

## DIVERSITY, EQUITY AND INCLUSION

Diversity and difference power creativity and our people's creativity is our greatest advantage. Our mission is to build and foster an inclusive culture of belonging across WPP – a culture where everyone feels welcomed, valued and respected and is given an equal opportunity to thrive.

WPP does not tolerate harassment, discrimination or offensive behaviour of any kind. 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.

This year, we invested in building our governance and policy mechanisms around diversity, equity and inclusion (DE&I). Our new global Inclusion Council was established to advise on DE&I goals, recommend new systems and strategies, and identify barriers to progress. Council members were selected to represent the world in which we live and to reflect the breadth of our global organisation.

Progress ultimately relies on accountability so, for the first time, we have included diversity, equity and inclusion goals in our incentive plans for senior leaders across WPP and our agencies from 2021.

As part of our wider How We Behave ethics training (page 51) we also launched Belonging at WPP, our new mandatory global inclusion training. Tackling real-life, global scenarios, the training addresses the subtle acts of exclusion people face in the workplace and drives awareness of the intolerances that can affect our day-to-day interactions. Through 2020, we also ran Conscious Inclusion training for our people, covering topics including Being Better Allies and Bystander Training.

### ETHNICITY

In June 2020, WPP made a number of commitments to advance racial equity (page 20). We committed to take decisive action on each of the 12 points in the "Call for Change" open letter from more than 1,200 Black advertising professionals to the industry; to use our voice to advance the cause of racial equity; and to invest \$30 million over three years to fund inclusion programmes within WPP and to support external organisations. We view this work as a moral and business imperative.

### WORKFORCE DIVERSITY DATA FOR UNITED STATES AND UK

As part of these commitments and to drive greater accountability and accelerate progress, WPP pledged to report on our workforce ethnicity data. In July 2020, we released our United States Equal Employment Opportunity Commission (EEOC) data for 2018 and committed to reporting our workforce diversity data annually in this report.

### ABOUT THE DATA

Our workforce diversity data reporting detailed on page 19 covers our operations in the United States from 2018-2020 and our UK data for 2020. While our United States figures show some progress, the data highlights the fact that employees from Black, Asian, and other minoritised ethnic groups are underrepresented across our UK and United States workforces, particularly in management and leadership roles, and demonstrate the scale of the task ahead of us.

The United States and UK data sets are not directly comparable due to current differences in data collection and differing job level classifications used in each country.

To improve our reporting capability and provide a more consistent and global picture of our workforce, we are building a centralised system for gathering and reporting ethnicity data, including the ability to break down the data in a more granular way aligned with the UK census categories. This will allow for like-to-like comparisons across our United States and UK operations and establish a benchmark for our reporting. We are also working on collecting ethnicity data in other markets where we are legally allowed to do so.

The figures for our United States workforce come from our Equal Employment Opportunity Commission (EEOC) disclosures from 2018 to 2020. They cover 100% of our United States workforce and treats full- and part-time employees the same for the purposes of data analysis. The seniority classifications used are currently aligned to EEOC job classification. While our three-year data shows improvement, we know we have to continue to focus on hiring, retention, and promotion of people from underrepresented ethnic groups at all levels across WPP.

The data shown for the UK covers the approximately 90% of our workforce who have disclosed their ethnicity on a confidential basis. The seniority classifications used are aligned with the way in which we categorise employees in our finance system. Our UK data captures employee headcount on a full-time equivalent basis, whereas our United States data captures individual employee headcount regardless of whether an employee works full-time or less than full-time and therefore the two are not comparable.

### DRIVING SYSTEMIC CHANGE

The story our data tells is clear: we still have a huge amount of work to do. To deliver on our commitments, and remain focused on actions that make an impact, we have embedded DE&I goals and best practices into everything we do. The leaders of WPP's global agency networks have each signed up to these actions and will be held accountable for delivering progress against them within their businesses. While there is much more to be done, maintaining a sustained focus on building a culture of inclusion at WPP will help drive systemic change across our Company.

# \$30m

investment over three years in inclusion programmes within WPP and to support external organisations

## WORKFORCE ETHNICITY DATA FOR US AND UK

### UNITED STATES 2018, 2019 AND 2020 DATA<sup>1,2</sup>

| Level                           | Year | Black or African American | Asian | Hispanic or Latino | White | Two or more races/others |
|---------------------------------|------|---------------------------|-------|--------------------|-------|--------------------------|
| Senior/Executive Level Managers | 2020 | 3.9%                      | 6.9%  | 6.4%               | 80.9% | 1.9%                     |
|                                 | 2019 | 2.9%                      | 6.6%  | 6.4%               | 82.3% | 1.8%                     |
|                                 | 2018 | 2.2%                      | 5.7%  | 5.8%               | 85.0% | 1.3%                     |
| First/Mid-Level Managers        | 2020 | 4.4%                      | 10.6% | 9.4%               | 73.3% | 2.3%                     |
|                                 | 2019 | 4.2%                      | 10.6% | 9.8%               | 73.2% | 2.2%                     |
|                                 | 2018 | 4.1%                      | 9.9%  | 9.3%               | 74.8% | 1.9%                     |
| Professionals                   | 2020 | 6.7%                      | 15.3% | 9.3%               | 65.4% | 3.3%                     |
|                                 | 2019 | 6.6%                      | 15.7% | 8.9%               | 65.5% | 3.3%                     |
|                                 | 2018 | 6.4%                      | 15.0% | 8.7%               | 67.0% | 2.9%                     |
| All Staff                       | 2020 | 6.5%                      | 12.0% | 9.9%               | 68.9% | 2.7%                     |
|                                 | 2019 | 6.4%                      | 12.4% | 9.8%               | 68.7% | 2.7%                     |
|                                 | 2018 | 6.2%                      | 11.7% | 9.4%               | 70.2% | 2.5%                     |

### UNITED KINGDOM 2020 DATA<sup>3,4</sup>

| Level                              | Black | Asian | Mixed | Other ethnic | White | Unknown or undisclosed |
|------------------------------------|-------|-------|-------|--------------|-------|------------------------|
| Board Members or Executive Leaders | 0.8%  | 3.8%  | 2.1%  | 1.3%         | 87.2% | 4.8%                   |
| Senior Managers                    | 2.4%  | 5.8%  | 2.6%  | 2.6%         | 79.5% | 7.1%                   |
| Other Employees                    | 4.7%  | 9.1%  | 2.8%  | 4.7%         | 69.2% | 9.5%                   |
| All Staff                          | 4.1%  | 8.2%  | 2.8%  | 4.2%         | 71.9% | 8.8%                   |

<sup>1</sup> Changes in our US data reflect a number of structural changes we have made to our business in the past two years, including significant disposals, as well as employee attrition.

<sup>2</sup> Our 2019 and 2020 data, which aligns with EEOC methodology and leveling, will be submitted in May.

<sup>3</sup> The US and UK data sets are not directly comparable due to current differences in data collection, differing job level classifications and differences in how full- and part-time employees are captured in employee headcount in each country.

<sup>4</sup> In the US we are publishing data that is collected by EEOC annually, as legally required. To meet our June 2020 commitments, we have worked over the past year to gather and report UK ethnicity data and will continue to do so going forward.

## OUR RACIAL EQUITY COMMITMENTS

The widespread protests we witnessed last year, sparked by horrific acts of violence and set against the backdrop of a global pandemic, highlighted the work we need to do, as organisations and as individuals, to overcome deep-seated racial biases.

In June 2020, we made a number of commitments to advance racial equity. 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.

We have acknowledged that we need to improve ethnicity representation at all levels of the Company, especially at senior and leadership levels. We launched our diverse slate policy in 2020 in the UK and United States as one concrete step towards this goal and have undertaken a review of our hiring practices and policies to ensure diversity, equity and inclusion (DE&I) are systematically embedded throughout.

To underline the importance of our commitments and to ensure accountability, we are also including diversity and inclusion goals in the annual bonus plans of our leadership across WPP. These will be included within bonus plans for the 2021 calendar year, and progress made against those goals will be reviewed on a regular basis.

Over the past year we have also grown our network of DE&I leaders across our agencies, highlighting our commitment to sustained momentum. These leaders, along with other champions of DE&I across our operating companies continue to help us drive and accelerate the change we need to see.

Our HR teams and leaders around the world have received – and will continue to receive – training on anti-bias and training to help them have difficult conversations about race in the workplace. We also launched our bespoke, mandatory Belonging at WPP inclusion training for all staff globally and a Conscious Inclusion programme, to raise our awareness of unconscious bias.

To help build a more diverse future talent pool we have expanded our talent recruiting platforms to include over 300 sites, including HBCU (Historically Black Colleges and Universities) alumni networks and other diverse groups and have partnered with organisations such as The LAGRANT Foundation, The One Club for Creativity, RARE Recruitment and Brixton Finishing School.

Last year, we launched NextGen Leaders, a virtual learning series for college students and recent graduates and worked in partnership with over 300 non-profits, colleges and universities, including several

HBCUs to ensure a diverse cohort, resulting in 55% of the 846 participants being Black, Asian and Latin American.

We have implemented and are expanding learning and development opportunities for our employees of underrepresented ethnic groups, including:

1. Our year-long **Elevate sponsorship programme** is designed for high-potential Black female employees in the United States across our agencies with the goal of providing personal and professional development to support and strengthen leadership capabilities.
2. Our **cross-agency sponsorship programme** in the UK is designed for high-performing, mid-career people from underrepresented ethnic groups to help unlock opportunities, fill experience gaps, and build advanced craft skills through a relationship with senior leaders. Our goal is to expand this 12 to 18-month virtual programme to the United States in 2021.
3. Our new **Sayge coaching programme** will provide a three-month individualised career coaching programme for mid-level employees, with initial focus on Black and other underrepresented ethnic groups in the United States and UK.
4. More than 20 Black leaders from across our agencies participated in the **McKinsey**

**Leadership Programme** in 2020; in 2021, we will have 65 of our Black employees participating in **McKinsey's Manager Accelerator Programme** and 29 of our Black employees participating in the **Leadership Development Programme**.

Because of our platform and voice, WPP can also spark change far beyond our Company through our work for clients and communities. In collaboration with UniWorld Group, we created the Inclusive Marketing Playbook to enable WPP teams to put inclusive marketing principles and best practice front and centre. We also established our Diversity Review Panel for our people to raise any concerns regarding negative stereotypes in our work so we can ensure an inclusive approach to creativity.

Finally, we will invest \$30 million over three years to fund inclusion programmes within WPP and to support external organisations. As part of this commitment, we are also offering an employee donation match programme up to \$1,000 per person, to a total of \$1 million. We will match personal donations by employees to a vetted list of non-profit organisations in support of their commitment to advance racial equity, develop talent from underrepresented groups and address issues that affect racially marginalised groups.

