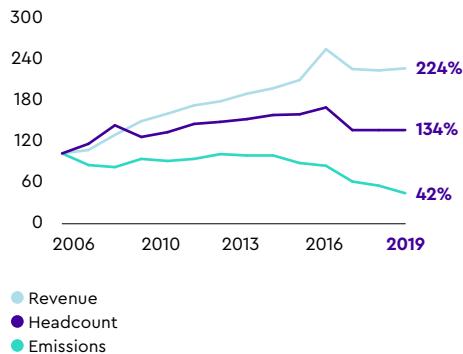
TASKFORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

We support the Taskforce on Climate-related Financial Disclosures (TCFD) and are developing our disclosures in line with its recommendations. This is reflected for the second year in our reporting on climate change in our Annual Report. The TCFD seeks to encourage businesses to disclose climate-related risks and opportunities and is structured around four themes: governance, strategy, risk management, and metrics and targets.



To read our TCFD disclosure and full carbon emissions statement, see our Annual Report, pages 196-197 and 199

DECOUPLING EMISSIONS FROM BUSINESS GROWTH¹



¹ The financial results for 2019 are based on the Group's continuing operations and the results of Kantar are presented separately as discontinued operations. The 2017 and 2018 reported numbers have been re-presented in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

REDUCING ENERGY USE FROM OUR BUILDINGS AND IT K

We are reducing our energy use and carbon footprint by moving our offices to low-carbon, energy-efficient buildings. Simplifying our structure and consolidating office space is also having an impact, by reducing the number of offices we occupy, and moving to locations that use space more efficiently and encourage collaboration between our companies. In 2019, we opened new Campuses in Amsterdam, Bucharest, Madrid, Mumbai and New York. We expect around 75,000 of our people to be working in co-located offices by the end of 2023.

We apply green building standards to help us reduce our impact. When we lease, purchase, fit out or renovate a building larger than 50,000 square feet, we require it to be certified to an internationally-recognised standard such as the US LEED standard or the UK BREEAM standard. We estimate this reduces energy use by around 21% per location.

In 2019, over 4.9 million square feet accounting for 25% of our total floor space, was certified to a recognised standard (2018: 21%), meeting our target of 25% by 2020 a year early. We have made steady progress since 2007, when 1% of our floor space was certified. Smaller offices must either be certified or assessed against our own scorecard covering energy and carbon, water, materials and waste, travel, and health and safety.

We continue consolidating the number of servers we use, which further reduces energy consumption. In 2019, we decommissioned over 4,800 servers and moved around 1,400 older servers to best-in-class data centres.

In addition to energy reductions, we aim to design and run our offices in a way that promotes wellbeing. Considering factors such as indoor air quality (especially in large cities), thermal comfort, lighting levels, noise and acoustics is good for our people and can help boost productivity.

Net zero carbon emissions in our Campuses by 2025

25%
floor space certified to advanced green build standards, meeting our 2020 target a year early

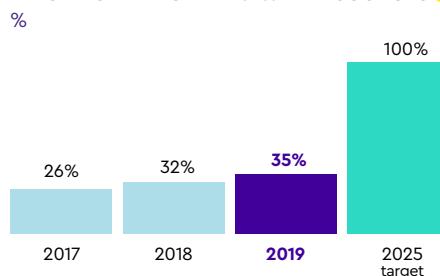
RENEWABLE ENERGY K

In 2019, we purchased 35% percent of our electricity from renewable sources, up from 32% in 2018 and signalling progress towards our new target of 100% by 2025.

We now purchase green electricity in 20 countries, with five countries covering 95% of our purchases: United States, UK, Germany, Italy and Sweden. We continue to explore opportunities to expand to other markets.

As green-tariff contracts are not available in all locations, we purchase renewable energy certificates (RECs) in the United States, our largest market. Each REC purchased is equivalent to 1MWh of renewable energy and promotes investment in renewable energy generation. We purchased 44,914 Green-e Energy certified RECs for 2019. This reduced our scope 2 market-based emissions in the United States by around 18,994 tonnes compared to the location-based total.

ELECTRICITY FROM RENEWABLE SOURCES K



35%
electricity purchased from renewable sources (2018: 32%)

44,914
Green-e Energy certified RECs purchased for 2019

100%
electricity from renewable sources in the United States for the first time

AIR TRAVEL AND OFFSETTING

In 2019, air travel accounted for around half of our reported carbon footprint. To offset the resulting emissions, we began purchasing high-quality carbon credits in 2007, and have since purchased and permanently retired 1.55 million carbon credits, which get charged to each of our operating companies to create an internal carbon cost.

We purchase the credits through South Pole Group, a company that develops emission-reduction projects. In 2019, we invested almost £160,000 to support four renewable energy-generation projects in Brazil, China, India and Indonesia. Together, these projects generate over 2.8 million MWh of renewable electricity a year and support 11 of the UN Sustainable Development Goals.

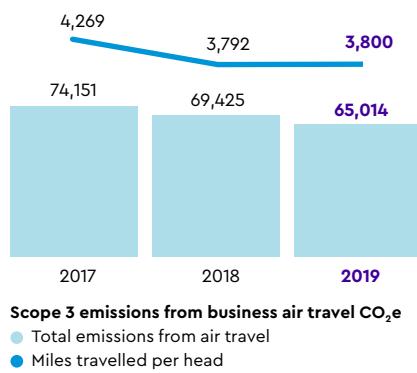
We have been investing in videoconferencing and remote working capabilities as part of our IT Transformation Programme. Videoconferencing is integrated into our online collaboration platforms, enabling colleagues to join virtual meetings anytime, anywhere. Our teams can run webcasts with up to 500 participants.

Our videoconferencing capabilities have supported our business operations in their transition to remote working as a result of the Covid-19 pandemic response. We are working to ensure best-practice in virtual meetings and events is captured to support virtual working in the future and reduce air travel where other options are available.

100%
of our air travel emissions offset through high-quality carbon credits since 2007

1.55m
carbon credits purchased and permanently retired since 2007

CARBON EMISSIONS FROM AIR TRAVEL/ MILES TRAVELED PER HEAD



SUPPORTING GEOTHERMAL ENERGY AND SUSTAINABLE DEVELOPMENT IN INDONESIA

With over 150 active volcanoes and 40% of the world's geothermal reserves, Indonesia has huge potential for producing clean energy. Through our offsetting programme we support the Gunung Salak project, the first geothermal energy plant in Indonesia, which is helping the country to meet its growing energy needs from non-fossil fuel sources. As it develops, this project is investing heavily in sustainable development by providing skilled employment opportunities in a rural community, supporting regional education programmes and offering vocational training to unemployed local people. In total the project generates around 1.4 million MWh of renewable energy each year, mitigating more than 105,000 tCO₂e in carbon emissions. Its sustainable development programmes have invested 1.1 billion IDR in community services in rural Java.



VALUE CHAIN EMISSIONS

Carbon emissions from our value chain (scope 3) are many times greater than those from our own operations (scope 1 and 2). We aim to work with suppliers to reduce these emissions, and are exploring how to set a reduction target in line with climate science.

The pie chart shows an estimated breakdown of our emissions by source, based on analysis of our UK emissions.

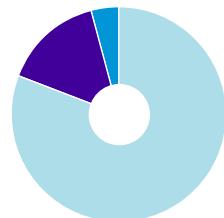
The three main categories are:

- Day-to-day activities: direct scope 1 and 2 emissions from running our business, including office energy use, and scope 3 emissions from business air travel, employee commuting and waste disposal. Office energy use is covered by our current carbon target, and we offset 100% of our emissions from business air travel.
- Goods and services: scope 3 emissions associated with the goods and services we buy from supplier partners to create marketing campaigns for clients and to run our business.
- Advertising we place for clients: scope 3 emissions from the physical distribution of advertising.

In 2020, we plan to complete a scope 3 carbon inventory in order to set net zero commitments across our value chain.

CARBON EMISSIONS IN OUR OPERATIONS AND VALUE CHAIN

%



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



WORKING TOWARDS ZERO-CARBON MEDIA

In 2019, GroupM set up a working group to define the role of media agencies in a zero-carbon future, with representatives from GroupM and each of its agencies.

The group has developed a blueprint that addresses the strategic and organisational changes required for agencies to succeed in a zero-carbon world. One example is a carbon calculator for media plans, developed by MediaCom in partnership with carbon offsetting partner, CO:balance.

The calculator gauges the carbon footprint of delivering a media plan, taking into account the channels used. The results allow us to adjust the media mix to reduce a plan's carbon footprint, and enables clients to offset the overall carbon footprint of their media strategy.

MediaCom North has been awarded The Planet Mark sustainability certification for committing to reduce its carbon footprint year-on-year.

CIRCULAR ECONOMY

In 2019, WPP committed to take the "plastic" out of "Wire and Plastic Products" by:

- phasing out plastics that cannot be reused, recycled or composted across all of our 3,000+ agency offices and Campuses worldwide by the end of 2020;
- signing up to the New Plastics Economy Global Commitment led by UN Environment and the Ellen MacArthur Foundation which aims to unite businesses, governments and other stakeholders behind a common vision for a plastics system that works; and
- pledging to work with clients and partners to drive consumer change at scale.

We use the Ellen MacArthur Foundation definition of single-use plastics: plastic items intended to be used just once before they are thrown away, and which cannot be reused, recycled or composted after use.

Our new Circular Economy Plastics Policy and Plastics Playbook provides each of our agencies and offices with practical guidance on how to phase out plastic waste, with resources including: a plastics audit template; jargon buster; and tips on how to reduce recycling contamination.

Our agencies are all at different stages of the journey. As an early adopter, MediaCom UK has already achieved the A Plastic Planet Commitment Mark, while other agencies are still developing the best approach for them. To share best practice between agencies, we are piloting a new WPP Sustainability Knowledge Hub – an interactive forum where people can discuss what works and what does not in the mission to reduce plastic waste.

Phasing out single-use plastics across our offices is an ambitious goal but our greatest impact is through our client work. We have worked with more than 60 clients to help them reduce their own single-use plastics use, supporting our clients across four core areas of expertise:

- 1** Navigating a complex regulatory framework: helping companies shape the debate and secure their place in the new circular economy.
- 2** Product and packaging design and innovation: redesigning products and packaging to reduce or remove plastic and rethink how products reach (and are used by) consumers.
- 3** Consumer engagement and behaviour change: to change social norms and mobilise consumer action.
- 4** Partnerships and activism: to build credibility and drive change at scale.

WASTE AND RESOURCES K

We aim to use resources carefully and to reduce and recycle as much as possible. Our main waste types are electronic waste and office consumables such as paper, card, cans, plastic bottles and toner cartridges.

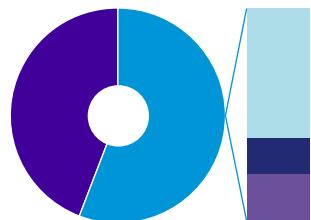
In 2019, the Company generated 8,578 tonnes of waste (2018: 9,598) of which we recycled 56%. Of the remaining waste, 17% was incinerated with energy recovery (2018: 9%) and 83% was disposed of via landfill, incineration without energy recovery, or an undetermined method (2018: 91%). We have identified preferred recycling partners for our operating companies in all major markets and we work with landlords on waste management in the properties we lease.

56%
of our waste recycled
(2018: 54%)

17%
of non-recycled waste
incinerated with energy
recovery (2018: 9%)

WASTE RECYCLED %

- Proportion recycled waste 56%
- Proportion non-recycled waste 44%



- Waste sent to landfill or unknown destination 61%
- Incinerated without energy recovery 22%
- Incinerated with energy recovery 17%

DESIGN FOR RECYCLING

Our new WPP Campuses are a great opportunity to design out plastic waste, implement effective recycling infrastructure and encourage sustainable behaviour. We provide reusable water bottles and cups when people move into Campuses, and have been experimenting to find the optimal signage, placement and design of recycling bins, learning from work our Ogilvy behavioural scientists carried out with clients including WRAP and Costa Coffee.

These techniques are not limited to new Campuses and are also being rolled out at existing sites including our global headquarters in London.

Our people are the driving force behind some of these changes. In New York, Ogilvy's Young Professionals Network (YPN) has worked with the café and building management at its Chocolate Factory offices to eliminate plastic straws and switch from plastic salad boxes to compostable, corn starch-based containers.



CHALLENGING MEATY NORMS

AGENCY
DAVID

CLIENT
BURGER KING

In the United States, animal farming is responsible for half of the carbon emissions released into the atmosphere, even if it is only responsible for 3% of the calories in our diet (LCA Impossible Foods 2019). When Burger King wanted to reduce the environmental impact of the Whopper, they turned to DAVID to help get meat-eaters to try something new. The Impossible Whopper looks, smells and tastes just like a Whopper should, but the plant-based patty delivers that same great Whopper taste with an 89% drop in carbon emissions. It is almost impossible to believe that helping the planet could taste so good.

13bn
impressions

10 yrs
best-selling product
launch in 10 years

Data from: April 2019

\$140m
in earned media

89%
reduction in GHG
emissions achieved
by each Impossible
Whopper compared
to meat-based
equivalents

EVERYDAY CLIMATE ACTION

AGENCY
H+K STRATEGIES

CLIENT
DOCONOMY

When Swedish fintech Doconomy wanted to find an innovative solution to addressing the climate crisis, they turned to H+K Strategies. Alongside RBK Communication, H+K helped them create DO Black: a credit card with a carbon emission limit, which stops you from overspending not based on available funds but on the impact caused by your consumption. It blocks transactions exceeding the CO₂ limit, disables the credit card and notifies the cardholder, giving people a real feel for their carbon footprint.

\$100m
in earned media

10,000+
registered users
in Sweden

80+
banks and credit card
companies discussing
collaboration

Winner
Cannes Grand Prix
and a silver Lion

Data from: April 2019-January 2020

wpp.com/doblack

