WPP

Corporate Responsibility Report 2008/2009



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About this report

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This Corporate Responsibility Report, together with our Annual Report, trading statements, news releases, presentations, and previous CR Reports, is available online at **wpp.com**





Introduction



elcome to our seventh Corporate Responsibility (CR) Report. Here we summarise our progress during 2008 and the first quarter of 2009.

We explain our approach to the key social and environmental issues for our business and give in-practice examples from many WPP companies.

Our people play an essential role in all our CR initiatives. From reducing our office energy use and implementing high marketing standards, to helping clients communicate with consumers on social and environmental issues – they make it happen. To illustrate this, we've included views and insights on CR at WPP from people across the Group.

We don't think reporting should be a one-sided conversation. We welcome your feedback – whether positive or negative. You can contact us at: cr@wpp.com.



Our CR Report at a glance

orporate responsibility (CR) covers a wide range of issues. This report describes how we are responding to those we judge to be most significant and relevant to our business.

CR at WPP

Managing social, ethical and environmental risks to our business and capitalising on new opportunities helps us achieve our business goals and enhances our reputation with clients, employees, regulators and investors.

We focus our efforts on the issues that are most material (relevant and significant) to WPP. These are:

- The social and environmental impact of our work for clients.
- Marketing ethics, compliance with marketing standards, and protection of personal, consumer and corporate data and increasing transparency about our marketing practices.
- Employment, including diversity and equal opportunities, business ethics, employee development, remuneration, communication and health and safety.
- Social investment, including pro bono work, donations to charity and employee volunteering.
- Climate change, including the emissions from energy used in our offices and during business travel.

Our approach reflects our decentralised group structure, with many CR issues managed at operating company level. Our Group CR function determines CR policy, monitors risks and opportunities and coordinates collection of CR data.

See pages 13 to 19.

The impact of our work

The social and environmental impact of the work we undertake for clients is one of our most important CR issues. Our goal is for WPP to be a centre of excellence for environmental and social communication.

Leading companies are embedding ethical values in their brands and developing products with a reduced social or environmental footprint. They need effective marketing to communicate the social and environmental benefits and make these new products desirable to the mass market.

This report profiles recent work by our companies in three areas:

- Campaigns that promote our clients' environmental, social or ethical credentials.
- Social marketing work that influences public attitudes and behaviour, such as campaigns to raise awareness about obesity and drink-driving.
- Cause-related marketing campaigns that link brands to charities.

See pages 21 to 35.

Marketing ethics

Marketing is a powerful tool with the potential to change opinions and influence behaviour. It is essential this influence is used responsibly and in a way that protects consumers and supports human rights. As a minimum our businesses are expected to comply with all laws, regulations and codes of marketing practice.

Privacy and data security are increasingly important issues for our companies which collect and use consumer data to target digital advertising and direct marketing campaigns.

Where we operate, who we work for and the type of work we undertake can also give rise to ethical issues.

We are strengthening our approach to managing work-related risks.

See pages 37 to 43.



Employment

WPP employs 135,000 people (including employees at our associate companies) at 2,400 offices in 107 countries.

Our people are our business. Clients choose WPP companies because we employ the best. Attracting and retaining talent is a central business issue for WPP. Our approach includes competitive remuneration, investment in training and development and a commitment to an inclusive workplace culture.

In 2008, we invested £42.6 million in training and wellbeing compared with £38.6 million in 2007. Women accounted for 32% of board members/ executive leaders, 47% of senior managers and 54% of total employees. Our companies have programs to promote ethnic diversity.

See pages 45 to 55.

Environment

We are committed to reducing our impact on the environment. Climate change is our priority and we have set a target to reduce our CO₂ emissions by 20% by 2010 from 2006 levels. So far, we have achieved a 10.5% reduction against our baseline.

We are reducing our emissions by:

- Improving the efficiency of our buildings and IT.
- Purchasing renewable electricity where available.
- Reducing the number of intra-office flights.

We have established Energy Action Teams in North America, Europe, Asia Pacific and Latin America. Their job is to identify energy-saving measures and provide technical guidance to our agencies on energy reduction.

After reducing our CO_2 emissions as much as possible, we offset a large proportion of the rest.

See pages 57 to 65.

Supply chain

WPP spends around \$3 billion with suppliers each year. We want to do business with suppliers that meet high standards on the environment and employment practices. We are committed to managing CR risks in our supply chain, both for ourselves and for our clients.

WPP's Global Procurement Policy contains ethical and environmental criteria which our Group procurement teams use in supplier selection and management.

See pages 64 to 65.

Social investment

Our companies have a long tradition of pro bono work – providing creative services to charities at little or no cost. This work can be invaluable – helping raise money and awareness for hundreds of good causes every year. We also support charities through cash donations and employee volunteering.

In 2008, the total value of our social investment was £14.6 million. The reduction in pro bono work on last year is due to the worsening economic conditions which placed pressure on our companies to focus on fee-paying work. This is equivalent to 0.19% of revenue (2% of reported profit before tax) and includes direct cash donations to charities of £4.3 million and £10.3 million worth of pro bono work. In addition, WPP media agencies negotiated £13 million of free media space on behalf of pro bono clients.

A selection of the many pro bono campaigns by our companies are featured in this report.

See pages 67 to 71.

CR performance summary

	2008	2007	2006	2005
Financial overview				
Revenue (£m)	7,477	6,128	5,908	5,374
Headline PBIT (£m)	1,118	928	859	755
Market capitalisation at year-end (£m)	5,052	7,709	8,566	7,881
Number of employees (including employees at our associate companies)	135,000	110,000	100,000	97,000
Employment ¹				
Gender diversity – Employees (% female)	54	55	58	54
Gender diversity – Senior managers (% female)	47	47	50	52
Gender diversity – Board members/executive leaders (% female)	32	33	34	33
Ethnic diversity in the UK and US - Employees (% ethnic minority)	21.0	21.6	_	-
Ethnic diversity in the UK and US – Senior managers (% ethnic minority)	14.0	13.2	_	-
Ethnic diversity in the UK and US – Board member/executive				
leaders (% ethnic minority)	12.0	11.1	_	_
Staff training and welfare (£m)	42.6	38.6	38.2	32.7
Environment				
Emissions from office energy use (tonnes CO ₂)	112,901 ²	120,032	144,354	-
Emissions from air travel (tonnes CO ₂)	89,500	92,269	81,733	-
Other emissions (tonnes CO ₂)	30,360	31,845	33,913	-
Total carbon footprint (tonnes CO ₂)	232,761	244,146	260,000	-
Total energy use (MWh)	223,720	251,685	297,406	-
Social investment				
Total social investment (£m)	14.6	16.3	24.9	17.3
% of total revenue	0.19	0.30	0.42	0.32
% of profit before tax	2.0	2.0	3.7	2.9
Value of pro bono work (£m)	10.3	12.8	21.0	13.9
Charitable donations (£m)	4.3	3.5	3.9	3.4

Data cover the 95,286 employees from wholly-owned WPP companies.
 Emissions from purchased renewable energy calculated using conventional grid energy conversion factors, see page 59.

From our CEO

his is our seventh corporate responsibility report. Since our first, the evidence of global warming has become undeniable and the world's economy has gone into steep decline. The combination of global recession and global climate change is a dangerous one – but it's essential that we don't allow economic pressure to divert our attention from our key CR commitments to environment, marketing ethics, employment and social investment.

I see no conflict between a move to more sustainable consumption patterns and the business of business. Indeed, we'll suffer negative impacts if we fail to change, and enjoy tangible benefits if we do. It will be part of our responsibility to our clients to encourage the development of new sustainable products and encourage their adoption. There are signs that the public mood is becoming increasingly receptive.

Research by WPP company TNS among over 13,000 people in 17 countries revealed that 40% claim to have already modified their behaviour because of the environment; 52% say they would accept some price premium for improved environmental performance; and, perhaps surprisingly, 71% say they would support retailers restricting their choice by removing unsustainable products from the shelves. These views are by no means confined to wealthy countries (see page 28).

Consumer spending on innovative products, encouraged by the marketing industry, will be an important factor in achieving recovery from the recession as well as avoiding the worst consequences of climate change.

Within WPP we are increasingly working with our clients to understand the significance of sustainability in their businesses – and we start with our own. Having first reviewed and identified our key issues in 2002 we continue to improve performance and accountability.

This report reveals some encouraging progress. Reflecting investments we are making to improve the energy efficiency of our offices and IT equipment, our carbon footprint is already down 10%. During 2009 we will roll out a network of 50 high-definition videoconference suites that can be pre-booked online by any WPP company. These will greatly help to reduce our dependency on air travel. Our network of climate champions continues to help raise awareness and change behaviour in every WPP business.

I look forward to updating you on further progress in 2009. In the meantime, we would very much welcome your thoughts and comments.

Sir Martin Sorrell
Group Chief Executive

Mortin Somer





Who we are

WPP is the world leader in marketing communications services. It comprises leading companies in all these disciplines:

- Advertising
- Media Investment Management
- Information, Insight & Consultancy
- Public Relations & Public Affairs
- Branding & Identity
- Healthcare Communications
- Direct, Digital, Promotion & Relationship Marketing
- Specialist Communications

There are more than 150 companies within the Group – and each is a distinctive brand in its own right. Each has its own identity, commands its own loyalty, and is committed to its own, specialist expertise. That is their individual strength. Clients seek their talent and their experience on a brand-by-brand basis. Between them, our companies work with 345 of the Fortune Global 500, 29 of the Dow Jones 30, half of the NASDAQ 100 and 33 of the Fortune e-50.

It is also of increasing value to clients that WPP companies can work together, as increasingly they do: providing a tailor-made range of integrated communications services. Over 700 clients are now served in three distinct disciplines. More than 440 clients are served in four disciplines, and these clients account for over 58% of Group revenues. Group companies now work with over 310 clients across six or more countries.

Collectively, over 135,000* people work for WPP companies; out of 2,400 offices in 107 countries.



^{*} Including employees at our associate companies.

Who we are





SMOLLANGROUP"

BRIERLEY

winglatino

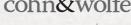


AguaOnline



AGENDA

futures







































Our companies & associates

Advertising

ADK¹

www.adk.jp

Bates 141

www.bates141.com

BrandBuzz*

www.brandbuzz.com

CHI & Partners¹

www.chiandpartners.com

Dentsu Y&R^{1,2,■}

www.yandr.com

Enfatico[®]

www.enfatico.com Grev

www.grey.com

HS Ad¹ www.hs-ad.co.kr

JWT

www.jwt.com

Johannes Leonardo¹

www.johannesleonardo.com
Marsteller Advertising

www.marsteller.com

Ogilvy & Mather Worldwide www.ogilvy.com

Santo

Santo

www.santo.net

Scangroup¹ www.scangroup.biz

Soho Square

www.sohosq.com

Tapsa

www.tapsa.es

The Jupiter Drawing Room¹ www.jupiter.co.za

United Network www.group-united.com

Y&R

www.yandr.com

Media Investment Management

GroupM:

www.groupm.com

Maxus

www.maxusqlobal.com

MediaCom

MediaCom

www.mediacom.com

Mediaedge:cia www.mecglobal.com

Mindshare

www.mindshareworld.com

Outrider

www.outrider.com

Brandamp²

www.brandamp.co.uk

Catalys

www.catalystsearchmarketing.

Other media agencies

Kinetic Worldwide² www.kineticww.com

KR Media¹

www.krmedia-france.com

Information, Insight & Consultancy

Kantar:

www.kantargroup.com

Added Value

www.added-value.com

BPRI

www.bprigroup.com

Center Partners

www.centerpartners.com

IMRB International www.imrbint.com

Kantar Healthcare www.kantarhealthcare.com

- TNS Healthcare www.tnsglobal.com
- Ziment Group www.zimentgroup.com
- Mattson Jack Group www.mattsonjack.com

Kantar Japan

www.kantarjapan.com

Kantar Media

www.kantarmedia.com

- Kantar Media Intelligence
- Kantar Audience Measurement
- TGI Global

Kantar Media US

Kantar Operations www.kantaroperations.com

Kantar Retail

- Glendinning
- www.glendinning.biz

 Cannondale Associates
 www.cannondaleassoc.com
- Management Ventures www.mvi-worldwide.com
- Retail Forward www.retailforward.com
- Red Dot Square www.reddotsquare.com

Kantar Worldpanel www.kantarworldpanel.com

Lightspeed Research www.lightspeedresearch.com

Millward Brown www.millwardbrown.com

The Futures Company www.thefuturescompany.com

TNS

www.tnsglobal.com www.research-int.com

Other marketing consultancies

Everystone www.everystonegroup.com

www.ohal-group.com

Public Relations & Public Affairs

BKSH*

www.bksh.com

Blanc & Otus

www.blancandotus.com

Buchanan Communications www.buchanan.uk.com

Burson-Marsteller www.bm.com

Chime Communications PLC¹ www.chime.plc.uk

Clarion Communications www.clarioncomms.co.uk

Cohn & Wolfe

www.cohnwolfe.com

Dewey Square Group www.deweysquare.com

Finsbury

www.finsbury.com

Hill & Knowlton www.hillandknowlton.com

Ogilvy Government Relations

www.ogilvygr.com
Ogilvy Public Relations

Worldwide www.ogilvypr.com

The PBN Company¹ www.pbnco.com

Penn, Schoen & Berland
www.psbsurveys.com

Public Strategies www.pstrategies.com

Quinn Gillespie www.quinngillespie.com

Robinson Lerer & Montgomery www.rlmnet.com

Timmons and Company www.timmonsandcompany.com

Wexler & Walker Public Policy Associates www.wexlergroup.com

Branding & Identity

Addison Corporate Marketing www.addison.co.uk

BDGMcColl

www.bdg-mccoll.com

BDGworkfutures

www.bdgworkfutures.com

Coley Porter Bell www.cpb.co.uk

Dovetail

www.dovetailfurniture.com

FITCH*

www.fitchww.com

Lambie-Nairn
www.lambie-nairn.com

Landor Associates www.landor.com

The Brand Union www.thebrandunion.com

The Partners•

www.thepartners.co.uk

www.vbat.nl

Warwicks www.warwicks-uk.com

Healthcare Communications

CommonHealth

www.commonhealth.com
Feinstein Kean Healthcare

www.fkhealth.com GCI Health

www.gcihealth.com

www.ghggroup.com

Ogilvy Healthworld www.ogilvyhealthworld.com

Sudler & Hennessey
www.sudler.com



Direct, Digital, Promotion & Relationship Marketing

A. Eicoff & Co www.eicoff.com

Actis Systems+ www.actis.ru

AGENDA+

www.agenda-asia.com

Aqua Online+

www.aquaonline.com

Blast Radius+

www.blastradius.com

Bridge Worldwide www.bridgeworldwide.com

Brierley & Partners¹ www.brierley.com

Designkitchen+ www.designkitchen.com

Dialogue 141 www.dialmkg.com

Digit

www.digitlondon.com

EWA

www.ewa.ltd.uk

FullSIX³

www.fullsix.com

GT[®]

www.wearegt.com

Grass Roots¹ www.grg.com

G2

www.g2.com

- G2 Branding & Design

- G2 Interactive

- G2 Direct & Digital

- G2 Promotional Marketing

Headcount Worldwide Field Marketing

www.headcount.co.uk

High Co¹ www.highco.fr

Kassius+

www.kassius.fr

KnowledgeBase Marketing*

knowledgebasemarketing.com

Mando Brand Assurance www.mando.co.uk

Maxx Marketing www.maxx-marketing.com

OgilvyAction

www.ogilvyaction.com

OgilvyOne Worldwide www.ogilvy.com

OOT³

www.oot.it Plano.Trio

www.planotrio.com.br

RMG Connect

www.rmgconnect.com

RTC Relationship Marketing

www.rtcrm.com

Smollan Group¹

www.smollan.co.za

Studiocom[®]

www.studiocom.com

These Days

www.thesedays.com

VML

www.vml.com

Wunderman*
www.wunderman.com

ZAAZ+

www.zaaz.com

Specialist Communications

Corporate/B2B

Brouillard

www.brouillard.com

Ogilvy Primary Contact www.primary.co.uk

Custom media

Forward

www.theforwardgroup.com

Spafax

www.spafax.com

Demographic marketing
The Bravo Group

■

www.thebravogroupyr.com

Kang & Lee

www.kanglee.com

MosaicaMD

UniWorld¹

www.uniworldgroup.com

WINGLATINO -

www.winglatino.com

Employer branding/

recruitment

JWT Inside www.jwtinside.com

Event/face-to-face marketing

MJM

www.mjmcreative.com

FITCHLive

www.fitchlive.com

Foodservice marketing The Food Group

www.thefoodgroup.com

www.tnerooagroup.com

Sports marketing OgilvyAction Sports &

Entertainment Marketing www.ogilvyaction.com

PRISM Group

www.prismteam.com
Entertainment marketing
Alliance*

www.alliance-agency.com

Youth marketing

The Geppetto Group www.geppettogroup.com

Real estate marketing

Pace

www.paceadv.com

Technology marketing Banner Corporation

www.b1.com

Media & production services

The Farm Group www.farmgroup.tv

Imagina³

www.mediapro.es

Metro Group

www.metrobroadcast.co.uk

MRC³

www.mrcstudios.com

The Weinstein Company³
www.weinsteinco.com

WPP Digital

24/7 Real Media

www.247realmedia.com

www.blue-interactive.com

Deliver

www.deliveroffshoring.com

iconmobile1

www.iconmobile.mobi

Quasar

www.quasar.co.in

Schematic

www.schematic.com Syzygy¹ www.syzygy.net

WPP Digital partner companies

HDT Holdings Technology³ www.hdtworld.com

In Game Ad Interactive³ www.ingamead.cn

Invidi³

www.invidi.cn
JumpTap³

www.jumptap.com

LiveWorld³

www.liveworld.com

NuConomy³

www.nuconomy.com

Omniture³

www.omniture.com

Proclivity Systems³

www.proclivitysystems.com
Realtime Worlds³

www.realtimeworlds.com

SpotRunner³ www.spotrunner.com

VideoEgg³ www.videoegg.com

Visible Technologies¹

www.visibletechnologies.com Visible World³

www.visibleworld.com

WildTangent³

www.wildtangent.com Yield Software³

Yield Software³ www.yieldsoftware.com

WPP knowledge communities

The Channel
The Store
droth@wpp.com

Key

¹ Associate

² Joint venture

3 Investment

 A Young & Rubicam Brands company

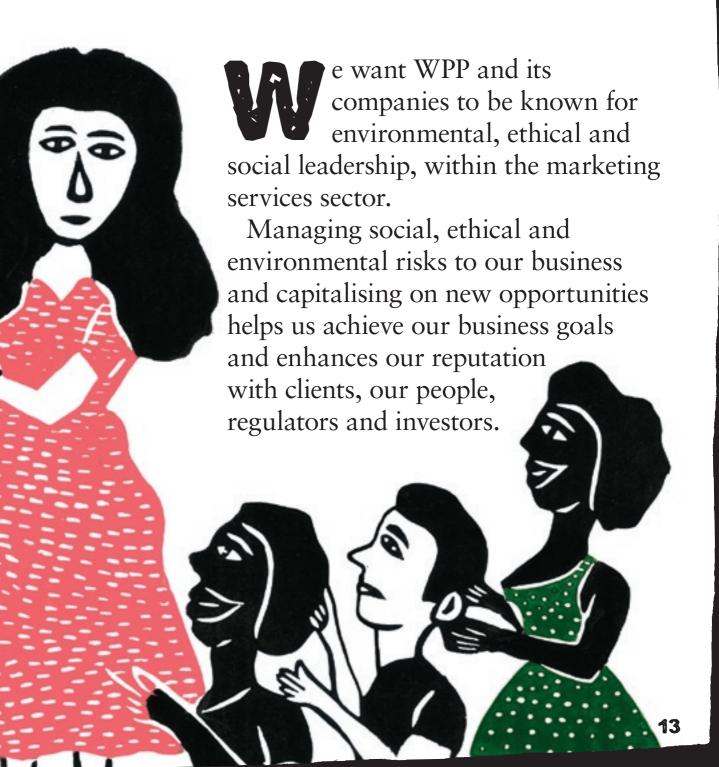
A member of B to D Group

+ Part of the Wunderman network

As at May 2009.



CR at WPP





WPP exists:

To develop and manage talent; to apply that talent, throughout the world, for the benefit of clients; to do so in partnership; to do so with profit.



ur CR activity supports our business strategy in a number of areas. These include:

☐ Generating new business opportunities.

Increasingly, leading companies require a marketing services partner to help them communicate their social and environmental achievements. Our CR program enhances our understanding of these issues and supports our businesses in competitive pitches.

■ Attracting and retaining the best people. There is fierce competition for talent in our industry and questions relating to CR are frequently raised by our people and new candidates during job interviews.

Creating a diverse company culture, adopting leading employment practices and demonstrating our commitment to social and environmental issues can help us to attract and retain the best people. A diverse workforce enhances our understanding of consumers in all markets.

- Enhancing our reputation. We reduce the risk of adverse publicity by ensuring that our work complies fully with regulations and marketing standards and carefully evaluating the risk associated with new commissions. Our pro bono work and support for charities and community organisations reinforces our reputation for making a positive contribution in society.
- Meeting investor expectations. WPP share owners are showing interest in our CR practices and we aim to respond constructively to their requests for information.
- Improving efficiency. Our climate strategy is reducing costs associated with business travel and energy use.

How we manage CR risk and opportunity

We focus our efforts on the issues that are most material (relevant and significant) to WPP. These are:

Issue	How it is managed	Aims
The social and environmental impact of our work for clients.	Opportunities to advise clients on marketing with a social or environmental dimension are identified by our companies.	Be a centre of excellence for environmental and social communication.
Marketing ethics, compliance with marketing standards, protection of personal, consumer and corporate data and increasing transparency about our marketing practices.	Currently managed by our operating companies with referral to Group directors as necessary. In 2009 we are introducing quarterly review meetings for senior Group managers to discuss potential ethical issues in our client work and identify risk areas (see page 38).	Comply with all laws and industry codes governing marketing material. Improve standards and measurement in marketing practices.
Employment, including diversity and equal opportunities, business ethics, employee development, remuneration, communication and health and safety.	Human resources policies are set and implemented at operating company level. WPP's chief talent officer has overall responsibility for attracting, developing and retaining our talent.	Improve standards and measurement in employment.
Social investment, including pro bono work, donations to charity and employee volunteering.	Pro bono projects are agreed between WPP companies and the charities concerned. Many of our companies have long-standing relationships with their pro bono partners. WPP the parent company helps to coordinate pro bono projects involving multiple WPP companies or cross-Group collaborations.	To make a significant contribution to good causes through pro bono application of our marketing skills and direct donations to charity.
Climate change, including the emissions from energy used in our offices and during business travel.	We have appointed cross-functional Group-wide Energy Action Teams and a network of agency climate champions to help implement our climate change strategy.	Measure and reduce our CO ₂ emissions and continue to purchase high quality carbon offset. Our goal is to reduce CO ₂ emissions by 20% by 2010.

CR issues in our supply chain and our environmental impacts beyond climate change are also important for WPP.



There are more than 150 companies within the WPP Group – each a distinct brand in its own right. A great deal of management responsibility and discretion is devolved to our operating companies. Our approach to CR reflects this decentralised structure, with many CR issues managed at operating company level.

WPP the parent company complements this activity. Our Group CR function determines CR policy, monitors risks and opportunities and coordinates data collection. It helps raise awareness within our companies and provides advice and guidance on CR issues.

Paul Richardson is the Board director responsible for CR and chair of our Corporate Responsibility Committee, see below. He provides an annual assessment of corporate responsibility risks and performance to the Audit Committee.

Corporate Responsibility Committee

Established in 2003 to advise on CR policy, the Committee is made up of senior representatives from our agencies. Current members are:

- Jed Beitler, Chairman & CEO Worldwide, Sudler & Hennessey
- Craig Branigan, Chairman & CEO, B to D Group
- Owen Dougherty, Chief Communications Officer, Grey Group
- Chris Graves, President Asia Pacific, Ogilvy & Mather
- Julie Halpin, CEO, The Geppetto Group
- Mandy Pooler, Development Director, Kantar
- Dominic Proctor, Worldwide CEO, Mindshare
- Vanessa Edwards, Head of Corporate Responsibility, WPP
- Tom Kinnaird, Head of Global Commercial & Procurement Services, WPP
- Mark Linaugh, Chief Talent Officer, WPP
- Howard Paster, Executive Vice President, WPP Public relations & Public Affairs
- Paul Richardson, Group Finance Director, WPP (chair)
- Paul Stanley, Director of Internal Audit, WPP

The Committee met once in 2008 and discussed a range of issues including:

- Our climate change strategy
- Privacy and data protection issues
- Managing ethical issues in our companies' work for clients
- Improving data collection
- Employment and diversity

We have set up Energy Action Teams to help implement our climate change strategy (see page 59). Members are drawn from our Group functions and companies. Many of our companies around the world have also assigned a climate champion, to lead energy reduction initiatives within their company (see page 58).

Monitoring performance

We have established key performance indicators to help us review and improve our performance.

CR data is collected quarterly through our Group financial reporting system. This is helping to improve the accuracy of the data we collect and to embed CR into our operating company management systems.

Each WPP company has a nominated CR representative who is responsible for completing our annual internal case study survey of CR activity.

WPP's internal audit function assesses CR risks relating to employment, marketing ethics and business ethics during reviews of Group companies.

Stakeholder engagement

Stakeholder feedback helps us to refine and strengthen our approach to CR. We engage with a number of different stakeholder groups as part of normal business practice. These include:

- Clients WPP companies are regularly asked about their approach to social and environmental issues during pitches.
- Employees we engage with our people through regular surveys (conducted at operating company level). We distribute our Corporate Responsibility Report to 2,000 senior managers and send copies to



WPP CR representatives, communications departments, key account executives and new business directors. It is also available on our Group intranet and public website. Articles on CR are included in *The WIRE* (WPP's global newspaper) and our magazine for procurement professionals (*Buy-in*).

■ Industry organisations and other partners – WPP is a founder member of the UK's Media Sector CSR Forum, a group of leading media companies committed to furthering corporate responsibility in the sector. We are members of the Institute of Business Ethics.

We believe that marketing and communications will play a key role in efforts to tackle climate change. WPP is participating in Shaping the Message on Climate Change, an initiative of the UN and International Advertising Association, to improve communication on climate change and ensure a successful outcome at the Copenhagen Climate Conference in December 2009. As part of this, our Chief Executive, Sir Martin Sorrell, led the discussion session during the World Economic Forum in January 2009.

- Investors we respond to requests for information and meetings from WPP share owners and rating agencies. In 2008 this included requests for information from:
 - Carbon Disclosure Project
 - Cooperative Asset Management
 - Dow Jones Sustainability Index
 - Ethical Investment Research Service (EIRIS)
 - Governance Metrics International
 - Innovest
 - IWFinancial
 - Pensions Investment Research Consultants (PIRC)
 - SiRi

Investors raised questions on a number of subjects including our climate change strategy, supply chain management, our approach to managing ethical issues in client work and our procedures for protecting human rights. An investor's view on our approach to marketing ethics is included on page 39. WPP is included in the FTSE4Good Index.

Lobbying and political donations

WPP does not make political contributions from corporate resources with the occasional exception of very small, lawful contributions to local candidates in the US.

In countries where it is consistent with applicable law, individuals working at WPP make personal voluntary political contributions directly to candidates for office. Three of our businesses – Wexler & Walker, Hill & Knowlton and Burson-Marsteller – also maintain political action committees (PACs) which accept voluntary donations from employees to support political candidates.

WPP has on rare occasions sought to influence public policy on its own behalf, operating through its own companies. In 2008, along with other major multinationals we engaged with the UK government on possible changes to the UK tax regime (see Corporate reorganisation on page 17).

Several WPP companies have public affairs practices which lobby governments on behalf of clients, see page 40.

Corporate governance

The Board of Directors as a whole is collectively accountable to the WPP's share owners for good corporate governance and is committed to achieving compliance with the principles of corporate governance set out in the Combined Code.

Our goal is to comply with relevant laws, regulations, and guidelines such as the Combined Code, the US Sarbanes-Oxley Act of 2002, the NASDAQ rules, and their related regulations and, where practicable, seek to comply with guidelines issued by institutional investors and their representative bodies.

WPP operates a system of internal control, which is maintained and reviewed in accordance with the Combined Code and the guidance in the Turnbull Report as well as the relevant provisions of the Securities Exchange Act of 1934 as they currently apply to the company. In the opinion of the Board,



the company has complied throughout the year with the Turnbull Report and has also complied with the relevant provisions of the Securities Exchange Act of 1934.

Tax policy

We believe it is important to state our views on tax in the context of corporate responsibility. We believe our obligation is to pay the amount of tax legally due in the territory in which the liability arises and to observe all applicable rules and regulations in all of the territories in which we operate. However, at the same time we also have an obligation to maximise share owner value and to manage financial and reputational risk. This includes controlling our overall liability to taxation.

The Group does not condone either personal or corporate tax evasion under any circumstances, and where such activities are identified, full disclosure of the activities undertaken are required to be made to the relevant tax authorities.

Our aim is to have a constructive relationship with tax authorities on an ongoing basis. Nevertheless we recognise that there may be some areas that are not free from doubt or where differing legal interpretations may be possible. Where disputes arise with tax authorities with regard to the interpretation and application of tax law, we are committed to addressing the matter promptly and resolving the matter in a responsible manner.

Corporate reorganisation

During 2008, the Board of WPP concluded that the most appropriate structure to protect the Group's taxation position and to better facilitate its financial management was to introduce a new Jersey incorporated parent company that is tax resident in the Republic of Ireland. The new parent company, WPP plc, was put in place following overwhelming share owner approval and in accordance with the requisite Court Approved Scheme of Arrangement.

WPP plc has its primary listing on the London Stock Exchange and its American Depositary Shares are traded on NASDAQ. WPP plc continues to report in sterling.

Business ethics

WPP's Code of Conduct and CR Policy set out the standards we expect employees to meet in their work. They provide guidance for our people in dealing with a wide range of ethical, social and environmental subjects. Both documents are included in this report on pages 18 and 19 respectively and are publicly available on our website, wpp.com.

The CEO of each WPP company is required to sign a statement each year confirming that they comply with our Code of Conduct.

Employees can report any concerns or suspected cases of misconduct in confidence through our third party-managed Right to Speak facility, overseen by our internal audit department. A Right to Speak phone number is available to all employees worldwide and is publicised through induction packs, the Group intranet and the WPP Policy Book which is available on our Group intranet.

We are strengthening our processes for managing ethical issues associated with client work. These are explained on pages 37 to 43.



Code of Conduct

PP and its companies operate in many different markets and countries throughout the world. In all instances, we respect national laws and industry codes of conduct.

- We, the directors and employees of all companies in the WPP Group ('the Group'), recognise our obligations to all who have a stake in our success including share owners, clients, employees, and suppliers.
- Information about our business shall be communicated clearly, and accurately in a non-discriminatory manner and in accordance with local regulations.
- We select and promote employees on the basis of their qualifications and merit, without discrimination or concern for race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.
- We believe that a workplace should be safe and civilised; we will not tolerate sexual harassment, discrimination or offensive behaviour of any kind, which includes the persistent demeaning of individuals through words or actions, the display or distribution of offensive material, or the use or possession of weapons on WPP or client premises.
- We will not use, possess or distribute illegal drugs. We will not report for work under the influence of drugs or alcohol.
- We will treat all information relating to the Group's business, or to its clients, as confidential. In particular, 'insider trading' is expressly prohibited and confidential information must not be used for personal gain.
- We will not knowingly create work which contains statements, suggestions or images offensive to general public decency and will give appropriate consideration to the impact of our work on minority segments of the population, whether that minority be by race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.
- We will not for personal or family gain directly or indirectly engage in any activity which competes with companies within the Group or with our obligations to any such company.

- We will not offer any items of personal inducement to secure business. This is not intended to prohibit appropriate entertainment or the making of occasional gifts of minor value unless the client has a policy which restricts this.
- We will not accept for our personal benefit goods or services of more than nominal value from suppliers, potential suppliers or other third parties.
- We will not have any personal or family conflicts of interest within our businesses or with our suppliers or other third parties with whom we do business.
- No corporate contributions of any kind, including the provision of services or materials for less than the market value, may be made to politicians, political parties or action committees, without the prior written approval of the Board of WPP.
- We will comply with all applicable local laws and regulations, and any other laws with an international reach, such as the US Foreign Corrupt Practices Act, where relevant.





CR Policy

e believe our business can make a positive contribution to society and the environment by managing our activities with care and by working with responsible organisations that promote social and environmental causes.

Our operating companies are required to comply with this CR Policy and report performance to the parent company quarterly.

Social investment

WPP companies are encouraged to:

- Undertake pro bono work for not-for-profit organisations involved in tackling social and environmental issues.
- Make appropriate financial and other donations to social and environmental organisations.

Managing relationships

■ In all our relationships we will be open, honest and transparent and will not pay or receive bribes or inducements of any kind.

Employee development

WPP companies:

- Will select and promote our people on the basis of qualifications and merit, without discrimination or concern for race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.
- Will support training and career development for our people.
- Will provide a safe and civilised workplace free from sexual harassment or offensive behaviour.

Marketing ethics

WPP companies:

- Will comply with applicable regulations and self-regulatory codes of practice in the countries in which they operate.
- Will not knowingly create work which contains statements, suggestions or images offensive to general public decency and will give appropriate consideration to the impact of our work on minority segments of the population, whether that minority be by race, religion, national origin, colour, sex, sexual orientation, gender identity, age or disability.
- Will not undertake work designed to mislead in any respect, including social, environmental and human rights issues.

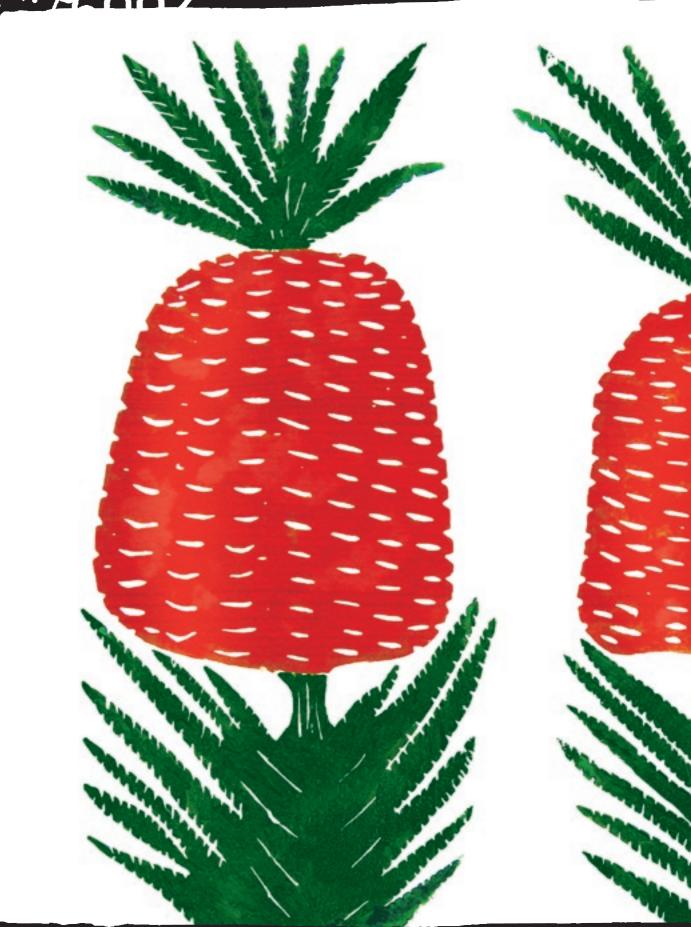
Environment

WPP companies will respect the environment by minimising their impact from:

- Energy use.
- Transport.
- Consumption of paper and other resources.
- Managing any significant CR risks in our supply chains.

Human rights

- WPP companies will uphold the principles contained in the United Nations Universal Declaration of Human Rights and the International Labour Organisation's fundamental conventions on core labour standards.
- We support the right of our people and their families to basic human rights including the right to organise, the right to fair conditions of work, freedom of opinion and expression and freedom from forced labour and child labour.



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The impact of our work

he social and environmental impact of the work we undertake for clients is one of our most important CR issues.

Our goal is for WPP to be a centre of excellence for environmental and social communication.





hree areas of our work are significant:

CR in our client work

Successful brands have always needed creative and compelling marketing. Today, this is more important than ever. Concerns about climate change and poverty have fuelled interest in green and fair trade products. In many regions, businesses are subject to a growing volume of regulation and increased scrutiny from pressure groups, the media and the public on a wide range of social and environmental issues.

Leading companies are responding positively, by embedding ethical values in their brands and developing products with a reduced social or environmental footprint. They need effective marketing to communicate the social and environmental benefits and make these new products desirable to the mass market.

Many of our companies have expertise in this area and are developing bespoke sustainability services for their clients. Current examples include:

- Team P&G's S-Team (Sustainability Team) at WPP includes Added Value, Bridge, Fitch, G2, The Futures Company, Hill & Knowlton, Landor and Penn, Schoen & Berland. Acting as an integrated offering, they help Procter & Gamble understand consumer attitudes, manage stakeholder relations and communicate its sustainability initiatives.
- OgilvyEarth is Ogilvy's practice area dedicated to sustainability communications. Founded in late 2006, the network now has hubs in 12 offices globally and encompasses several Ogilvy companies: Ogilvy & Mather, Ogilvy Public Relations, OgilvyOne, OgilvyAction and OgilvyEntertainment. OgilvyEarth offers a range of strategic consulting tools to help clients lead and leverage the opportunity in sustainability. It is guided by a panel of global experts who share the belief that sustainability is the business opportunity of the 21st century. Current clients include Unilever, Siemens, The Coca-Cola Company, Kraft, DuPont, WWF and the UN.

On pages 24 to 27 we profile campaigns for clients which contain work with an environmental or social impact. This work is indicative of a trend emerging in many markets around the world.

Social marketing

These are campaigns with social or environmental objectives, usually undertaken for government or non-governmental organisation (NGO) clients. Campaigns often tackle issues related to public health, safety or the environment. They are designed to raise awareness or encourage people to change their behaviour. Several WPP companies specialise in social marketing, including Ogilvy Outreach, Ogilvy PR's social marketing practice, and Thompson Social.

Examples of social marketing campaigns by WPP companies in 2008 are included on pages 29 to 34.

Tackling climate change will require a huge shift in mindset and a willingness among the public to make lifestyle changes. Effective communication will be essential. WPP is participating in Shaping the Message on Climate Change, an initiative of the UN and International Advertising Association, to improve communication on climate change and ensure a successful outcome at the Copenhagen Climate Conference in December 2009.

Cause-related marketing

Cause-related marketing links brands to charities, usually through a donation for every product purchased. Executed sensitively, these campaigns generate awareness and funds for charity and benefit brands through increased sales and customer loyalty. Consumers are able to buy something they want and benefit a good cause. We help our clients create brand-charity partnerships that are meaningful and appropriate. See page 35 for a recent example from our agencies.



In their own words

eam P&G's S-Team
(Sustainability Team) at WPP
enables all Procter & Gamble
brands to access best-in-class
expertise and experience on
sustainability. We collaborate with
our partner agencies to inspire
P&G on its sustainability journey
and accelerate change by connecting brands with
consumers and other stakeholders.

This is a growing opportunity, particularly in Europe and North America. In the past, marketing communications was often seen as adding benefit to the sales function. Today consumers want great products and to be confident that the companies they buy from are behaving responsibly. Marketing communication is used as a powerful tool to differentiate brands and positively influence consumer behaviour. If you engage hearts and

minds you create a stronger bond with your brand and generate benefits for society and the environment.

There are risks involved. Companies need to get their messages absolutely spot on and, above all, make sure they deliver on their promises. Otherwise the impact on reputation and even share price can be severe. We need to think differently about the talent we hire and how we develop their skills. Our specialist training helps individuals better understand business sustainability issues and give the right counsel to our clients.

In the short term, the economic downturn has diverted some attention from these issues and brands are placing greater emphasis on cost and value. But in the long term, however, we expect sustainability issues to be a greater part of all brand communications.

Alison Eyles-Owen

Hill & Knowlton, leads P&G's S-Team at WPP





CR in our client work – case studies

Campaign: Do the moves

Client: Comfort, a Unilever brand **WPP company:** Ogilvy, UK

Comfort's concentrated fabric conditioner is good for customers and the environment. Each bottle contains 55% less plastic than regular conditioner – requiring less energy to manufacture and transport.

In 2008, Ogilvy UK created a TV and print campaign to encourage Comfort customers to switch to the concentrated version. The campaign explained the environmental benefits and reassured customers that they would get the same high quality product.

The campaign helped to increase sales, with a quarter of all UK households now using Comfort Concentrates. It also encouraged people to switch to the concentrated version, which now make up 86% of sales.





Campaign: Becel pro-activ

Client: Unilever (NL)

WPP companies: Grey, Amsterdam and Mindshare

Before they reach the menopause, women generally have lower cholesterol levels than men. After the menopause around 50% of women will have higher cholesterol levels and this can have an impact on their health.

Grey Amsterdam and Mindshare developed a communications program to raise awareness of the issue and promote the benefits of Unilever's Becel Pro-activ dairy products which can help lower cholesterol.

The campaign ran in two phases. In the first phase Grey created TV, radio, print ads and direct mailings which used the comedienne Karin Bloemen to discuss the issue in a sympathetic, tongue-in-cheek way. The ads encouraged women to visit a website run by Care for Women, an organisation of self-employed nurses focusing on the health of women in the menopause. The site contains information about cholesterol and gives women the chance to book a cholesterol check with a Care for Women consultant. During the second phase, which also featured Karin Bloeman, adverts emphasised that Becel Pro-activ can help to tackle high cholesterol.

The results were very positive: 80% of Dutch women now know that there is a direct link between the menopause and cholesterol levels, up from 42% at the start of the campaign. Sales of the product grew around 11-12% per month.









Campaign: Earthkeeper

Client: Timberland

WPP company: MediaCom, Hong Kong

Timberland is committed to environmental stewardship. This includes incorporating more recycled and renewable materials into its products, reducing its use of chemicals and cutting waste.

Timberland's Earthkeepers footwear and apparel are made with the environment in mind. They use materials like recycled PET, organic cotton and leathers that come from a tannery that received a silver rating for its reduced energy use, reduced waste and quality water treatment.

MediaCom Hong Kong helped Timberland increase public awareness of its Earthkeepers range, using the strapline "go green with your latest style". The ads show that Earthkeepers provide durability, comfort and a reduced environmental footprint. Earthkeepers were one of the best-selling shoes in Hong Kong in 2008.









Campaign: Lead India

Client: Times of India

WPP company: JWT, Mumbai

JWT Mumbai helped the *Times of India* encourage ordinary people to get involved in politics and choose better political leaders for India.

The campaign included the Lead India television contest program where shortlisted candidates competed to be the first of a new class of citizen leader. The winner also received funding to attend a politics course at Harvard University and attend a Chevening Leadership course at the London School of Economics, pursue a public-welfare project of their choice and receive support to contest elections.

A multimedia campaign by JWT Mumbai across TV, print, radio, internet and mobile encouraged Indians to take part in the contest and share their views through blogs, SMS, videos and other activities.

Over 37,000 people participated and the campaign website has registered more than 1.3 million hits. Lead India garnered significant awards, including the Cannes Grand Prix for Direct as well as Titanium and Integrated Cannes Lions.





Work by our research companies

Our research companies undertake studies to help clients understand consumer attitudes to social and environmental issues. One example is shown right.



Case study: Consumers have green conscience

Recent research by global market insight and information group TNS shows that green issues are still high on the consumer agenda across the globe. The study involved 13,128 people in 17 countries and analysed their attitudes, perceptions and behaviours towards being green.

Globally, 40% of people say they have changed their behaviour in the recent past to benefit the environment, for example, by shutting down a computer when it's not in use.

More than half of the respondents said they would be willing to pay more for environmentally friendly products. This is especially true in Spain and Singapore where 66% and 70% respectively agreed with this statement. Around 52% said a 5% price premium is acceptable and 33% would accept a 10% price premium. Over 51% of respondents would pay extra to recycle household waste.

Green issues influence purchasing decisions in a number of categories, particularly automobiles and food. Travel and entertainment register a lower number of respondents acknowledging environmental influences on purchasing decisions.

Some retailers have started to engage in 'choice editing' – removing unsustainable products from the shelves, leaving only the environmentally-friendly options. The results show that consumers strongly support choice editing, with 71% globally saying this practice is right or fair.

A growing number of companies are promoting their green credentials. Respondents were asked if this affects their purchasing decisions. One in 10 say a company's green credentials influence their behaviour 'a great deal' and a further 51% say it matters 'somewhat'.

TNS conducted this study in 2008 in the following countries, using TNS 6th Dimension online access panels: Argentina, Australia, Brazil, France, Germany, Hong Kong, Italy, Japan, Korea, Malaysia, Mexico, Russia, Singapore, Spain, Thailand, the UK and US.



Social marketing – case studies

Campaign: Keep crime down

Client: The Home Office WPP company: Y&R, London

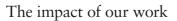
Knife attacks and terrorism dominate the headlines, but these only account for a tiny percentage of crime. Britain's most commonly experienced crime is theft at an estimated cost of £9.5 billion a year.

Y&R created a campaign with the strapline 'Lets Keep Crime Down'. Each ad highlights a simple measure to show how the public can make their homes safer and protect their property from opportunistic criminals

The adverts appeared in national and regional newspapers, television and radio in early 2009.

The campaign reduced the cost of crime to the taxpayer by £189 million and saved £14 for every £1 spent.







Campaign: Tackling childhood obesity

Client: The World Heart Federation

WPP companies: Cohn & Wolfe/Young & Rubicam

Brands, Geneva

One in five children in Europe is overweight or obese, making them more likely to suffer a heart attack or stroke before the age of 65.

Eat for Goals! is a new children's cookery book promoting regular exercise and healthy eating. It includes recipes and ideas from famous male and female football players.

The book is an initiative from the Union of European Football Associations (UEFA) and the World Heart Federation, supported by the European Commission.





Campaign: Hand washing

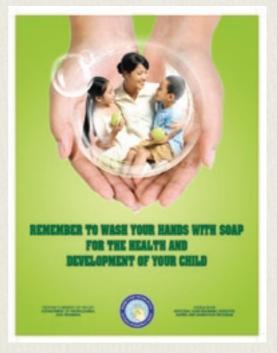
Client: The World Bank and Vietnam Ministry of Health **WPP company:** Grey, Vietnam

Hand-washing with soap plays an important role in preventing diarrhoea and water-borne disease, leading causes of ill-health and death for children in developing countries. However, many people in Vietnam believe that washing with water alone is sufficient.

Grey Vietnam developed a campaign to promote hand-washing with soap for the World Bank and Vietnam Ministry of Health.

An innovative combination of tactics were used including television, outdoor posters, direct communication, a mass-media press release and a launch event at the Children's Palace in Hanoi.

More than 30,000 people were reached directly through these events.







Campaign: Skin cancer awareness

Client: The Association for Preventive Dermatology (ADP) **WPP company:** Y&R, Germany

In Europe, more than 54,000 people are affected by skin cancer every year.

Y&R Germany developed a pro bono television commercial for the Association for Preventive Dermatology (ADP), whose mission is to help people to protect their skin.

The commercial shows what looks like a beautiful cellular structure, but in a dramatic twist it is revealed that it is part of fatal skin cancer. The message attached: skin checks will help save your life.

The agency also developed a wall calendar for dermatologist waiting rooms to remind people to check themselves regularly. As the year progresses the little black spot behind the dates on the calendar sheets grows bigger and bigger, imitating a cancerous mole.

The campaign increased the click rate on the ADP website by 30% and increased downloads of information from the site by 42%.













Campaign: Keep off the hook

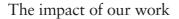
Client: Caisse Générale de la Sécurité Sociale WPP company: Luvi Ogilvy, Réunion Island

Traffic accidents are often caused by teenage drivers under the influence of alcohol. Many of these accidents lead to serious injuries or death. Réunion Island is the first French territory with more road deaths caused by drunk than sober drivers.

La Caisse Général de la Sécurité Sociale (French Social and Health Security) commissioned Luvi Ogilvy to raise public awareness of this issue.

'It's your choice to keep off the hook' emphasised that individuals must take responsibility for their actions. The ads appeared on billboards near popular nightspots, postcards in pubs and restaurants, and in newspapers and magazines.







Campaign: Cervical Cancer Protection

Client: The Danish Cancer Society **WPP company:** H&K, Copenhagen

Regular screening and vaccination against cervical cancer has the potential to save the lives of thousands of young women.

H&K Copenhagen created a campaign to help The Danish Cancer Society get this message across. Information was given to 200 'ambassadors' on how to protect themselves against the illness. Each ambassador also received a guide to help them pass on the life-saving message to friends and acquaintances. A viral communications campaign was also launched on the social networking site Facebook.com to reach even more young people.

Using these techniques the campaign messages spread quickly, reaching 16,000 people within a week.





Cause-related marketing – case study

Campaign: Believe

Client: Macy's

WPP company: JWT, New York

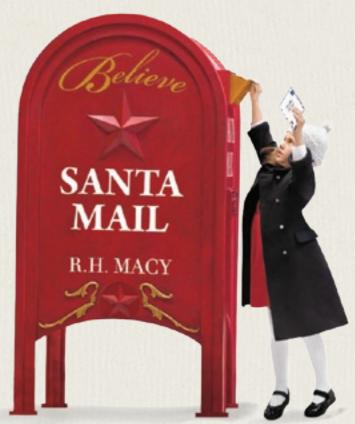
For Macy's 2008 Holiday Campaign 'Believe', JWT New York asked young and old alike to write a letter to Santa Claus and mail it at Macy's. For the first million letters collected, Macy's donated one dollar to the Make-A-Wish Foundation, an organisation that fulfils the wishes of children with life-threatening illnesses.

Special stations, complete with writing desks and mailboxes, were constructed in every one of Macy's more than 800 stores nationwide. A star-studded cast of Macy's designers told the story in television commercials. The campaign received widespread media coverage throughout the holiday season.

In only seven weeks, over 1.1 million people visited Macy's to mail their letter to Santa. In a holiday season when most charities suffered declines in contributions, the Make-A-Wish Foundation reported a 7% increase in donations, which they attributed to the Believe campaign.



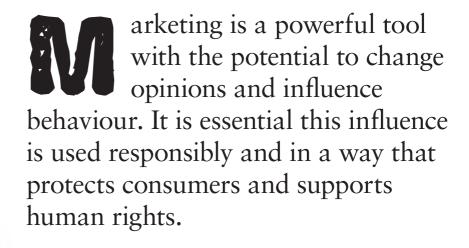
















s a minimum our businesses are expected to comply with all laws, regulations and codes of marketing practice. All advertising produced by WPP companies should present products fairly and accurately, comply with the law and marketing codes, and reflect changing public attitudes to questions of taste and decency or marketing of sensitive products.

Privacy and data security are increasingly important issues for those of our companies which collect and use consumer data in market research and to target digital advertising and direct marketing campaigns.

Where we operate, who we work for and the type of work we undertake can also give rise to ethical issues. We need to identify and manage these issues, in line with our Group policies. If we do not, we risk damaging our reputation with our employees, clients and investors, and could undermine trust in our clients' brands.

Our standards

We expect our companies to apply high standards in all their work. Our Code of Conduct and CR Policy set out our approach and provide guidance to employees on the standards we expect. Key extracts include:

We will not knowingly create work which contains statements, suggestions or images offensive to general public decency and will give appropriate consideration to the impact of our work on minority segments of the population, whether that minority be by race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability.

We will comply with all applicable local laws and regulations, and any other laws with an international reach, such as the US Foreign Corrupt Practices Act, where relevant.

WPP companies will comply with applicable regulations and self-regulatory codes of practice in the countries in which they operate.

WPP companies will not undertake work designed to mislead in any respect, including social, environmental and human rights issues.

Not all the products we promote are considered beneficial, tobacco being one example. Whilst we recognise that some stakeholders are concerned about tobacco advertising, we believe that tobacco companies should be free to advertise their products provided it is legal to do so and the advertising complies with the law and industry codes of practice.

Ethical decision-making

Our work can give rise to ethical issues. Examples include: work undertaken for government clients; operating in countries with a poor human rights record; and marketing for sensitive or controversial products.

The decision on whether to proceed with a new piece of work requires judgement. In cases where there is a potential risk to WPP's reputation employees are required to elevate the decision to the most senior person in the relevant office and then to the most senior executive of the WPP business in the country concerned, who will decide if further referral to a WPP director is required.

During 2008 we identified a number of improvements to our process for reviewing ethical issues in client work, following a dialogue with Co-operative Asset Management, a WPP investor. Changes we will implement during 2009 include:

Referral procedures: Formalising our referral arrangements in a written procedure distributed to all agency CEOs. We will include accountability for escalating concerns over client work in the Code of Conduct compliance form signed by all CEOs



In their own words

well-reputed companies do better in the marketplace, and the same principle applies to us. There is a business value to high standards – quite apart from the inherent value of ethical behaviour: clients are



more apt to do business with us; we can visit universities and recruit the best graduates; our people go home happier at night and can be more proud of the work they do.

Seeing right from wrong is easy at the extremes but we know that much of life happens in the middle. Training, education and clear policies help guide our people through these grey areas. The changes we are introducing will strengthen our approach and help our people make the right decisions. Mistakes will still happen on occasion but by operating at the highest level we can minimise these for the benefit of WPP and our clients.

We are a multi-cultural business, operating through over 150 companies in 107 countries. Having strong policies at the centre is only the first step. We must help our agencies embed these at the local level among a hugely diverse employee base.

The growth of our digital business is also bringing new challenges as the speed of business accelerates and the time we have to address difficult questions is compressed. We have to be at the top of our game to react quickly and maintain our standards.

Howard Paster

Executive Vice President
WPP Public Relations & Public Affairs

An external view

PP understands better than anyone why brand and image add value, and that damage to brand is easy to do and difficult to repair. WPP's own brand is no exception. A company in WPP's line of work is failing when 'the story'



becomes about them. We were concerned that certain companies in WPP's family had, in the past, gained notoriety for taking on controversial clients and using less than ethical methods to represent them. This concern was compounded by the fact that WPP also had expertise in helping companies with marketing their 'green' or 'responsible' credentials, which left them open to accusations of greenwash if their business as a whole could not demonstrate integrity and consistency, in a world increasingly cynical about corporate motives. In our view, consistency in standards across all company operations is a strong indicator of that company's social responsibility. Failure to do this, which can expose gaps in company policy, can lead to damage to a company's reputation and ultimately a reduction in shareholder value.

We engaged with the company and found them candid and open to change. In fairness, the problems were mostly historical and WPP had already taken some action to ensure better reputation risk management. Nevertheless we felt it could do more to embed a culture of good risk management in a decentralised business and made a series of recommendations. These were adopted and augmented by the company. The experience not only addressed our concerns but gave us an insight into the quality and culture of management.

Niall O'Shea

Engagement Manager
The Co-operative Asset Management

annually. Quarterly review meetings will be held for senior managers at Group level to discuss cases of concern and identify new risk areas. These will be communicated to agency CEOs and CFOs via quarterly bulletins from Paul Richardson, Group Finance Director and executive director charged with overseeing CR.

Benchmarking: Benchmarking our Code of Conduct against those of other leading companies and strengthening the Code provisions as appropriate.

Training and support: Launching online ethics and risk training to raise awareness of the risks associated with client work and underline the importance of compliance with WPP's Code of Conduct. This will include prompts and guidance on when work should be referred to management. The intention is for training to reach the majority of our operating companies' employees on a regular basis.

Audit: Including client risk factors in our internal audit process.

Zimbabwe

Following allegations that an agency in which one of our subsidiaries, Y&R, held a minority interest, and over which we had no legal control, may have advised Zanu-PF on its electoral campaign, we launched an urgent investigation in the course of which a senior member of the management of the agency notified us that she had been advising President Mugabe in a personal capacity.

WPP's Board and management have established clear guidelines for our companies on clients for which we are prepared to work and the Mugabe regime in Zimbabwe was not an acceptable client in accordance with these standards.

We were not prepared to have any association with Robert Mugabe or Zanu-PF and we therefore took the immediate decision to divest Y&R's minority interests in Zimbabwe. This was actioned as quickly as possible.

Public affairs

We undertake public policy work for clients including direct lobbying of public officials and influencing public opinion. Our public affairs companies include:

- Burson-Marsteller, and its subsidiaries:
 - BKSH
 - Direct Impact
 - Penn, Schoen & Berland
- Hill & Knowlton, and its affiliate, Wexler & Walker Public Policy Associates
- Ogilvy Government Relations, an arm of Ogilvy Public Relations Worldwide
- Timmons and Company
- Quinn Gillespie & Associates
- Dewey Square Group
- Public Strategies

The majority of our public affairs work is undertaken for clients in the US.

WPP companies comply with all applicable laws and regulations governing the disclosure of public affairs activities. In the US this includes the Lobby Disclosure Act and the Foreign Agent Registration Act, which are designed to achieve maximum transparency on client representation. In the US, this means lobby firms are required by law to register the names of clients on whose behalf they contact legislators or executive branch personnel.

When our companies represent a coalition they do not mask the underlying client.

It is WPP's practice that those of its US companies whose sole or primary business is lobbying have representatives of both major political parties among senior management.



Privacy

The growth in internet usage is enabling more data to be collected, stored and used than ever before. This has created new opportunities and risks for businesses and consumers.

Targeted advertising, using consumer data so web users view advertising suited to their interests, is one example. This allows consumers to view more relevant advertising and gives brands higher response rates. But it is important that consumers have control over what data is collected and are given the choice to opt-in or opt-out.

As more data is collected, transferred and stored, data loss and identity theft have increased and high profile cases have been widely reported in the media. Many consumers have become concerned about data protection and security issues.

In their own words

rivacy and data protection issues are top of mind for many consumers and will become so for many more. We cannot succeed as a business without recognising these concerns, putting in place strict and transparent policies where



they are required and educating the public and our clients. In doing so, we are open to cooperating with all of our competitors to put in place industry-wide solutions, but we will not allow ourselves to be slowed down in implementing the right approaches.

Eric SalamaChief Executive
Kantar

Our approach

Our companies collect and use consumer data to study attitudes and purchasing habits and to create targeted digital and direct marketing campaigns. Strong data protection and privacy procedures are essential to maintaining the trust of research participants and consumers.

As a minimum, companies must comply with data protection laws and marketing codes of practice such as the UK Data Protection Act, the EU Data Protection Directive, the US Safe Harbor principles as certified by the US Department of Commerce, the ICC/ESOMAR International Code of Marketing and Social Research Practice, the US Direct Marketing Association Guidance and the UK Market Research Society Code of Conduct. Many companies have additional policies and procedures to safeguard privacy. See case study on page 42 for an example of how these issues are managed in our companies.

Our digital companies share information on privacy issues through the WPP Digital group and with others in our industry through organisations such as the Interactive Advertising Bureau, of which David Moore, Chairman of 24/7 Real Media, is currently Vice Chair.



Case study: Privacy and data protection at Kantar

In January 2009, Kantar created the role of Chief Privacy Officer, appointing George Pappachen to develop and implement a coordinated privacy and data protection policy across Kantar companies and work directly with clients on these issues. This is the first such appointment by a leading research, insight and consultancy business, and reflects the growing importance of privacy and data protection issues for our industry.

Kantar companies are involved in market research and customer insights, an area which is continuously evolving. The growth of digital technology means that research which used to be done face-to-face or over the phone is frequently done online. A growing number of companies, from previously diverse sectors, are now competing to offer these services. Innovative thinking on privacy issues, backed up by strong policies and procedures can help Kantar differentiate itself and provide reassurance to clients.

The appointment of a Chief Privacy Officer will help to ensure consistent standards are applied across Kantar's different agencies and locations. A group privacy policy will be developed to facilitate this. There will be a focus on raising awareness among Kantar people and providing a channel for them to share new ideas and best practices.

Kantar companies will continue to partner with clients to uncover new and innovative methods of data protection and share the findings across the group. They will also participate in and lead efforts by industry associations such as the Market Research Society to raise standards for the research industry.

Compliance with marketing codes

We expect all our companies to comply with industry codes and marketing regulations. However, a small number of campaigns do give rise to complaint.

We aim to track and report all upheld complaints against campaigns by WPP companies. However, our data is still incomplete.

The table opposite summarises infringements identified and publicly reported by regulatory authorities in India, Ireland, the Philippines, the UK and the US during 2008. It also includes infringements reported through our internal data collection system. For some infringements we were unable to obtain full details of the ruling and type of marketing.

Setting the agenda

Advertising codes need to be regularly reviewed and updated to reflect changing attitudes to humour, sexuality, nudity, religion, alcohol and many other topics.

Industry organisations play an important role in this process helping to update national marketing standards and develop guidance on issues such as advertising to children and marketing of sensitive products such as food and pharmaceuticals.

Many of our senior employees participate in these organisations and help ensure codes reflect changing public opinion. Examples from 2008 include:

- Becky Chidester, President, Wunderman New York is a Board Member of The Healthcare Communication and Marketing Association.
- Clemente Gonzalez, President, JWT Santiago is a Board Member of The Chilean Ethical Self Regulation Council.
- David Reid, Finance Director, MediaCom Sydney is a Board Member of The Media Federation of Australia (MFA).
- Gary Leih, Chairman & CEO, Ogilvy Group UK is President of the European Advertising Association.
- Lynda Edge, CEO, Headcount is a Member of The Marketing Society.
- Matt Giegerich, President & CEO, CommonHealth is a Board Member of the Medical Advertising Agency Committee.



WPP company	Country	Regulatory organisations	Туре	Ruling
GCI Group	UK	ASA	Online	Advert was misleading as it claimed to be offering a laptop at a discounted price, whereas it was actually selling a product of a lower specification.
GCI Group	UK	ASA	Direct mail	Mailing was misleading as the delivery and collection charges associated with purchasing the product were not prominent enough.
Grey	India	ASCI	Broadcast and promotional message on product	Advert was misleading and encouraged excessive consumption of the product.
Grey	UK	ASA	Broadcast	Advert implied that a mouthwash was endorsed by healthcare professionals.
JWT	Philippines	ADBOARD	•	Product merchandising materials were distributed after the date specified by an order to stop running the campaign.
JWT	Philippines	ADBOARD	•	Advert was misleading and it violated advertising standards relating to comparison with competitors.
JWT	UK	ASA	Broadcast/print	Advert was misleading and encouraged children to eat high sugar/fat products in order to win tickets to sporting events.
O&M	India	ASCI	Broadcast	Advert portrayed dangerous stunts on motorbikes which showed a disregard for safety.
O&M	India	ASCI	Broadcast	Advert showed a dangerous act, which might be copied by young people.
O&M	India	ASCI	Broadcast	Advert showed young men eating whilst driving which was deemed to be dangerous.
O&M	India	ASCI	Online	Advert made an unsubstantiated claim.
O&M	India	ASCI	Print	A toilet cleaner advert was withdrawn as it could have been misconstrued as an advert for hair shampoo.
O&M	India	ASCI	Print	Advert made an unsubstantiated claim.
O&M	Philippines	ADBOARD	Broadcast	The tagline used in the advert was too similar to one used by a competitor.
O&M	Philippines	ADBOARD	Online/retail	Use of unapproved line in retail and online adverts.
O&M	Philippines	ADBOARD	Billboard	A required reference number was missing from a billboard advert.
O&M	Philippines	ADBOARD	•	Advert for an anti-ageing product contained an unsubstantiated claim.
Wunderman	UK	ASA	Print	Advert did not provide enough information to allow consumers to assess a money-saving claim for an internet and telephone package.
Y&R	Ireland	ASAI	*	Advert claimed the product "turned stomach acid into water", which was deemed to be misleading.
Y&R	UK	ASA	Broadcast	Advert for a probiotic drink claimed that consumers could find scientific proof of the benefits of the product online, whereas the information was only offered to medical professionals.
Y&R	US	FDA	Broadcast	Contraceptive campaign was deemed to be non-compliant with regulations.

♦ Information not available. Six further cases were identified for which we have no details.



Employment

ur people are our business.
Clients choose WPP companies because we employ the best.
Attracting and retaining talent is a

central business issue for WPP.

Our approach includes competitive remuneration, investment in training and development and a commitment to an inclusive workplace culture.



PP's Chief Talent Officer, Mark Linaugh and our Talent Team have overall responsibility for attracting, developing and retaining our talent. Other human resources policies are agreed and implemented at operating company level. We have profiled examples throughout this section.

WPP employs 135,000 people (including employees at our associate companies) at 2,400 offices in 107

countries. Data in this section covers the 95,286 employees from wholly-owned WPP companies.

In the current economic climate many companies are reducing employee numbers. Our redundancy levels in 2008 remained at a similar level to previous years. In 2009, like all businesses in the current economy, we will monitor costs closely and re-size where appropriate.

In their own words

When I joined JWT five years ago, I was tasked with reinventing our agency for a rapidly-changing marketplace. We are living in a digital world that is transforming the way we work, live and play. Our clients need and



expect us to help them navigate this new world.

At JWT, we are in the business of storytelling. People will always make sense of the world, of countries, of corporations and of brands through story. In a business where our people are our competitive advantage, it is critical that we put all our energy into creating an environment that fuels storytelling and creativity.

To foster dialogue and collaboration, we have literally and metaphorically pulled down the walls. There are no offices or departments. Everyone lives and works in open plan. Fifty percent of the space is shared, for people to get together and co-create. We've broken down silos and hierarchies, both of which are barriers to collaboration. We've created cross-functional teams, making us flatter and faster. People are recognized and rewarded for their ideas and ingenuity, not their title or their tenure. Creativity is not a department – it is a fundamental skill set – everyone is accountable for the end product, no matter what their role. Critically, we have infused the

agency with new skill sets and perspective, in digital and design, so these are central to our thinking and solutions and not an afterthought. This integration is embedded into all disciplines.

Diversity is crucial. The more diverse our thinking, the better the work. We need to recruit from a wider pool and create an environment where people can challenge convention whatever their age, race, gender or culture. The industry has sometimes been slow to bring thinking in from the outside. We regularly invite outside experts and thought leaders to open our minds and keep us in touch with new ideas, thinking, technologies and trends.

People want to be part of a community. We have created events and programs that people can participate in around passion points, such as the environment and how we can reduce our carbon footprint, or social causes like NY Cares Day. Online we have created hubs and blogs that are places for discourse, sharing and ideas. At the center of our office is a café/bar and game room where people can go to relax and socialize. In a world and workplace that is 24/7, it's critical that people have a space for downtime. This, in itself, is a great retention tool.

Rosemarie Ryan Co-President JWT, NY



Diversity and inclusion

A diverse workforce adds value to our business. It helps us understand consumers from all walks of life and create compelling marketing for our clients. An inclusive workplace culture helps us attract the most talented people from all backgrounds.

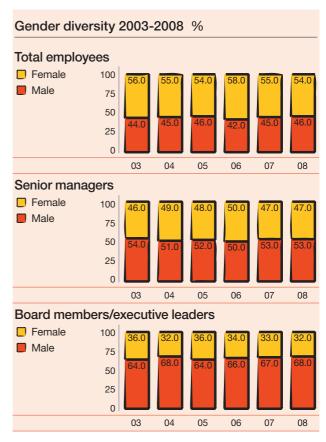
We introduced a non-discrimination policy in 1992. This commits all WPP companies to select, develop and promote people based on merit and regardless of race, religion, national origin, colour, sex, sexual orientation, gender identity or expression, age or disability. Our Code of Conduct contains policies on harassment and non-discrimination. Where existing employees become disabled, our policy is to provide continuing employment and training wherever practicable.

Employees can report any concerns or suspected violations of our policies confidentially and anonymously through our Right to Speak helpline.

The CEOs of our companies are ultimately responsible for diversity and inclusion. We review our companies' diversity programs as part of our annual talent review process.

ABACAXI J. BORGES

Diversity performance



In 2008, women accounted for 32% of Board members/executive leaders, 47% of senior managers and 54% of total employees.

There are currently three women on WPP's Board, Esther Dyson, Orit Gadiesh and Lubna Olayan; and a female Company Secretary, Marie Capes; Group Communications Director, Feona McEwan; and Group Chief Counsel, Andrea Harris.



Many of WPP's businesses are led by women, including:

- Eileen Campbell, CEO, Millward Brown
- Janine Hawkins, Global CEO, Added Value
- Mary Ellen Howe, COO, WPP Specialist Communications, North America
- Donna Imperato, CEO, Cohn & Wolfe
- Tamara Ingram, President, Team P&G
- Shelly Lazarus, Chairman, Ogilvy & Mather Worldwide
- Ann Newman, Executive Vice President, WPP Latin America
- Lynn O'Connor Vos, President & CEO, ghg
- Marcia Silverman, CEO, Ogilvy PR Worldwide

Ethnicity in the UK and US %

Total employees		
	2007	2008
White	78	79
Ethnic minority	22	21

Senior managers		
	2007	2008
White	87	86
Ethnic minority	13	14

Board members/executive leaders		
	2007	2008
White	89	88
Ethnic minority	11	12

Promoting diversity and inclusion in the US

We have continuous programs in place to improve the representation of diverse employees in our workplace. These cover education, recruitment and training initiatives. Specific examples include:

- Partnerships: WPP companies work with diversity organisations and participate in initiatives to encourage diversity. These include Diversity Best Practices; The Leadership, Education and Development Program in Business; The National Black Public Relations Society; City College of New York and the American Association of Advertising Agencies' (AAAA) Operation Success.
- Internships: several WPP companies participate in the AAAA's multicultural Advertising Internship Program (MAIP) (NY City Capital Internship Program) and other initiatives that allow minority students to gain experience in the marketing industry.
- Targeted recruitment: many of our companies use specialist recruitment agencies and publications and attend minority recruitment fairs.
- Raising employee awareness: our companies provide training and information to ensure that employees understand the importance of diversity and inclusion.





WPP companies win ADCOLOR Awards

In November 2008, four WPP company employees were honoured at the ADCOLOR awards, a program that recognises outstanding diverse professionals at the junior, mid and senior levels in each segment of our industry.

ADCOLOR Legends

Byron E. Lewis, Chairman-CEO, UniWorld Group, New York

Byron E. Lewis started his own agency, UniWorld Group in 1969 and built it into one of the largest African-American-owned multicultural advertising agencies, with annual revenues of \$250 million. Its clients include household names such as Burger King as well as Ford and Lincoln brand automobiles. Now 49% owned by WPP, the agency remains 51% minority-owned and run.

ADCOLOR Change Agents

Donna E. Pedro, Senior Partner-Chief Diversity Officer, Ogilvy New York

Donna Pedro joined Ogilvy New York in 2007. With Ogilvy's goal to be the 'employer of choice' for all groups in advertising, Donna Pedro has established an active employee advisory council and professional networks; established a highly rated diversity and inclusion 'sitelet' on the ogilvy.com web site; hosted frank, informal diversity dialogues between senior leaders and employees; and grown numerous diversity training programs.

She has also expanded Ogilvy's college recruiting efforts at historically black colleges and universities, Hispanic-serving institutions and among student-led affinity groups on general campuses. This year, half of the 28 hires for Ogilvy's 12-month entry-level program are people of colour.

ADCOLOR Rising Stars

Catherine Auguste, Digital Media Planner, Mindshare-Team Detroit

Catherine Auguste has shown at age 23 an ability that prompted her bosses to offer her a permanent position seven months into a one-year internship. She has impressed Mindshare-Team Detroit with her initiative and creativity, developing an internal presentation explaining why auto dealers should try to reach African-American customers online.

Keenan Ellsberry, VP-Head of Interactive Solutions, Ogilvy-Team Detroit

Ogilvy identified Keenan as a rising star when he contributed to the success of numerous client assignments. In addition, he worked on a pro bono project for a new website, Starfish, a not-for-profit child and family services initiative; and strategic insight development for a campaign drive for the United Way for south-eastern Michigan.



Burson-Marsteller creates Diversity and Inclusion Council

Burson-Marsteller created an internal Diversity and Inclusion Council in February 2008 to ensure it develops and maintains a culture that understands different communities and helps clients communicate in more focused ways.

Burson-Marsteller hopes to achieve a significant competitive differentiation by attracting and retaining a multicultural workforce and supporting new kinds of affiliations and alliances.

Actively lead by the US CEO, Pat Ford, the council consists of employees of all levels from a variety of regions within the US along with members of the HR team nationwide. Their three areas of focus are:

- Raising awareness and levels of respect to instil the cultural awareness and sensitivity required by the changing market and workplace demographics.
- Career development and mentoring to ensure development of a diverse pool of high-potential employees who have equal access to the tools and support needed to progress into key positions.
- Sourcing talent enhancing recruitment efforts to reflect different diverse groups with particular emphasis on mid to senior levels, as well as candidates who are not from PR or corporate communications departments.

Burson-Marsteller has also created relationships with organisations to tap into pools of diverse talent, such as the National Association of Black Journalists.

Y&R sits on Diversity Best Practices Council

Y&R is a member of the Diversity Best Practices (DBP) Council. The council provides an arena for diversity thought leaders to share best practices and develop innovative solutions for culture change.

Through research, benchmarking, publications and events, DBP offers members information and strategies on how to implement, grow, measure and create 'first-in-class' diversity programs.

Helping clients with diversity

A number of WPP companies help their clients to implement diversity strategies and reach a multicultural audience. For example:

- Grass Roots
- WINGLATINO
- CultureCom (an ethnic media unit at MediaCom UK)

Employee infringements

We strive to treat all our people fairly and with respect. Occasionally things do not go according to plan. We may get things wrong or the overall interests of a company or the Group may be incompatible with requirements of local employment legislation.

We monitor the number of employment cases involving WPP. In 2008 there were 122 new cases, compared to 79 cases in 2007. During the year 139 cases were concluded. Of these 16 were withdrawn, 40 agreed between parties, 62 judged against WPP and 21 judged in our favour.

All cases are carefully evaluated to ensure that we have the right policies and procedures in place to reduce infringements wherever possible.



Development and training

WPP is a people business and we aspire to high standards of employment progression and investment in the development of our teams. We offer training and development opportunities that enable employees to increase their skills, progress their careers and reach their full potential. Our goal is for our people at all levels to receive regular performance appraisals.

In 2008, we invested £42.6 million in training and wellbeing compared with £38.6 million in 2007.

Training and professional development opportunities are provided at both the parent and operating company levels which together reach several thousand employees in the Group. These cover all aspects of company business and creative skills.

Staff training and welfare 2003-2008 £m 21.7 25.1 32.7 38.2 38.6 42.6



Case study: Mini MBA

Executive education helps our senior talent develop creative, client and personal leadership skills. Our flagship program is *Maestro: Orchestrating Client Value* – a five-day course aimed at strengthening the ability of our most senior client leaders to be valued and trusted advisers to their clients, colleagues and teams. Since the program's inception in 2003, it has reached more than 1,500 participants in 15 countries, and involved 65 different WPP operating companies.

In 2008, WPP formally launched its own 'Mini MBA' program, designed to build functional knowledge and abilities. It combines online tutorials and simulations with instructor-led classroom training. Business disciplines covered are commercial acumen, strategy, marketing, people and organisational development, creating client value, and working across cultures.



Case study: Developing professional

leadership skills whilst benefiting NGOs

Through a partnership with The International Exchange (TIE), WPP is providing employees with learning and development skills, whilst helping NGOs improve their communications practices.

TIE provides professionals with short-term assignments with a NGO or social business in the developing world. Assignments are custom designed to develop the individual professional's leadership skills whilst using their business experience for the benefit of the NGO and its local community.

Participants learn new skills and gain invaluable work experience. They also improve their understanding of the charity sector and emerging markets.

The NGOs learn from the expertise of the communications professionals assigned to their project.

During 2009, three WPP company employees will be heading out to Brazil to work with MNDH, a human rights organisation, the NGO Em Cena Arte e Cidadania and NGO Iracambi.

Tiffany Sherrington, a strategist at Mindshare who is about to leave for Brazil explains, "I fully expect to be challenged, overwhelmed and inspired in equal measures! It's an incredible chance to be at the coalface of environmental campaigning and community development, hopefully using my skills to make a small, positive change in the world."

WPP sets up 'Micro Fellowship'

In 2008, WPP set up a 'Micro Fellowship' offering students hands-on experience in our operating companies.

This initiative offers summer internships to minority candidates in a structured program modelled on WPP's existing graduate Fellowship program. The Micro Fellowship program has a good record on diversity. With its focus on cultural flexibility, it attracts a high proportion of students from different national, cultural and ethnic backgrounds.

Candidates are invited to a weekly workshop to learn about other aspects of the industry and are mentored by existing WPP Fellows.

Remuneration and share ownership

Competitive remuneration packages help us attract and retain the best people. We regularly benchmark our compensation against other companies in our sector.

We motivate our people by providing performance-related remuneration in addition to basic salaries. More senior employees are eligible for incentives based on their performance against annual or multi-year goals for the operations they lead.

Share ownership gives our people a financial stake in the company and a share in its success. WPP's Worldwide Ownership Plan, introduced in 1997, has granted share options to approximately 72,000 of our people.



Communication

Regular communication keeps our people up to date with company news and developments across the Group. Our most important internal communications channels are:

- WPP's public website (www.wpp.com), Group intranet site and professional knowledge communities.
- WPP's annual journal of original thinking, the *Atticus Journal*; WPP's multi-award winning global newspaper, *The WIRE*; regular *FactFiles* profiling specialist services and resources within the Group.
- WPP's public monthly online news bulletin *e.wire*.
- The WPP *Reading Room*, an extensive online library of thinkpieces (both public and original) from WPP professionals worldwide.
- Regular communication on Group initiatives such as the Worldwide Partnership Program, BrandZ[™], the Atticus Awards, The WPPED Cream awards, the WPP Marketing Fellowship Program and professional development workshops.
- Periodic reports from Sir Martin Sorrell on topics of importance to all people participating in shortand long-term incentive plans.
- Formal and informal meetings at operating company level.
- Our multi-award winning Annual Report & Accounts, financial statements and this report are widely distributed across WPP and are available on our websites.

Employee surveys

We keep in touch with employee views through regular opinion surveys, conducted at operating company level. For example, see page 54.

During 2007 we conducted an opinion survey among employees at WPP companies in the UK (see our CR Report 2007/08). This provided useful feedback on employee views relating to diversity, ethics, training and wellbeing. It is our intention to replicate this survey in other European markets in the future. We may need to adjust the data collected in some markets to reflect local privacy and data regulation.

Hill & Knowlton employee survey

In 2008 Hill & Knowlton conducted its first global employee engagement survey; 1,500 employees or 65% of those eligible responded.

The survey identified a number of areas of strength including employees' perceptions of the commitment of colleagues to quality and to meeting client needs; their relationships with their managers who were seen to treat them with dignity, respect and fairness; appreciation of how their individual contribution made a difference and pride in working for Hill & Knowlton. The survey identified a number of areas for improvement, including rewards and recognition (both financial and non-financial) and ways to help employees achieve a better balance between work and home commitments.

Local managers could access the results for their office through a website which also provided tools for local action planning and for exploring best practices. Managers could compare results with broader groups within Hill & Knowlton and also with other high-performing organisations. Results were shared with employees who helped to interpret the results and develop plans for improvement.

The survey will be repeated in 2009.



MediaCom Australia's employee survey

During 2008, 147 MediaCom Australia staff, out of 203 across Melbourne, Sydney and Brisbane participated in an employee survey. Employees were asked to score questions from one to 10 (10 being the best).

Good scores were achieved in terms of overall mean job satisfaction. Morale is good; people are broadly happy with their job responsibilities and are happy with management's flexibility and understanding. They are motivated to come to work and also see themselves having a long-term career at MediaCom.

There are opportunities to improve in some areas. The main negative job issues included salary and departments feeling isolated. People understand their roles, but would welcome more training and better communication. There is also less satisfaction with involvement in decision-making that affects their job.

MediaCom Australia has recently set up People First, a committee made up of staff members to initiate staff ideas and wants. Monthly all-staff meetings are also held to get feedback.

Health and wellbeing

Health in the workplace is about more than preventing accidents. Employee health can influence productivity and staff morale; whilst time taken off work for treatment and recovery is a cost to our business.

Most of our people are office-based. We have identified two main risks to the health and wellbeing of our workforce: stress and ergonomics-related injuries.

Our companies seek to create an environment where people feel able to discuss any issues, including stress, with their manager or human resources department. The risk of work-related stress is assessed through regular staff surveys and by checking issues raised via our Right to Speak helpline, employee assistance programs and during exit interviews.

Employee training and good workplace design can reduce the risk of repetitive strain injury and back problems.

We have collected health and safety data for the last two years through our financial reporting system. We are working to improve the accuracy of the data and hope to include it in future CR reports.





Health and wellbeing at JWT

JWT believes that healthy, happy employees not only work harder but have more fun doing it. JWT is committed to providing fitness resources, counselling, health services and a whole host of extra-curricular activities. Each office in the network provides solutions custom-fit to the needs and interests of local employees.

Here are some highlights:

- JWT Johannesburg hosts a staff wellness day as well as a drawing and painting group.
- RMG Germany provides free yoga classes for all its people.
- JWT New York provides gym membership discounts and free flu shots.
- RMG Connect North America hosts regular Work-Life sessions such as "How to Manage Debt and Stress".
- JWT Mumbai hosts an annual corporate Olympics, regular salsa classes, and a Diwali Indian Festival of Light.
- JWT Bangkok coordinates a mobile doctor for on-site annual physicals.

Accreditations and awards

Many of our companies have received accreditation for their human resources programs. Here are some examples:

- Banner Corporation, Coley Porter Bell and Ogilvy Healthworld UK Investors in People.
- GT, MEC UK and RKCR/Y&R London are Institute of Practitioners in Advertising Continuous Performance Development accredited.
- Ogilvy Chicago is accredited by the Society for Human Relations Professionals, Society for Human Relations Management and Human Resources Planning Society.

Below are a few of the human resources awards won by WPP companies during 2008:

- H&K Canada has been named one of Canada's Top 100 Employers by Mediacorp.
- H&K Chicago received an award for Chicago's 101 Best & Brightest Companies to work for by the National Association for Business Resources.
- H&K Singapore received the Singapore Health Award 2008 (Bronze) for its efforts in promoting workplace health.
- In the UK, Grass Roots and MediaCom UK were both ranked in *The Sunday Times* Best 100 Companies To Work For.
- Ogilvy & Mather China was selected as one of the "Top 50 employers for graduates" survey by *Staffers* magazine.
- Ogilvy New York won an award for Workforce Diversity at the 2008 Mosaic Awards.





Environment

e are committed to reducing our impact on the environment. Climate change is our priority and we have set a target to cut our CO₂ emissions by 20% by 2010 from a 2006 baseline.

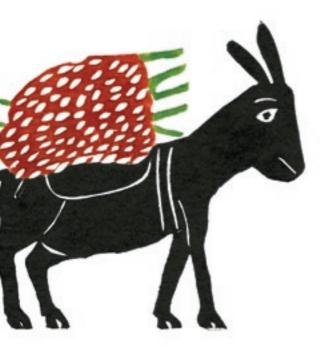
So far we have achieved a 10.5% reduction.

n addition to the environmental benefits, meeting our climate change target will achieve cost reductions and help us recruit and retain environmentally-aware graduate talent.

Our climate change strategy helps us win work with business and public sector clients, looking for suppliers with solid environmental credentials. Taking action to shrink our own carbon footprint means we are in tune with our clients and enhances our credibility as marketing and communications advisors on climate change.

Environmental management

We manage energy use centrally as part of our climate change reduction program. Other environmental issues are managed by our operating companies, some of which operate accredited environmental management systems. For example, BDGworkfutures has achieved certification to international standard ISO 14001.



In their own words

was asked to be a climate champion in 2006, when WPP launched their global climate change strategy. Since then, we have realised that everyone has a part to play in tackling climate change. Small actions on the ground across



the world can really make a big difference to the overall plan of reducing our carbon footprint.

We set up the Y&R Brands Team Green, which is tasked with encouraging our people in the global Y&R Brands network to use energy wisely. We then invested six months getting ourselves organised, developing a network of local and regional climate champions. We now have over 20 regional energy coordinators, who adapt programs to fit the context of their region and culture, and around 180 energy conservation officers who implement these programs at the individual offices.

We have a platform which provides tools to help our local champions hit the ground running. The Y&R Brands intranet, *Greenlink*, contains "how to" operation manuals for reducing an office's carbon footprint. We are measuring how the initiatives we have put together are reducing the carbon footprint of Y&R Brands. People also use *Greenlink* to share ideas and success stories. Some of our best ideas have come from the most unexpected sources, and it's great to see them being applied more widely.

Laurence Baxter
Chief Information Officer
Y&R Brands



Climate change and energy use

Our climate change strategy

We have set a target to reduce our CO_2 emissions by 20% by 2010, from 2006 levels. We will achieve this by:

- Improving the efficiency of our buildings and IT.
- Purchasing renewable electricity where available.
- Reducing the number of intra-office flights.

After reducing emissions as much as possible we offset a large proportion of the rest through support for renewable energy projects.

We have established Energy Action Teams in North America, Europe, Asia Pacific and Latin America. These include members of our IT, real estate and procurement functions. Their job is to identify energy-saving measures and provide technical guidance to our agencies on energy reduction.

These teams are supported by a network of climate champions who help to implement energy-saving measures (see chart on page 60) and raise awareness of our climate change program in our companies.

Several WPP companies, such as Grey New York, Y&R, Ogilvy London, JWT London and Finsbury London, have launched their own green initiatives.

Our progress

MDD's souls are to attention

WPP's carbon tootprint				
CO ₂ emissions (tonne				ıs (tonnes)
	2006	2007	2008	2008 (renewable energy rated zero emissions)
Office energy use	144,354	120,032	112,901	94,376
Air travel ¹	81,733	92,269	89,500	89,500
Other (includes unmeasurimpacts, e.g. couriers and taxis)	ired 33,913	31,845	30,360	27,581
Total	260,000	244,146	232,761	211,457

¹ Air travel data partially estimated.

WPP's office energy use (megawatt hours)

	2006	2007	2008
Energy use	297,406	251,685	223,720

In 2008, we emitted 232,761 tonnes of CO₂, a 10.5% reduction on our 2006 baseline level. Our main climate impact is from consumption of electricity and gas in our 2,400 offices and employee air travel. We add an additional 15% to our CO₂ footprint to account for unmeasured impacts such as couriers and taxis. This year we invested in projects to improve office energy efficiency and to install videoconferencing units to reduce travel. We expect emissions reductions from these projects to be evident in our carbon footprint in 2009 and beyond.

In 2008, we used 223,720 megawatt hours of energy in our offices which resulted in emissions of 112,901 tonnes of CO₂, a 22% reduction on our 2006 baseline. This was achieved despite a 14.5% increase in our property portfolio by floor space since 2006. We estimate that we have saved over £6 million through reductions in office energy use between 2006 and 2008. The above emissions calculations follow new UK government guidelines, which state that emissions from renewable energy should be calculated using the same conversion factors as conventional grid energy, rather than rated as zero emissions. If the renewable energy we purchase is rated as zero emissions, we have reduced CO₂ emissions from office energy use by 35% since 2006.

We emitted 89,500 tonnes of CO₂ from our air travel. We collect air travel data via an external provider, as part of our airline procurement process. We have detailed analysis covering our major cities relating to approx 70% of our journeys. We estimate the balance based on internal records.

In 2008, we offset 195,000 tonnes of CO_2 through support for renewable energy projects (see page 62 for details).

We report our greenhouse gas emissions to the Carbon Disclosure Project (CDP), a collaboration of institutional investors and participate in the CDP's Supply Chain Leadership Collaboration.

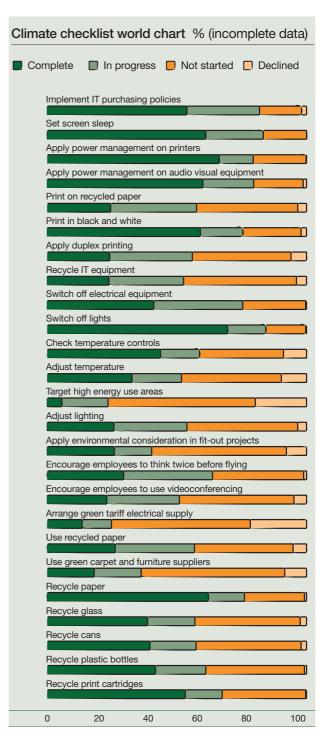


In 2008, we began producing detailed carbon footprints for our operating companies. We are distributing these to our climate champions and to company CEOs. This will encourage ownership of energy management and enable companies to assess their progress.

Measures implemented at WPP sites

Our climate champions are implementing energy saving and environmental measures across our companies. These range from simple actions, such as ensuring that lights are switched off, to more complex measures like setting up a recycling system. The chart (right) shows the process climate champions use to implement these measures.







Office energy efficiency

In 2008, we launched a global metering project to bring energy savings by cutting waste. We are investing £750,000 to install meters in 100 of our largest sites globally (representing 65% of our property portfolio by floor space). These will centrally monitor energy use, enabling us to make savings of between 10% and 15%. Improved metering will also ensure that we are being charged accurately by our energy suppliers.

The metering project will help us determine the most efficient and cost-effective ways of achieving energy savings. These may include:

- Fitting timer switches to ensure lights are not left on overnight.
- Adding movement and daylight sensors to ensure lights are only on when needed.
- Installing energy-efficient lamps.
- Fitting flow restrictors to hot water taps.
- Fitting power management controls to vending machines and refrigerators.
- Improving air-conditioning controls.
- Installing building management systems that monitor and control ventilation and lighting.

In 2008, we identified preferred suppliers in all regions, which our operating companies can use to buy and install low-energy light fittings. We will begin an installation program for low-energy fittings in 2009.

Where possible, we aim to ensure that any properties we purchase meet advanced environmental standards such as Leadership in Energy and Environmental Design (LEED) and BRE Environment Assessment Method (BREEAM). For example, a new purpose-built facility for nine of our companies in Singapore is being designed to the Green Mark Scheme Gold Standard, which is equivalent to LEED. George Patterson Y&R, Brisbane relocated to a new building rated 5 Star under the Australia Green Buildings Rated System and O&M implemented LEED initiatives in design and construction of five new buildings. O&M Worldwide's headquarters in New York, designed and built for LEED certification,

has been selected for the Green Building of America Award-winning Project, from 2,500 buildings nominated as part of the *Real Estate & Construction Review* magazine's 2009 Green Success Stories. Grey New York will move to a LEED-Certified building in late 2009.

Sustainable IT

WPP's personal and network IT equipment accounts for a large proportion of our energy use. We aim to cut the energy used by our computers by up to 30%. We have introduced requirements to improve the energy efficiency of our IT equipment:

- All new computers must comply with our power consumption standards for desktops, laptops and servers.
- Only approved devices can be purchased.
- Power management features must be enabled on all computers. For instance, screens are set to sleep after five minutes and screen savers are disabled. PCs are set to sleep after 30 minutes of inactivity and hibernate after 60 minutes of sleep.

In 2009, we will reduce the numbers of servers from over 7,500 to around 3,000. We will also improve the energy efficiency of data centres and server rooms.

Managing print

In 2008, we ran a pilot project at the Ogilvy offices in Cabot Square, London, to find ways to reduce the amount of energy used by our printers. These include:

- Combining copiers, printers and scanners in one device.
- Removing printers from desks to a central location and minimising the number of printers in use.
- Implementing default settings to save energy, ink, toner and paper (e.g. double-sided printing and black and white settings).
- Implementing 'follow me printing'. This means that print jobs will only be delivered when people go up to the printer and swipe a key card, reducing the number of unwanted print jobs.



- Introducing software to prevent waste through poor formatting.
- Reducing waste in procurement of ink, toner and paper.
- Negotiating recycling arrangements with manufacturers of ink and toner cartridges.

The study showed that if we applied these measures across the Group, this could save 1,000 tonnes of CO₂ each year. As well as reducing energy, it also reduces the use of paper, ink and toner and the energy needed for recycling. In 2009, we will implement similar pilot projects across the Group.

Reducing travel through videoconferencing

We encourage our people to meet via videoconferencing, avoiding the environmental impact of travelling to meetings. We have successfully trialled videoconferencing in London and New York, and we are now investing \$1.5 million to set up facilities in key cities around the world. By the end of 2008, we had set up four high-definition videoconferencing units in London and New York. By the end of 2009, we will have deployed 50 units.

In 2009, we will launch a videoconferencing search and booking system on the WPP intranet. This will include a carbon calculator to show the amount of CO₂ avoided by using videoconferencing rather that flying to a meeting.

Buying renewable energy

We purchase renewable energy where we can and regularly review energy sourcing across all markets to identify new opportunities. We estimate that 70% of the electricity we purchase in the UK is from renewable sources, compared to 50% in Germany and 22% in the US. We also negotiated a small renewable energy contract in Australia in 2008.

If this energy is rated at zero emissions it is equivalent to a reduction of approximately 18,525 tonnes of CO_2 (16% of total emissions from office energy use) each year.

Carbon offset

After reducing our CO_2 emissions as much as possible, we offset the majority of the rest. This means paying someone else to reduce their carbon emissions by an amount equal to our own footprint – saving one tonne of CO_2 elsewhere in the world for every tonne that WPP creates. We purchased 585,000 tonnes of CO_2 offset to be used between 2007 and 2009. In 2007 and 2008 we used 455,000 tonnes of offset and emitted 476,907 tonnes of CO_2 .

Our operating companies meet the cost of offsetting their emissions. This provides an incentive to cut their climate impact as the more they reduce their emissions the less they will have to pay in offset costs.

All carbon offset projects supported by WPP are renewable energy projects (e.g. wind, hydro and solar). We do not support forestry offset. Through the CarbonNeutral Company, an offset provider, we currently fund seven projects, including wind farm and hydroelectric projects in China, and wind and solar generation in India.

One of these is the Jamnagar Wind Power Project, which is helping to reduce India's reliance on fossil fuels by building new wind turbines. It costs more to generate electricity from wind rather than coal in India, which means finance from offset projects is often key to making wind farms in the country commercially viable. The project will provide reliable, renewable power to the electricity grid and will provide jobs for people in nearby villages. The turbines being built in the states of Rajasthan, Gujarat and Karnataka will have a combined capacity of 147MW.

Sustainable fittings

We have set up procurement contracts with furniture and carpet suppliers to ensure the products we purchase come from renewable sources and can be disposed of in a responsible manner.

Dovetail Contract Furniture, a WPP company, has teamed up with a recycling company to offer



environmentally-friendly furnishing services. Dovetail sources from furniture manufacturers with established environmental credentials and can achieve recycling rates of up to 90% for used furniture.

Paper use

We want our companies to purchase paper with recycled content.

In most of our larger markets, WPP Commercial & Procurement Services identifies preferred paper suppliers which our companies are encouraged to use. Many of our preferred suppliers across our major markets now provide paper and paper products with recycled content. In the UK, around 38% of the paper WPP companies purchased from our preferred paper suppliers contained recycled content. In the US the figure is around 24%, in Australia it is 41% and Hong Kong it is 14%.

On average across all markets, 38% of the paper purchased contained recycled content.

Recycling

We have selected preferred suppliers which our operating companies can use to recycle waste paper and equipment. In our last report, we significantly over-reported the amount of paper and cardboard we recycled in 2007 due to inaccurate reporting by one operating company.

In 2008, a further eight UK operating companies signed contracts with our preferred recycling supplier, bringing the total to 14. Through this supplier, the companies recycled 311,479 kg of paper, cardboard, cans, plastic and glass, a 137% increase from 2007.

Recycling/Kg

Mobile/cell phones	1,174
Computer equipment	85,045
Paper and cardboard	2,810,786
Printer cartridges	373,078
Other waste recycled	1,024,267
Total recycled	4,294,350

Mobile/cell phones

WPP companies use mobile technology extensively which is frequently upgraded. We have introduced Vodafone's Fonebak Freepost recycling scheme to our offices across Europe. Employees can send their used mobile equipment to Fonebak for re-use and recycling.

IT equipment

We have contracted IBM to manage our obsolete IT equipment. As a first choice, equipment is refurbished and sold for reuse. If this is not possible, it is broken down for recycling and, as a last resort, is disposed of in an environmentally-sensitive way.



On a mission to be green

When Y&R wanted to inspire its people to use less energy, they called on The Green Man, a new environmental superhero. In a campaign developed by an in-house team at Y&R in New York, The Green Man is a seemingly ordinary office employee, so motivated by the issue of climate change that he has made it his personal mission to educate people everywhere to take action.

The Green Man spreads the word that small individual actions really do count. He can be spotted all around the workplace, talking to people on a range of topics from energy consumption to responsible travel: by light switches and printers, in stairwells and washrooms, on reusable mugs and water bottles, and on email tags.

Y&R's hero is now 'open source' within the Y&R network, with local creatives adapting and interpreting The Green Man concept for their offices: he has already been seen encouraging good eco deeds on several continents.



Water use

As an office-based company, WPP is not a major water user and we currently don't collect data on our water use. However, we recognise the importance of water conservation. WPP has endorsed the UN CEO Water Mandate, an initiative designed to assist companies in the development, implementation and disclosure of water sustainability policies and practices. WPP companies also support pro bono campaigns for water charities, for example Ogilvy PR is working with the World Economic Forum's Global Agenda Council on its water initiative.

Supply chain

WPP spends around \$3 billion with suppliers each year. We want to do business with suppliers that meet high standards on the environment and employment practices. We are committed to managing CR risks in our supply chain, both for ourselves and for our clients.

Our approach

We focus our CR efforts on preferred suppliers that provide centrally purchased goods and services such as IT, travel, telecommunications, professional services (e.g. consultancy and recruitment) and facilities management. We spend around \$1.5 billion with these suppliers each year and contracts are negotiated by WPP Procurement & Commercial Services. The size of these contracts, and the fact that they are negotiated centrally, means that we can use our commercial influence to bring improvements.

We also spend around \$1.5 billion on goods and services for use in client work, such as film and print production, post production and market research services. These contracts are usually negotiated by individual operating companies. Suppliers of these goods and services are currently not included in our Group CR program, although individual operating companies may engage these companies on CR.



Selecting preferred suppliers

WPP's Global Procurement Policy contains ethical and environmental criteria which our Group procurement teams use in supplier selection and management.

We thoroughly evaluate companies against a set of business requirements before they can become a preferred supplier. These include assurance of supply, quality, service, cost, innovation and CR. We do not have a standard weighting for each criteria and they may vary from project to project.

As part of this process we ask potential suppliers to complete a simple five-point CR questionnaire to raise awareness and make our requirements clear:

■ Policy

Does your company have a CR policy?

■ Responsibility

Is a senior executive (or executives) responsible for CR performance?

Does your company have a CR manager or equivalent?

■ Kev issues

Please identify the environmental issues most relevant to your company.

Please identify the social issues most relevant to your company (social issues include employment, health & safety and community).

■ Reporting

Does your company publish a CR report?

■ Supply chain

Does your company have a process for implementing CR standards in its supply chain?

In 2008, all existing and new preferred suppliers in Asia Pacific, France, Spain, the UK and US completed our CR questionnaire. In the US we also incorporate CR criteria into our standard Group supply contract terms and conditions.

Monitoring and awareness

CR is included in the personal objectives for our regional heads of procurement and purchasing managers in our major markets. Objectives are aligned with our two main themes of supplier selection and managing supply chain risk. They also cover green electricity purchasing in line with our climate change strategy, see page 59.

We raise awareness of CR through our regular cross-Group sourcing team activities and *Buy-in* newsletter, and review progress through our procurement reporting process. This includes quarterly updates from regional procurement teams to the head of Procurement & Commercial Services, and reviews by WPP's procurement leadership team (our global and regional heads of procurement). Regular updates are also provided to the WPP Board of Directors.

Supplier diversity

WPP's operating companies are undertaking to make certain that attention is paid to achieving diversity among their suppliers, with the objective of ensuring appropriate levels of procurement from suppliers owned by minorities and women.

Pro bono work

Our CR policy encourages WPP companies to undertake pro bono work for not-for-profit organisations involved in tackling environmental issues. You can see some examples of pro bono work on pages 74 to 86.



Social investment



ur companies have a long tradition of pro bono work – providing creative services to charities at little or no cost. This work can be invaluable, helping raise money and awareness for hundreds of good causes every year.



ro bono work also benefits WPP by showcasing our creative skills and ability to create compelling communications on a wide range of social and environmental issues. Our people gain a breadth of experience and the chance to contribute to their communities.

We also support charities through cash donations and employee volunteering.

Examples of recent visual pro bono work by our agencies are included in the pro bono showcase on pages 73 to 86 of this report.



In their own words

WF is a long-standing pro bono partner for Ogilvy & Mather. Our team at Ogilvy & Mather Japan was asked by WWF to create a new website to raise awareness of global warming, increase membership and encourage donations to the charity.



We decided to base the website around images of polar bears. These amazing creatures are often used to symbolise the threat of global warming and can inspire strong emotions in people. However, just knowing about the dangers of climate change doesn't necessarily mean people will act. The site balanced facts about the threat of global warming with endearing images of the bears so that viewers would feel





affection for the bears, gradually learn more about their plight, and then be inspired to join WWF.

Everyone working on this project including the photographer, musician and technical staff at the production house did so for free. There was a great spirit and sense of common purpose. We were all there because we cared about polar bears and wanted to help WWF reach as many people as possible.

Before we began, we all knew about climate change and WWF, but working on this project has taught us much more about these issues and the steps we all need to take to save the planet.

Kaori Mochizuki Yoko Otsuka Hono Nakano Ogilvy & Mather, Japan



An external view

nvironmental awareness in China is on the rise but many people still don't know what they can do to help tackle climate change. WWF's Earth Hour reminds everyone that small individual actions can make a big difference.



This is the first year WWF has promoted Earth Hour in China and we were determined to get more people involved. Ogilvy Advertising and Ogilvy PR gave us invaluable support in all aspects of the campaign from the creative ideas to media relations and launch events.

With their help, we developed a print ad featuring actress Li Bingbing, won a coveted spot on a popular reality TV show, and convinced the Olympic Park to turn off the lights at the iconic Bird's Nest stadium. These actions helped generate interest among a much wider audience and reach people who may not have previously got involved. One of the highlights for the whole team was being featured on the influential China Central Television 7:30 news program.

The project was a labour of love, with everyone working to tight schedules, over the holidays and on a small budget. We really appreciated the experience, commitment and enthusiasm Ogilvy brought to the project. Their expertise was invaluable in helping us generate levels of media coverage well above what we had hoped for.

Xiaowei Su

Project Manager for Earth Hour China WWF

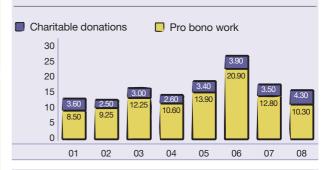
Performance

In 2008, the total value of our social investment was £14.6 million compared with £16.3 million in 2007. This is equivalent to 0.19% of revenue (2% of reported profit before tax) and includes direct cash donations to charities of £4.3 million and £10.3 million worth of pro bono work. These figures are based on fees the organisations would have paid for our work.

The reduction in pro bono work on last year is due to the worsening economic conditions which placed pressure on our companies to focus on fee-paying work.

In addition, WPP media agencies negotiated £13 million of free media space on behalf of probono clients.

Social investment 2001-2008 £m



Charitable donations 2008 %

Local community	18
Education	21
Health	19
Environment	3
■ Arts	6
Alcohol abuse	2
Other	31



Pro bono work 2008 %		
	05	
Local community	25	
Education	11	
Health	19	
Environment	6	
Arts	8	
☐ Alcohol abuse	1	
Other	30	

Charity donations

Collectively, the Group gave £4.3 million to charity in 2008. Individual companies made donations to many organisations, benefiting projects that range from supporting the homeless to improving the health of children in developing countries.

WPP: Parent company activities

WPP, the parent company, supports a range of charities, with a particular focus on education, the arts and young people. These include:

- Education Africa UK
- Gambian Education Development Trust
- INSEAD Trust for European

Management Education

- NABS (a charity which offers financial, practical and emotional support to those in the advertising industry)
- The London Business School
- The National Portrait Gallery
- The Paley Center for Media
- The Roundhouse Trust
- University of Oxford
- Woodrow Wilson International Center For Scholars

WPP is also a member of:

- Business in the Community (an organisation that promotes responsible business practice)
- Employers Forum on Disability

- Media Trust (which provides media support to over 5,000 charities)
- The Institute of Business Ethics

For a number of years, donations from WPP have been used to support the Lower Basic School in Sanyang village and the regional health clinic at Medina Salaam, both in Gambia. During 2008 WPP funding provided PCs and laptops for the school's internet centre and enabled the school to join the Eden Project Gardens for Life. This program educates children about basic biology and plant nutrition and enables them to share their experiences with other schools around the world over the internet. An acre of local land has been reclaimed and turned into gardens for the school. The funding has also covered new gardening equipment and seeds for the first year's crops. During 2009 the live internet feed will be established from the school garden and classrooms, enabling the children to keep in touch with their partner schools.

Employee volunteering

Many of our people volunteer in their local community, organise fundraising events or use their skills to benefit charitable causes. This can help increase job satisfaction and boost morale.

Many of our companies support this activity by giving employees paid time off to volunteer or by organising team volunteering events. Recent examples include:

- Bates 141 raised money to help the victims of the Sichuan earthquake. The proceeds went to the rebuilding of Hong Qi School.
- BM US is a National Partner for the Leukaemia & Lymphoma Society's Annual Light the Night Walk. Employees from all US offices participate by raising money for the LLS and taking part in the walk, which is held every autumn.
- CommonHealth participated in a toy collection benefiting Hale House. This is a non-profit organisation dedicated to building better futures for children and families in need of 24-hour infant and toddler residential care.



- JWT Ho Chi Minh City is the annual sponsor of the Saigon Children's Charity Cyclo Challenge event and the entire agency participates in the race. Chairwoman Chu Thi Hong Anh and Managing Director Chris Von Selle led the JWT delegation in 2008. JWT also produced banners to raise awareness for the event.
- MVI-Management Ventures participated in the Greater Boston food bank drive.

Many WPP and company executives give pro bono advice and support and serve as charity trustees and advisors. For example:

- Jesse Green, Executive Director, H&K Japan is Head of the Communications Steering Committee for Run for the Cure Foundation.
- Jordi Alavedra, Group Vice Chairman, Ogilvy is a Board Member of the Special Olympics.
- Jorge Rodriguez, President, JWT Puerto Rico is a Board Member of Drug-Free America.
- Michael Parisi, President, Altum is a Strategic Advisor to Breast Cancer Network of Strength.
- Richard Powell, Chief Operating Officer, BM is a Director of Global Action for Children.
- Steve Madincea, Group Managing Director, Prism is a Board Member of the Vasculitis Foundation.

Sir Martin Sorrell is an active participant in programs at the following international business schools: London Business School; IESE, Spain; Indian Business School; Harvard Business School and Boston University School of Management.



Unusual pitch raises funds to provide fresh water for children in Lesotho

More than one billion people worldwide lack access to safe drinking water. Dirty water and poor sanitation account for the vast majority of the almost two million child deaths each year from diarrhoea. Access to clean water and sanitation can reduce the risk of a child dying by as much as 50%. Lesotho is an extremely poor African country where the life expectancy of a newborn is just three years.

One Water sells branded bottled water, with all profits used to provide free, clean water to people in Africa. They set GroupM an unusual challenge as part of a pitch to promote One Water to the Asia Pacific market – sell as much One Water as you can for as much money as possible.

Offices got involved in the three-hour event, and one Hong Kong office alone sold 2,016 bottles raising approximately US\$10,000. The money has been used to install a water pump at a children's school in Lesotho.

JACA

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Pro bono showcase

PP companies produce hundreds of pro bono campaigns for good causes every year. This work is worth more than a cash donation.

It helps charities recruit new members, raise awareness and further their campaigns.

Many of our pro bono relationships are long-standing partnerships, helping a chosen charity or good cause over several years. On the following pages we highlight just a few recent examples. We profile more pro bono work online at wpp.com.



Pro bono showcase



WPP companies across the globe Vote for Earth

Earth Hour is an annual global event created by environmental charity WWF that asks households and businesses to turn off lights and electrical appliances for one hour. It reminds us that small actions can make a big difference in the fight against climate change.

WPP companies around the globe stepped up to show their commitment to the environment:

- H&K Beijing helped organise Hewlett-Packard's role in a cooperative effort with Wal-Mart, P&G and WWF to spread awareness and participation in Earth Hour.
- Ogilvy PR and RedWorks organised the Earth Hour 2009 launch event at the Beijing Urban Planning Exhibition Centre.
- Ogilvy Shanghai managed the pre-event media interviews with Earth Hour spokespeople and held an internal photo competition for the most creative thing to do in the dark during the event.
- Research International Australia's three Sydney offices switched off their lights for the third year running.
- Wunderman Australia developed an interactive digital campaign using virtual-reality technology to promote the event. Visitors to the 'Earth in Your Hands' website are invited to print out an Earth Hour image and place it in their hand. Using a webcam, they can then project the image of a globe onto the bit of paper to give the illusion of literally holding the Earth in their palm of their hand.

This year, Earth Hour has been transformed into the world's first global election, with every commitment to switch off the lights standing as a vote for action on climate change. WWF are urging the world to VOTE EARTH and reach the target of one billion votes, which will be presented to world leaders at the Global Climate Change Conference in Copenhagen in December 2009.

Campaign: Helping students with learning differences

Client: The Janus School

WPP company: G2 Direct and Digital, US

The Janus School, Pennsylvania, US is dedicated to helping students with learning differences unlock their potential.

G2DD designed a website for the school to share its mission with the world and highlight its unique personalised curriculum for students with Attention-Deficit/Hyperactivity Disorder, dyslexia, Asperger's Syndrome and other learning differences.

Visitor traffic and time spent on the site has increased dramatically since the launch of the new website, and now 90% of all inquires to the school originate from a website visit.

The site can be viewed at www.thejanusschool.org.









Campaign: Tale of the Northern End

Client: WWF Japan

WPP company: Ogilvy & Mather, Japan

Ogilvy & Mather Japan and WWF jointly developed and launched 'Tale of the Northern End', a website aimed at increasing awareness of global warming.

The website updates readers on the plight of the polar bear, potentially vulnerable to extinction due to the effects of global warming. It encourages the viewers to become a member or send a donation to WWF to support their climate change work.

Three months after the site was launched, 300 people signed up to the campaign and donated 20000 million (£13,500). In the first five months 20,000 people visited the website.

The pro bono work was worth around \$10 million (£65,000).







Campaign: Making sport a part of every child's life

Client: Right to Play

WPP company: Y&R, Toronto

Right To Play is an athlete-driven humanitarian organisation that uses sport and play to promote opportunities for development, health and peace amongst the world's most disadvantaged children. Sport and play teach important values and life skills including leadership, self-confidence, teamwork, conflict resolution, discipline, respect and fair play.

Y&R has helped Right to Play target both corporations and consumers, to build awareness and increase donations. During a five-year partnership the agency has worked on a variety of projects including reports, TV and print advertising. In 2008, Y&R Toronto donated approximately CDN\$90,000 worth of pro bono time to Right To Play projects.

Y&R is currently working with Right To Play on a global games event to raise awareness on the rights of refugees.





Campaign: Raising awareness of the RSPCA's work

Client: RSPCA

WPP companies: The Campaign Palace and

MediaCom, Australia

The Campaign Palace created a series of hard-hitting ads and MediaCom secured free media space for a pro bono campaign to increase support and donations for the RSPCA.

The ads profile the many cases where RSPCA support has benefited owners as well as their pets. For example, nearly 57% of domestic abuse victims delay seeking help because they fear their pet will get harmed. The RSPCA will look after these pets so the women can get the help they need.

The campaign has won several creative awards and and earned the agencies recognition of outstanding achievement at the annual RSPCA ball. The campaign has not only increased donations but equally importantly, has successfully shown the general public that the RSPCA does more than look after animals. The ads powerfully highlight the fact that the RSPCA is also people-based, running programs that assist victims of domestic violence, people suffering with mental health issues, and the elderly.











Campaign: It's stupid not to know

Client: Transatlantic Partners Against Aids **WPP company:** Ogilvy Group, Russia

In Russia, very few people ever take an HIV test. The long-running 'StopAIDS' campaign is designed to change this and encourage everyone to find out their HIV status.

Ogilvy Group Russia and the non-profit organisation Transatlantic Partners Against AIDS (TPAA) developed the creative concept for the latest stage of the campaign.

Ogilvy wanted to avoid preaching or scaremongering. Instead, the ad emphasises the importance of being fully informed. It points out that not knowing your HIV status is like diving into a swimming pool without checking whether there is any water in it.

The adverts were shown online and aired on radio and TV in 70 regions across Russia, as well as over 1,000 times on national TV stations.

Ogilvy's pro bono work on the campaign was worth around \$140,000.





Campaign: Ocean initiative

Client: Surfrider Foundation **WPP company:** Y&R, Paris

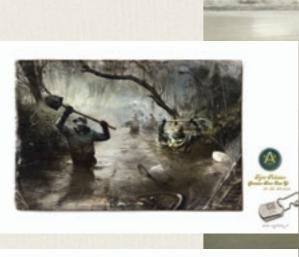
Every year the Surfrider Foundation mobilises thousands of volunteers in 15 countries to help clean up Europe's beaches. Held over three days, the clean-up events have an immediate benefit to the environment and raise awareness of the threat of pollution to our coastlines.

Y&R created an ad campaign that used war imagery to emphasise that clean beaches are worth fighting for. Under the strapline 'Let's fight pollution' people are urged to volunteer to join the battle.

The adverts appeared in surf magazines and major national newspapers and magazines. These were supported by radio ads as well as 14,000 posters in shops and public places. After the events, an ad was published showing a newly clean beach to thank the volunteers for their efforts.

The campaign was a success, mobilising 15,000 volunteers, a 50% increase from 2007. It also encouraged people to join the Surfrider Foundation, with membership increasing by 300%. There was an eight-fold increase in visitors to the organisation's website during the campaign.

Y&R worked pro bono on the campaign and obtained free advertising space worth over €658,000.











Campaign: Harmful effects of smoking

Client: Government of Taiwan WPP company: Bates 141, Taiwan

Not many people know that smoking can increase the risk of osteoporosis, a condition that reduces bone density. Sufferers' bones become fragile and prone to break with every minor bump or fall.

Bates 141 created a pro bono campaign for the Taiwanese government to raise awareness of this side-effect and help smokers understand that smoking weakens their bones and is harmful to their health.









Campaign: Increasing the profile of The Austrian Red Cross

Client: The Red Cross

WPP company: Ogilvy, Austria

The Austrian Red Cross is a well-established and high-profile voluntary organisation. However, in recent years it has received fewer donations from the public. The Red Cross provides a broad range of social support but people mainly remember its achievements in patient transport, blood donation and first aid.

Ogilvy Austria worked pro bono to create a new brand positioning and communications campaign. The new brand core 'Out of love' ('Aus Liebe zum Menschen') aimed to alter public perceptions and alert them to the range of valuable services carried out by the Red Cross. The campaign also contributed substantially to inspiring and encouraging employees and new voluntary staff to give their time and skills.





Campaign: children's rights in India

Client: The Zuster Jeanne Devos Fund **WPP company:** LDV United, Belgium

LDV United recently worked on a pro bono basis to create awareness of Zuster Jeanne Devos, a fund to fight the exploitation of Indian girls.

Sister Jeanne Devos and her charity defend children's rights, looking after malnourished and often abused girls. She works tirelessly to give thousands of traumatised children back their dignity. Kagila, pictured in the campaign, is just a child and has been working for over half her life. She is one of millions of Indian servant girls who are exploited like slaves working seven days a week with no time to play.

LDV United created a print campaign for magazines and billboards. In total they donated pro bono time, media space and photography worth over €180,500.

The campaign was so successful it was selected as one of the 24 non-profit ads from among more than 150 submissions for the annual solidarity prize awarded by *De Standaard*, the leading Belgian newspaper. Between July and September 2008 when the campaign ran, the fund's website (www.zusterjeannedevos.org/) recorded an average of 300 unique visitors a day. In 2007, they had about 30 unique visitors a day during that same period. In July and August 2008, they received 150 gifts of €30, against none at all during the same period in 2007.





Campaign: Save the Mediterranean bluefin tuna

Client: WWF

WPP company: Ogilvy, UK

Stocks of bluefin tuna fish in the Mediterranean are becoming dangerously low, despite calls for action by environmental groups and many scientists. WWF, the conservation group, is advocating a suspension of the fishery, and a global boycott.

Ogilvy created a pro bono a campaign worth £75,000 to draw attention to the crisis and put pressure on regulators to close the fishery.



Stop bluefin tuna fishing now or lose it forever.

Miletteraneum bluefin funs are killed to make auch and now stocks are on the verge of collapse. Bluetness teaters scientifie and countries the Spain and Japan event to see is stop to flating to bluefin row. Governments all meet in Mileterber to decide the future of this majestic species. Fisheries Ministers and Commissional Borg, it's time for the BUTO make a stated and resize the fisheroment bluefin www.gambluogifune.



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Campaign: Supporting the homeless in London

Client: The Whitechapel Mission **WPP company:** BDGworkfutures, UK

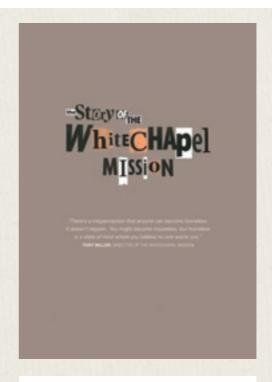
BDGworkfutures recently produced a booklet for the Whitechapel Mission which provides practical support to the poor and homeless in London.

The Mission works in two ways. There is 'band aid' work: for five hours every morning the Mission opens for breakfast, enabling people to get a meal, a wash and a shave, and stock up on clean clothing.

It also runs a Life Skills Centre providing practical support to help homeless people find long-term accommodation. Increasingly, the people arriving at the Mission are in their teens and early 20s, are ex-servicemen, or non-English-speaking immigrants. The Mission helps them make phone calls to the authorities, apply for benefits, sort out discrepancies over bills or other financial issues and access medical care.

The booklet uses striking images of real people who come to the centre. It explains the challenges facing the Whitechapel Mission and the positive impact of its work. Most of the Mission's funding comes from private donations and the book will help raise awareness of its work among potential donors.

The project was a collaborative effort between BDGworkfutures, Clare Dowdy (a journalist who provided free copy), Allen & Overy (print) and Why Design (graphics).















About this report

his report describes WPP's corporate responsibility activities in the calendar year 2008 and the first quarter of 2009. It is our seventh report.

Data

Data relates to the calendar year 2008. Most CR data is collected quarterly through our financial reporting system. This includes data on energy and CO₂ from our buildings, social investment, employment infringements, employee diversity, training and wellbeing, recycling and paper use. These data cover 95,286 employees from whollyowned WPP companies.

We collect air travel data via an external provider, as part of our airline procurement process. We have detailed analysis covering our major cities relating to approximately 70% of our journeys. We estimate the balance based on internal records.

We identify marketing infringements involving WPP companies from public reports by regulatory authorities and directly from WPP businesses through our financial reporting system.

Case studies

Case studies for this report are collected through an annual survey of our companies. Each WPP company has nominated a CR representative who is responsible for completing this survey of CR activity. Completed surveys are approved by the company CEO before submission to WPP.

Contacts

We welcome your views on any of the information in this report or CR at WPP. Send us an email at: cr@wpp.com.

For further information about WPP's CR activities, please contact Vanessa Edwards, Head of Corporate Responsibility: vedwards@wpp.com.

About the illustrations

In recent years, WPP Corporate Responsibility Reports have taken their visual cues from individual markets important to our company and to our clients: in 2005, India; in 2006, China; and in 2007, Africa. This year we've looked to Latin America, specifically Brazil. So WPP takes very great pleasure in showcasing the arresting work, in the woodcut medium, of Brazil's best-known folk artist, Jose Francisco Borges.

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Advertising
Media Investment Management
Information, Insight & Consultancy
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Direct, Digital, Promotion & Relationship Marketing
Specialist Communications

6 Ely Place Dublin 2 Telephone +353 1669 0333 Fax +353 1669 0334

125 Park Avenue New York NY 10017-5529 Telephone +1 (212) 632 2200 Fax +1 (212) 632 2222

27 Farm Street London W1J 5RJ Telephone +44 (0)20 7408 2204 Fax +44 (0)20 7493 6819

Yebisu Garden Place Tower, 29/F 4-20-3 Ebisu Shibuya-ku Tokyo 151-0053 Telephone +81 90 9688 1951 Fax +852 2280 5412

31/F The Center 989 Changle Road Shanghai Telephone +86 21 2405 1649 Fax +86 21 5407 1600

www.wpp.com

