

WPP

Corporate Responsibility Report 2007/2008



## Introduction

---

- 2 Who we are
- 2 Our CR Report at a glance
- 6 From our CEO

## CR management

---

- 10 Why CR is important to WPP
- 11 Corporate Responsibility Committee
- 11 Data collection
- 11 Tracking performance
- 12 *Ogilvy Healthworld UK Corporate REDsponsibility*
- 12 Stakeholder engagement
- 13 Industry organisations
- 13 Lobbying and political donations
- 13 Public policy work for clients
- 13 Corporate governance
- 13 Business ethics
- 14 Code of Conduct
- 15 CR Policy



## The impact of our work

---

- 18 How String Bags Can Save the World  
*by Jeremy Bullmore*
- 20 CR in our client work
- 20 *Rainey Kelly Campbell Roalfe/Y&R London: M&S*
- 22 *Wunderman London: Greentomatocars*
- 23 *Ogilvy India: Lifebuoy, a Unilever brand*
- 24 *Ogilvy Advertising and OgilvyOne Shanghai: BP China*
- 25 *Callegari-Berville Grey France: Findus*
- 26 *Ogilvy & Mather New York: DuPont*
- 27 *Burson-Marsteller US: Intel*
- 28 *Ogilvy Frankfurt and New York: Siemens*
- 28 *Ogilvy Group Romania: Petrom*
- 30 Work by our research companies
- 30 *Added Value: Ethical issues move up the consumer agenda*
- 31 Social marketing
- 31 *Burson-Marsteller Australia: Influenza Specialist Group*
- 32 *Hill & Knowlton London and Berlin: Africa Progress Panel*
- 33 *Ogilvy Toronto: Heart and Stroke Foundation*
- 33 *Headcount Worldwide Field Marketing UK: The Environment Agency*
- 34 *Grey Spain: Madrid City Council*
- 35 *Fibre Ogilvy Australia: ACON Aids Council*
- 36 *OgilvyOne Indonesia: UNICEF*
- 36 *Bates 141 Asia: World Vision*
- 37 Cause-related marketing
- 37 *Ogilvy & Mather Korea: Motorola*

## Marketing standards

---

- 40 Extracts from WPP's Code of Conduct and CR Policy
- 40 Involvement in industry groups
- 41 Performance in 2007
- 42 Privacy
- 42 Public affairs
- 42 Data protection
- 43 *Safecount: Privacy and data protection*
- 44 Digital marketing: The battle for consumer data:  
*by George Pappachen, Safecount and Nick Nyhan, Dynamic Logic*
- 46 Public affairs
- 46 Ethical issues in client work
- 47 *CommonHealth: Achieving high standards in pharmaceutical marketing*

## Employment

- 50 Diversity and inclusion
- 50 Diversity performance
- 52 *Diversity at Grey New York*
- 53 Diversity pilot study
- 53 Helping clients with diversity
- 53 Employee infringements
- 53 Development and training
- 54 *Bates 141 training and development*
- 54 *Helping New York students step up to professional life*
- 55 Remuneration and share ownership
- 55 Communication
- 56 Employee survey
- 56 Health and wellbeing
- 57 Accreditations and awards

## Environment

- 60 Energy efficiency and climate change
- 60 WPP's carbon footprint
- 60 WPP's climate change strategy
- 61 Reducing our CO<sub>2</sub> emissions
- 61 *Energy saving at 33 St John Street, London*
- 63 Other environmental impacts
- 64 *Going green at Grey New York*
- 65 *Food recycling at Y&R London*
- 65 Environmental pro bono work
- 66 *Energy initiative at Wunderman London*

## Our supply chain

- 68 Our supply chain
- 69 Supplier diversity

## Social investment

- 72 Facts and figures
- 73 Charity donations
- 73 WPP: Parent company activities
- 74 *WPP and Sanyang village, Gambia*
- 74 *Banner: Marketing campaign for NCH*
- 75 Employee volunteering

## Pro bono campaigns

- 78 *JWT Jakarta: WWF*
- 79 *Ogilvy & Mather, Ogilvy PR Worldwide and OgilvyOne Vietnam: Asia Injury Prevention Foundation*
- 80 *Grey, worldwide: United Nations*
- 81 *Ogilvy & Mather Bangalore: Concern India*
- 82 *JWT Thailand: PeunPa Foundation*
- 83 *Grey Copenhagen: Save the Children*
- 84 *Ogilvy & Mather Frankfurt: German Foundation for the Preservation of Historic Monuments*
- 85 *The Geppetto Group New York: Ad Council and the Library of Congress*
- 86 *OgilvyOne and Ogilvy Interactive Australia: Barnardos Australia*
- 87 *Bates 141 Singapore: National Council Against Drug Abuse*
- 88 *Grey Singapore: National Youth Council*
- 89 *Ogilvy Italy: Fondazione Celiachia*
- 90 *Coley Porter Bell UK: East London Business Alliance (ELBA)*
- 91 *Ogilvy & Mather Italy: CIAI*
- 92 *Grey Italy: Legambiente*
- 93 *Ogilvy & Mather Frankfurt: Malteser Ambulance Service*
- 94 *Ogilvy & Mather Beijing: WWF*
- 95 *Grey Amsterdam: Médecins Sans Frontières*
- 96 *Ogilvy New York: The Museum for African Art*
- 97 *Neo@Ogilvy USA: Save the Children*

## In summary

- 98 CR performance summary
- 99 About this report
- 99 Contact points
- 100 Our companies & associates

# Who we are

**WPP is a 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 100 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 over 340 of the Fortune Global 500, over one-half of the NASDAQ 100 and over 30 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 communications services, centrally integrated. Over 600 clients are now served in three distinct disciplines. More than 370 clients are served in four disciplines and these clients account for over 58% of Group revenues.

Group companies now work with over 270 clients across six or more countries.

Collectively, 110,000 people (including associates) work for WPP companies; out of 2,000 offices in 106 countries.

Our companies and their websites are listed on pages 100 and 101.

# Our CR Report at a glance

Corporate 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.

## Significant issues

We focus our efforts on the issues we have identified as being most material (relevant and significant) to WPP. We consider five corporate responsibility issues to be of significance to WPP:

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

## The impact of our work

Marketing and advertising sell products, ideas and lifestyle choices, educate the public and help change behaviour. Marketing can play an important role in helping to address social and environmental challenges by promoting more sustainable products and services and encouraging consumers to adopt more sustainable lifestyles.

The social and environmental impact of our client work is one of the most important elements of corporate responsibility for WPP.

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 avian flu.
- Cause-related marketing campaigns that link brands to charities.

See pages 77 to 97.

## Marketing standards

We expect our companies to apply high ethical standards in all their work for clients and particularly when marketing sensitive products such as alcohol or tobacco, or when creating advertising directed at children.

Privacy is becoming an increasingly important issue for our digital and research agencies as more consumer information is collected online and stored electronically.

The vast majority of campaigns produced by WPP companies do not give rise to complaints. Occasionally mistakes do occur and we report the cases we are aware of that were upheld by regulatory authorities on page 41.

## Employment

WPP employs 110,000 people (including associates) at 2,000 offices in 106 countries.

The success of our business depends on attracting and retaining the best people. It is the creativity and flair of our employees that makes our clients choose WPP companies. We offer competitive salaries and benefits, encourage diversity and invest in training to help our employees develop their knowledge and skills.

In 2007, we invested £38.6 million in training and wellbeing. Women accounted for 33% of board member/executive leaders, 47% of senior managers and 55% of total employees. There are currently three women on WPP's Board.

See pages 49 to 57.

## Environment

Our CR policy commits us to minimise our impact on the environment. Climate change is our most significant environmental issue and we have set targets to reduce our CO<sub>2</sub> emissions by 20% by 2010. We are implementing an energy-efficiency program in our real estate and IT functions and buying renewable electricity in some countries.

In 2007 WPP became carbon neutral by offsetting the rest of our emissions through renewable energy generation in developing countries.

See pages 59 to 65.

## Supply chain

WPP spends more than \$3 billion with suppliers each year. Across all of our spend, 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.

See pages 67 to 69.

## Social investment

Our companies use their skills in advertising, marketing, PR and design to support good causes through pro bono accounts – work done for NGOs and charities for free or at minimal cost. This work is worth much more than an equivalent cash donation. Many NGOs do not have the experience, capacity or available funds to spend time on creative work which can help raise their profile, reach a greater audience and increase their funding. Effective communications can also help raise awareness on an issue and overcome stereotypical viewpoints.

In 2007, the total value of our social investment was £16.3 million compared with £24.9 million in 2006. This is equivalent to 0.3% of revenue (2% profit before tax), short of our annual guideline of up to 0.4%. This includes direct cash donations to charities of £3.5 million and £12.8 million of pro bono work. We calculate the value of pro bono work based on fees the organisation would have paid for our work.

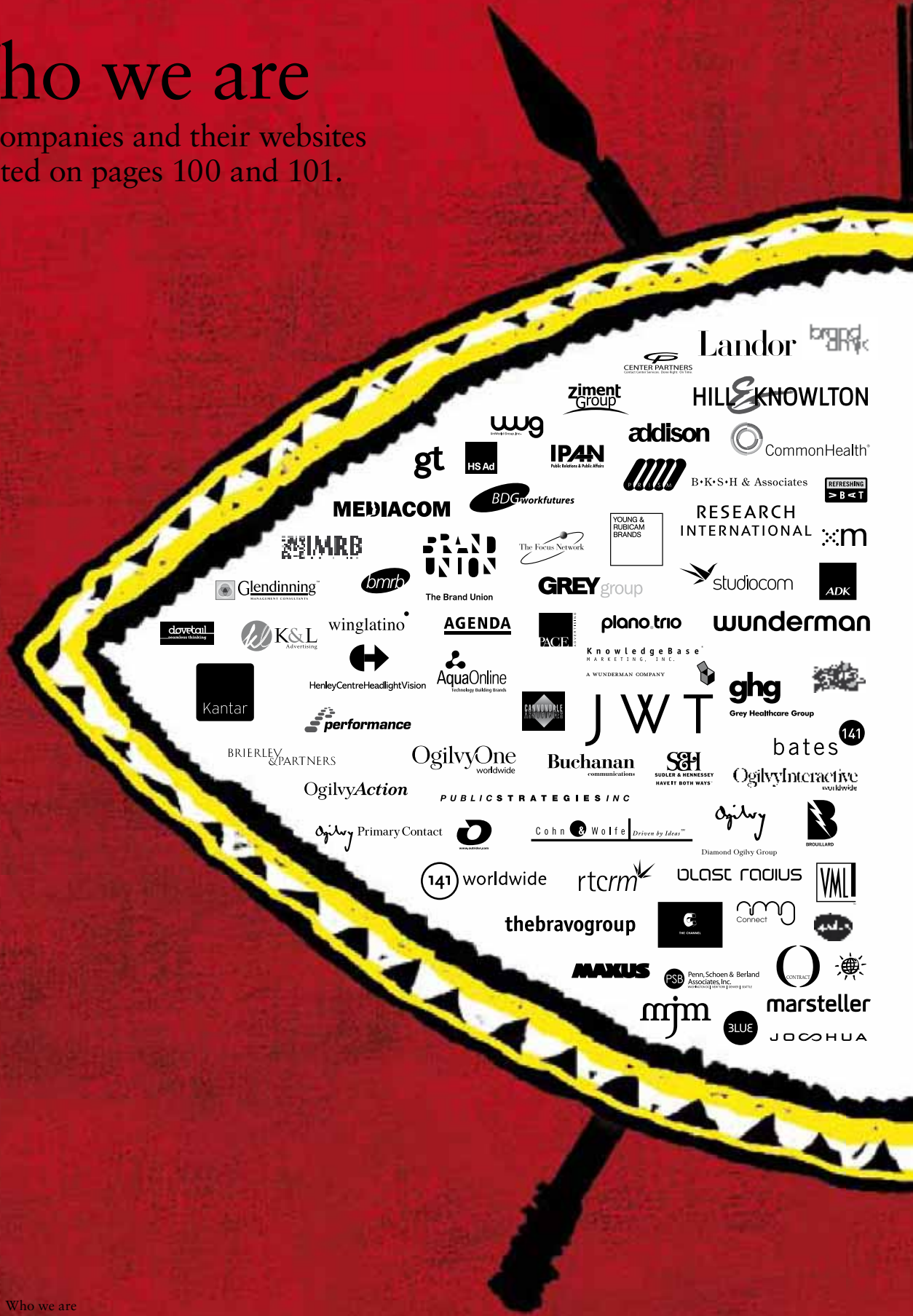
Our media agencies also negotiated £1.5 million worth of free media space for charities.

This Report features examples of our pro bono work.

See pages 71 to 75.

# Who we are

Our companies and their websites are listed on pages 100 and 101.



Landor  
CENTER PARTNERS  
brand

ziment Group  
HILL & KNOWLTON

gt  
wug  
HS Ad  
IPAN  
addison  
CommonHealth

MEDIACOM  
BDGworkfutures  
B·K·S·H & Associates  
RESEARCH INTERNATIONAL  
REFRESHING  
> B < T

MRB  
Glendinning  
bmr  
The Brand Union  
GREY group  
YOUNG & RUBICAM BRANDS  
studiocom  
ADK

clovetail  
K&L Advertising  
winglatino  
AGENDA  
FACE  
plano trio  
wunderman

Kantar  
HenleyCentreHeadlightVision  
AquaOnline  
KnowledgeBase MARKETING, INC.  
A WUNDERMAN COMPANY  
ghg  
Grey Healthcare Group

performance  
BRIERLEY & PARTNERS  
OgilvyOne worldwide  
Buchanan communications  
JWT  
S&H  
bates  
141

OgilvyAction  
PUBLICSTRATEGIES INC  
Ogilvy Primary Contact  
Cohn & Wolfe  
Driven by Ideas™  
Ogilvy  
Diamond Ogilvy Group  
BROUILLARD

141 worldwide  
rterm  
BLAST RADIUS  
VMI

thebravogroup  
MAXUS  
Penn, Schoen & Berland Associates, Inc.  
Connect  
CONTRACT

mjm  
marsteller  
BLUE  
JOSHUA

**The Farm**  MosaicaMD

**GREY**

 LTV

 SANTO

JWT INSIDE

JOHANNES LEONARDO

*Y&R*

**LIGHTSPEED**  
RESEARCH

 ohal

**Burson-Marsteller**

consulting communication solutions **HighCo**

**groupm**

*Ogilvy*

 go group

 the papadopoulos group

 MillwardBrown

 STORE

 kmr group

 BRIDGE WORLDWIDE

 digit

 C4&Partners

 ADDEDVALUE

**everystone**  
uncovering opportunities and delivering value

 UNITED

neo@Ogilvy

**metro**

 Dentsu Y&R

Dentsu Y&R

CHIME COMMUNICATIONS PLC

 IEG

**24/7**  
REALMEDIA

**WARWICKS**

**imasina**

**FITCH**

**DaVinni**

**MATTSONJACK**

**Lambie-Nairn**





\*S,C,P,F...

**Catalyst on-line**

 SOHO SQUARE

**mediaedge:cia**

**GRASS ROOTS**  
inspiring people



Ogilvy Public Relations Worldwide

TAPSA

 schematic

*Ogilvy* Healthworld

GLOBAL SPORTNET

**DSG** DEWEYSQUAREGROUP

**BANNER**

**dialogue**

**kinetic**

**COLLY PORTER BELL**

**bravo**

**Quasar**

**G2**

**clarion**  
communications

**Headcount**  
improving brand performance





**BDG McCall**

**THE PARTNERS**



**FORWARD**

**Quinn Gillespie**  
Associates LLC

**Wexler & Walker**  
public policy associates



**BPRI**

**MALONE ADVERTISING**

# From our CEO

In a world preoccupied by urgent, short-term challenges, the longer-term problems can easily become neglected – particularly when they're so complex and so apparently intractable.

So while scientists, governments, those of us in business and citizens everywhere are increasingly concerned about the slow build-up of greenhouse gases in the atmosphere, we continue to be confused and distracted. Our levels of concern, though higher than they were just a few years ago, still vary wildly across the world and remain worryingly low.

As a result, changes in consumer behaviour, though welcome, remain marginal in their effect. Those fortunate enough to have lived in strong economies have come to take warm houses, travel, high-performance cars and plasma televisions for granted. They will not easily forgo them. Levels of guilt may be on the increase but they've yet to be translated into significant changes in behaviour.

Eventually, we believe, the huge changes that will be necessary will be driven mainly by price and the rationing of carbon. At some point, the cost of using carbon will drive the markets to develop more efficient products.

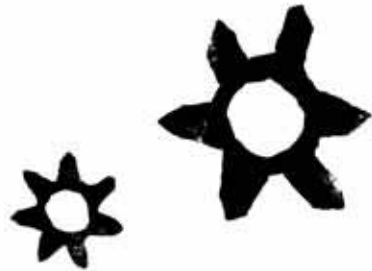
And it will be the role of marketing, working as always hand-in-hand with product development, to accelerate this transition. The option of a return to a pre-industrial society is not a realistic one; we need to make the new low carbon choices as desirable as the old – and as a bonus, guilt-free.

So if the marketing industry has been unwittingly complicit in causing the problem, it's now confronted with an historic opportunity: to shape and encourage consumer demand for sustainable products and lifestyles; to restore the true value of durability; to reject the superfluous in products and packaging; to make much of what has passed for fashion deeply unfashionable.

WPP companies are already helping clients to plan for this new strategy. Above all, such strategy must be genuinely rooted in a company's daily behaviour. Any organisation tempted to wrap itself in superficial greenwashing will not only be ineffective; it will also be cruelly and deservedly exposed by the environmental movement. The internet makes the dissemination of information and the mobilisation of protest swift and virtually cost-free. The penalties for adopting a cosmetic approach to environmentalism will be commercially extreme.

At WPP, we're all too conscious that we can be credible as an advisor only if we practice what we preach. In this, our sixth Corporate Responsibility Report, we chronicle the work of our CR Committee, chaired by our Chief Financial Officer, Paul Richardson.

In 2007, we measured and part estimated our carbon footprint to be in the region of 244,000 tonnes of CO<sub>2</sub> per year. From this we set a target to reduce our carbon footprint by 20% over four years; which in turn has led us to make fundamental changes to the way we select our real estate portfolio, to our IT specifications and to our travel arrangements. As a result, we are both saving money and learning valuable lessons which we can share with our clients.





Since we cannot of course, eliminate our carbon footprint, we're purchasing carbon offset for what remains. We're well aware of the questions raised about offset but we believe that by choosing only renewable energy projects, we're helping to provide Western finance for cleaner development in the emerging economies. We currently fund seven projects including wind farm and hydroelectric projects in China and wind and solar generation in India. These can be viewed at [www.wpp.com](http://www.wpp.com).

This report describes both our CR successes and our CR failures – from WPP companies in 106 countries and over 2,000 offices. The work, of course, is continuous – reducing inefficiencies and building on strengths. We will continue to report on a regular basis. In the meantime, I will greatly welcome your comments and suggestions on any aspect of our CR program.




**Sir Martin Sorrell**  
Group Chief Executive

---





# CR management



**M**anagement of CR reflects our decentralised structure, with most CR issues managed at operating company level.

The parent company sets strategy on key CR issues, identifies CR risks, raises company awareness of CR issues, manages data collection and reporting, and provides guidance and support to our companies.

### Why CR is important to WPP

#### Strategy and goals

Our vision is for WPP and its companies to be known for environmental, ethical and social leadership.

We have a four-point strategy for achieving this:

- **Provide leading advice** – Be the centre of excellence for environmental and social communication.

- **Minimise our impact** – Measure and reduce our CO<sub>2</sub> emissions and continue to purchase high quality carbon offset to be a carbon neutral company.

In 2007 we established a goal to reduce our energy consumption by 20% by 2010.

- **Manage risk in our operations** – Comply with all laws and industry codes governing marketing material. Improve standards and measurement in marketing practices, employment, supply chain and environment.

- **Make a contribution** – Continue to leverage pro bono work, contributing up to 0.4% of revenue.

#### Business benefits from our CR strategy

We believe that our CR strategy will benefit our business in a number of ways:

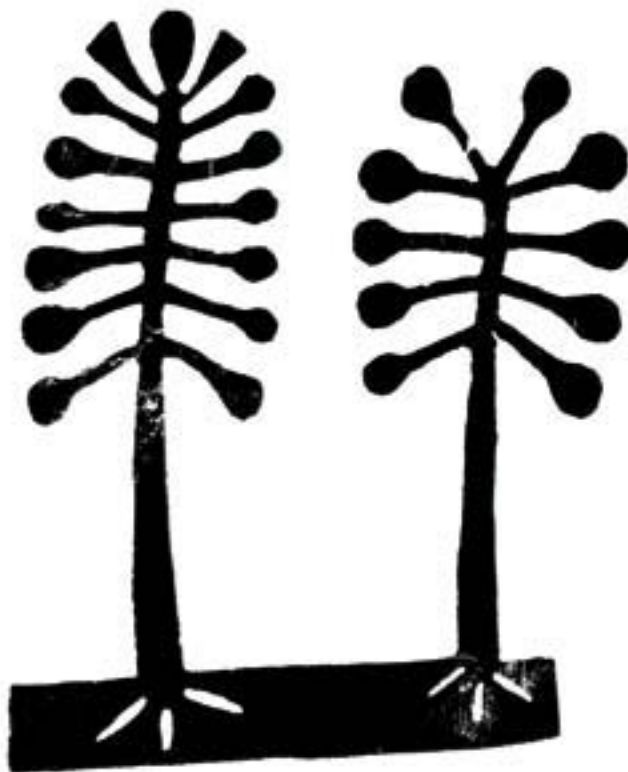
- **Generate new business opportunities.** Increasingly, leading companies are looking for marketing services agencies to help them communicate their social and environmental achievements to a wide audience. Our CR program enhances our understanding of CR issues and supports our businesses in competitive pitches.

- **Attract, retain and motivate the best people.**

There is strong competition for talent in our industry and questions relating to CR are frequently raised by existing employees 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 the best people. A diverse workforce also enhances our understanding of consumers in all markets.

- **Enhance our reputation.** We will 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.

- **Meet investor expectations.** WPP share owners continue to show interest in our CR practices and we aim to respond constructively to their requests for information.



### Corporate Responsibility Committee

Paul Richardson is the Board Director responsible for assessing CR risks. He chairs WPP's Corporate Responsibility Committee, established in 2003.

Our CR Committee is made up of senior representatives from our agencies. Their role is to advise on policy, monitor significant corporate responsibility risks and opportunities, determine CR strategy and coordinate communication among Group companies. Current members are:

- Nancy Ashbrooke, VP Global Human Resources, MindShare
- Jed Beitler, Chairman & CEO Worldwide, Sudler & Hennessey
- Craig Branigan, Chairman & CEO, B to D Group
- Elaine Cruikshanks, Chair, Worldwide Public Affairs Practice, Hill & Knowlton
- 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, Director of Global Procurement, WPP
- Mark Linaugh, Chief Talent Officer, WPP
- Howard Paster, Executive Vice President, WPP
- Paul Richardson, Chief Financial Officer, WPP (Chair)
- Paul Stanley, Director of Internal Audit, WPP

The Committee met once in 2007 and discussed a range of issues including:

- Our climate change strategy
- Privacy and data protection issues
- Employment data

We have set up a number of working groups to address specific CR issues, including our Energy Action Teams (see pages 60 and 61) and privacy working group (page 42). Members are drawn from our Group functions and agencies.

Each WPP company has a nominated CR representative who is responsible for completing our annual internal case study survey of CR activity. The results are collated and validated by our audit function.

WPP's internal audit function also includes CR risks during reviews of Group companies. This assessment focuses on CR risks relating to employment, marketing ethics and business ethics.

### Data collection

In 2007 we incorporated collection of our CR data into our Group financial data collection system. From 2008 data will be submitted by all offices on a quarterly basis. We expect this to improve the consistency and accuracy of the data reported, and to further embed CR into our businesses.

We have expanded the scope of data collected on employment and the environment. This will help us respond more fully to investor requests and strengthen our CR reporting.

### Tracking performance

We have established key performance indicators and have ongoing corporate responsibility goals:

- Contribution to society – To undertake pro bono work and make donations to charity up to a value of 0.4% of revenue.
- Marketing ethics – To comply with all laws and industry codes governing marketing material and to track our performance globally to establish how we are doing.
- To pursue our climate change strategy by maintaining our carbon neutral status through increased energy efficiency, purchasing renewable energy and purchasing carbon offset.
- To reduce our absolute CO<sub>2</sub> emissions by 20% (from 2006 levels) by the end of 2010.

Each of our goals requires coordinated effort across five continents as WPP's management structure devolves a great deal of management responsibility and discretion to our operating companies.

### Case study: Corporate REDsponsibility at Ogilvy Healthworld UK

Ogilvy Healthworld (OHW) UK has developed a unique approach to managing corporate responsibility, tailored to the needs of a healthcare communications company. Known as *Corporate REDsponsibility* (after Ogilvy's signature colour), this includes targets and policies to support WPP's objectives, such as a commitment to give up to 0.4% of total revenue to charity and a 20% CO<sub>2</sub> reduction target by 2010.

Engaging employees is a key part of the program. The agency published its first internal *Corporate REDsponsibility* report in 2007 summarising its policies and performance. This was distributed to all employees in the London, Oxford and New York offices.

Employees can share ideas about social and environmental issues and find out about events and fundraising activities on the *Corporate REDsponsibility* intranet site. The agency is also planning an environmental awareness day for 2008.

OHW encourages employees to volunteer their time to support good causes by offering them one paid day off each year. The company has developed a long-term pro bono partnership with Carers UK, a charity which provides support and campaigns for rights for carers. Employees use their healthcare communications skills to benefit the charity.

*Corporate REDsponsibility* also helps OHW stand out from the crowd and win more business. CR is becoming increasingly important to clients – 40% ask for information on social and environmental issues as part of the pitch process. The agency plans to include a revised version of its internal CR report in pitch documents and on its website.

Highlights from the report include:

- In the first half of 2007, the London office recycled 22,770kg of paper, 1,800 kg of glass and 3,360kg of cups.
- The Oxford office recycled 3,240kg of paper.
- No ethical complaints received against any client campaigns.
- £100,000 invested in training and wellbeing.

### Stakeholder engagement

We engage with key stakeholders on CR issues. These include:

- **Clients** – WPP agencies 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 15,000 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** – 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.
- **Investors** – We respond to requests for information and meetings from WPP share owners and rating agencies. In 2007 this included requests for information from:
  - Carbon Disclosure Project
  - Cooperative Insurance Services (CIS)
  - Dow Jones Sustainability Index
  - Ethical Investment Research Service (EIRIS)
  - Insight Investment
  - Investec
  - Pensions Investment Research Consultants (PIRC)
  - Vigeo

Investors raised questions on a number of subjects including our climate change strategy and our approach to managing ethical issues in client work by WPP's public relations and public affairs companies. We are currently reviewing our client code of conduct and systems for managing ethical issues, see page 46.

WPP is included in the FTSE4Good Index. We were not included in the Dow Jones Sustainability Index (DJSI) this year primarily because we do not collect all the data required on employment practices and environmental performance. The index selects leading companies from each sector, and due to improvements by other companies in our sector the score required for inclusion is higher than in previous years.

### Industry organisations

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.

### Lobbying and political donations

In countries where it is consistent with applicable law, individuals working at WPP make personal voluntary political contributions directly to candidates for office, and 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 does not make political contributions from corporate resources with the occasional exception of very small, lawful contributions to local candidates in the US.

WPP has on rare occasions sought to influence public policy on its own behalf, operating through its own companies.

### Public policy work for clients

Several WPP companies have public affairs practices which lobby governments on behalf of clients, see page 46.

### Corporate governance

The Board of Directors as a whole is collectively accountable to the company'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, seeks 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.

### Business ethics

WPP's Code of Business 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 and are publicly available on our website, [www.wpp.com](http://www.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.

### Code of Conduct

WPP 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

We 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.

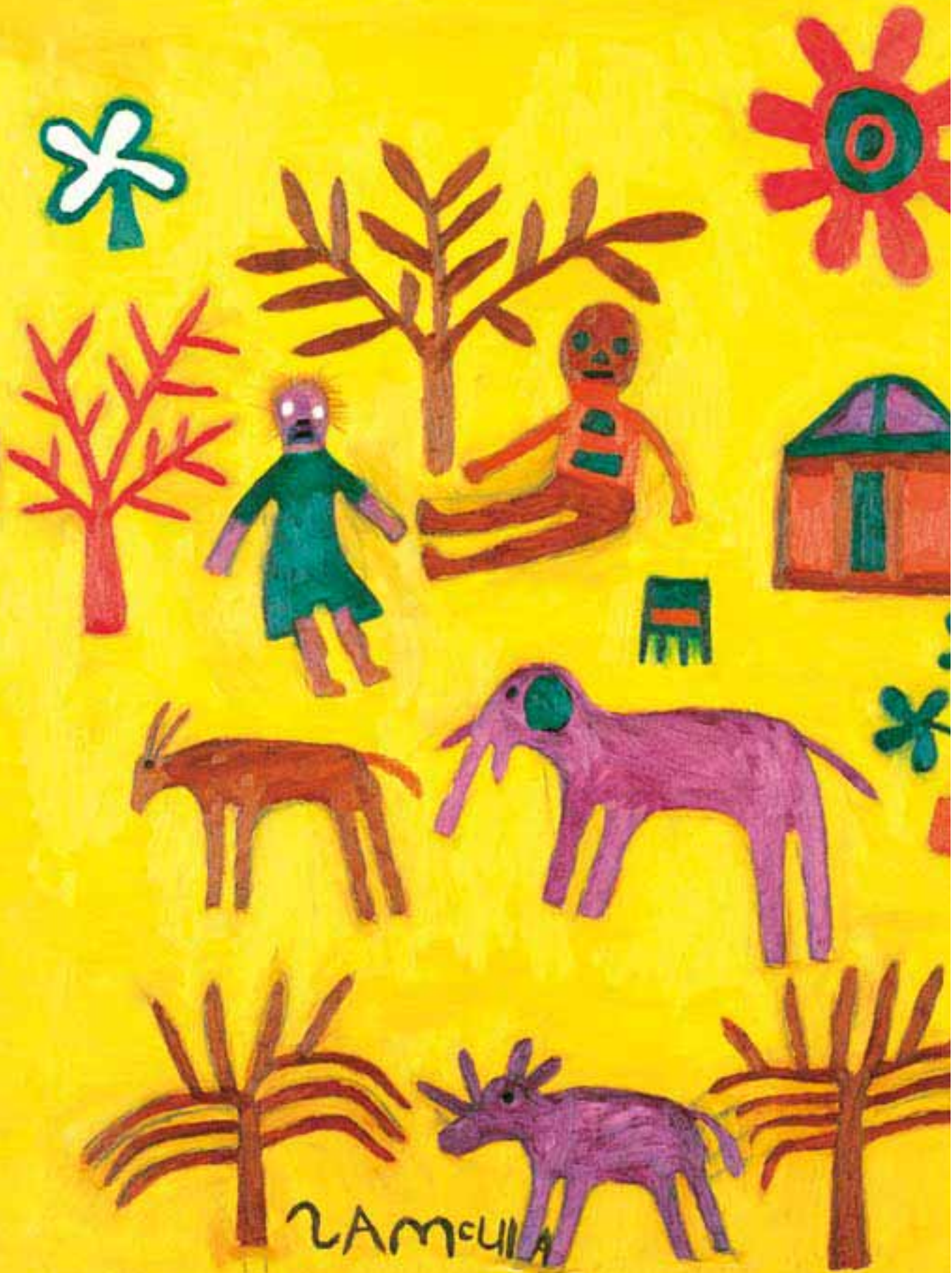
## Environment

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 on 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.



ZAMELIA

# The impact of our work



**M**arketing and advertising sell products, ideas, lifestyle choices, educate the public and help change behaviour. Marketing can play an important role in helping to address social and environmental challenges by promoting more sustainable products and services and encouraging consumers to adopt more sustainable lifestyles.

## How String Bags Can Save the World

By Jeremy Bullmore

Malcolm and Trinny never turn on their central heating until late November – and then only on a very low setting. Sometimes the setting is so low that the heating never comes on at all. They recycle everything – even the things they've recycled before. Small scraps of soap are boiled together to make re-usable bars. Old bits of string are kept in one drawer, old rubber bands in another. They've bought no new paperclips since 1982. They haven't flown anywhere for 12 years: their last treat together was a cycling holiday in the Lake District. They forbade their children from joining the school skiing trip, use low-powered, low-energy light bulbs in all rooms, disconnected the interior light in their fridge and have sold their petrol-powered lawn mower and bought a goat instead. They're saving up for solar panels.

Malcolm and Trinny happen to live in Britain but there are Malcolm and Trinny equivalents all over the developed world. They are model citizens. Unfortunately, however, they are not yet role models.

It may never have been thought cool to be an enthusiastic believer in conspicuous consumption; but sadly, so far, it's even less cool to be an enthusiastic practitioner of conspicuous frugality.

If many, many millions of people are to be persuaded to modify the ingrained behaviour of the last two hundred years – and urgently – the best of modern marketing will need to execute a 180° turn.

Marketing works best when it goes with the grain of human nature. It's no part of normal human nature to welcome restraint, discomfort and self-denial. We may grudgingly accept the scientific facts about climate change and energy exhaustion – but that, of itself, won't convert us to lives of abstinence. A sense of responsibility, however sincere, won't be enough. If we're to change, and change quickly, we'll need to be shown the alternatives; and the alternatives will need to have their own attractions.

You can threaten children with dire consequences if they don't clean their teeth. And it will help. But give them a toothbrush with a Chompy the Caterpillar handle and some multi-coloured toothpaste and you've begun to make tooth-cleaning more than just a resented necessity. You've begun to make it attractive. You've begun to go with the grain.

There are already encouraging signs that the venerable string bag is in for a grand renaissance. Since the plastic carrier bag became the ultimate symbol of environmental vandalism, guilt-ridden shoppers have been searching for alternatives. Some are capacious enough, some are light enough, some are bio-degradable enough, some are re-usable enough: but so far, only the string bag has emerged as all those things – and chic with it. Made from organic cotton, coming in jaunty colours, it expands to accept extraordinary quantities of shopping; then scrunches up into a tiny ball to fit pocket or handbag. String bag enthusiasts are already boasting about their string bags on the internet. String bags represent not deprivation but liberation. String bags go with the grain of human nature.

The string bag model must be the one that industrial societies follow from now on. Of course it will be important to continue to emphasise the inevitable and terminal consequences of reckless consumption and the essential need for change. Real concern, personal responsibility – even fear – will have important parts to play. Malcolm and Trinny will continue, nobly, to do more than their share. But human ingenuity (the very same ingenuity that landed us in this mess in the first place) has a new and urgent task: it must first invent, and then present, alternative sources of energy, alternative products, alternative ways of doing things that we willingly adopt not just because of their failure to pollute but also because of their ability to give us an alternative pleasure.

The scale of change that's needed, in the time that's still available, can be achieved only if it carries us cheerfully with it. It will be proper marketing's most important test.

*Jeremy Bullmore is a member of WPP's Advisory Board, following a career at JWT as head of the creative department and, from 1976 to 1987, Chairman. From 1981 to 1987, he was Chairman of the Advertising Association.*



**T**he social and environmental impact of our client work is one of the most important elements of corporate responsibility for WPP. We want our companies to be known as centres of excellence for environmental and social communication and to be capable of supporting clients by marketing products that offer environmental and social benefits.

In addition, WPP businesses work for governments producing campaigns to raise public awareness of issues such as climate change, the importance of health and wellbeing and the dangers associated with illegal drugs. This section includes:

- Campaigns that promote our clients' environmental or ethical credentials
- Social marketing
- Cause-related marketing

### CR in our client work

New products, for example those that reduce society's impact on climate change, require new marketing approaches to succeed. Our companies can help their clients meet this challenge through compelling and accurate marketing that communicates their credentials and makes sustainable products more desirable.

Concern about issues such as climate change and fair trade is fuelling consumer demand for greener and more ethical products. In addition, businesses are subject to increasing environmental regulation and scrutiny on their business practices from NGOs and the media.

Companies are responding to these trends by embedding ethical values in their brands and creating innovative products that have fewer environmental or social downsides.

In this section we profile examples of work with a social or ethical dimension. This is indicative of a trend emerging in many markets around the world.

Green and ethical claims in advertising are rightly subject to a high level of public scrutiny. See page 39 to 47 for information on our approach to marketing standards.

### Campaign: Plan A

Client: M&S

WPP company: Rainey Kelly Campbell Roalfe/Y&R, London

Plan A is UK retailer M&S's five-year, 100-point plan for tackling the company's biggest social, ethical and environmental challenges. It is a manifesto in the true sense: a public demonstration of principles and intent. It is hoped that it will lead customers to expect better standards from the whole industry.

Rainey Kelly Campbell Roalfe/Y&R (RKCR/Y&R) has been working to promote M&S's green and ethical credentials since 2006. Plan A is the latest phase of this work. It brings together M&S's many initiatives into one, striking campaign.

In developing the communications around Plan A, RKCR/Y&R adhered to the following principles:

- Let the consumer in on the argument for ethical behaviour.
- Take a leadership stance.
- Use advertising to raise awareness and build the brand, not to promote products.

The campaign, which includes press, in-store and online advertising, aims to enhance M&S's reputation for being a responsible business. It is targeted at opinion leaders including investors and the media, as well as consumers and other retailers.

The agency worked with M&S to identify key messages and robust examples in five areas: climate change, waste, sustainable raw materials, fair partnerships and health. A bold, graphic approach was used in order to demonstrate the seriousness of the plan in a simple and straightforward manner.



## Campaign: Environmentally-friendly taxi service

Client: Greentomatocars

WPP company: Wunderman, London

Greentomatocars is a London-based taxi service that uses the environmentally-friendly Toyota Prius, a car which emits less than half the CO<sub>2</sub> of a London black cab. It also plants over 1,000 trees a year to offset its CO<sub>2</sub> emissions.

Harrison Troughton Wunderman helped Greentomatocars to devise a way to advertise that didn't compromise its values by wasting paper. They created a campaign that was environmentally and financially efficient, reducing the wastage of door-drop leafleting and promoting the values of the greenest taxi firm around. The solution required just one leaflet per street. Once the first recipient notes the telephone number of the taxi firm, they pass on the ad to their neighbour, ticking their house off the list. This continues until the whole street has seen the leaflet.

Greentomatocars has experienced an 11% increase in their monthly bookings as a direct result of the campaign, and is now extending the campaign to a wider area.



Each street was sent just one leaflet.



Neighbours tick off their own address and pass it on.



## Campaign: Encouraging good hygiene

Client: Lifebuoy, a Unilever brand  
WPP company: Ogilvy, India

Developing markets such as India are an important source of growth for Unilever. The company is adopting unique marketing approaches to increase consumption of its products in these regions, positioning itself as an ethical brand that benefits wider society.

Unilever's Lifebuoy 'Swasthya Chetna' ('Health Awakening') campaign is one example. This educates people on the importance of health and hygiene in preventing diarrhoea and encourages them to adopt a simple hand-washing regime using soap. Swasthya Chetna is India's largest ever rural health and hygiene education program.

Diarrhoea is the world's leading preventable cause of death, killing 2.2 million people every year including 600,000 Indian children under the age of five. According to a study by the London School of Tropical Hygiene, washing hands with soap and water can reduce instances of diarrhoea by 47%.

Many potential Lifebuoy customers live in remote, rural areas which can be hard to reach through conventional media. Ogilvy worked with Lifebuoy to create a direct communication campaign specially

designed to raise awareness among India's largely rural and often illiterate population.

Lifebuoy health officers visited 43,000 Indian villages and schools over five years where they used product demonstrations, interactive visuals, competitions and drama workshops to spread the health and hygiene message.

The program is based on the simple insight that 'visible clean is not actual clean' which was brought alive through a special 'Glowgerm' UV demo. When held under ultra-violet lamps, glowgerm powder glows on hands washed only with water, symbolising germs on those hands, and does not glow on hands washed with soap.

The program has reached 110 million rural Indians since it began in 2002. Awareness of germs has increased by 30% and soap use has increased among 79% of parents and among 93% of children in the areas targeted. Soap consumption has increased by 15%.

The campaign received recognition for its innovation and effectiveness, winning Silver in the Rural Marketing Advertisers Association of India awards in 2006, and the grand prize at the Asian CSR awards 2007. It was also recognised by the Indian government who created a special edition postal cover dedicated to the campaign.



### Campaign: Carbon footprint calculator

Client: BP China  
WPP company: Ogilvy Advertising and OgilvyOne, Shanghai

China's economy is growing rapidly, causing a huge increase in energy use. This has led to a pollution problem in many Chinese cities and a steep rise in greenhouse gas emissions. As one of the country's largest energy providers, BP aims to be seen as an environmentally responsible company and supports efforts to reduce China's climate change impact. Encouraging environmental education among Chinese people is also a priority for BP.

The company has launched a carbon calculator on its website. This helps people understand how much CO<sub>2</sub> they produce and what they can do to reduce their individual carbon footprint. The website also offers energy-saving advice and shows how BP is reducing its own environmental impact.

Ogilvy Advertising and OgilvyOne developed a publicity campaign to raise awareness of the carbon calculator and BP's environmental credentials.

To date there have been over 500,000 visits to the website with 400,000 people clicking to calculate their carbon footprint. The campaign has also helped to improve perceptions of BP among key audiences in Beijing and Shanghai, with surveys showing the BP brand is seen as an 'Environmental Leader' when compared to other energy companies.





### Campaign: Promoting responsible fishing

Client: Findus

WPP company: Callegari-Berville Grey, France

Overfishing of our seas has meant that many fish stocks are dangerously low. Shoppers increasingly realise that many species are under threat and want to buy fish that comes from well-managed, sustainable sources.

Frozen food company Findus has committed to buying all of its fish from sustainable sources by 2010. Callegari-Berville Grey created an ad campaign to raise awareness of the problem of overfishing and to show how Findus aims to be part of the solution. Consumers were asked to ‘imagine a future without fish’, and shown a world where fishermen will have to catch cows, pigs and chickens to survive.



# The impact of our work

CR in our client work

## Campaign: Renewably-sourced raw materials

Client: DuPont

WPP company: Ogilvy & Mather, New York

Many of the products manufactured in the chemicals industry are made using petrol as a raw material. This process is energy intensive and contributes to climate change. Petrol is also a non-renewable resource, and production is in decline in many parts of the world.

Science company DuPont has developed a process which uses biotechnology to make chemicals from crops rather than petrol. This will avoid the use of hundreds of millions of gallons of petrol each year and will reduce energy use and greenhouse gas emissions. For example, the production of DuPont's Bio-PDO material uses around 40% less energy than its petrol-based equivalent.

DuPont product ingredients are used in a huge variety of products, from carpets to car parts, which means the crop-based product range will help other industries to reduce the environmental impact of what they make.

Ogilvy developed a brand identity (*DuPont Renewably Sourced Materials*), marketing materials and a website to promote a range of DuPont products that contain a minimum of 20% crop-based materials. The website includes information on DuPont's vision for renewable materials as well as providing detailed information on the environmental impacts of each product.

The campaign significantly raised the profile of the product range among employees and the intranet site received more than 14,000 hits in the week following the marketing launch. There was also a positive response from key customers in priority industries.



## Campaign: Lead-free technology

Client: Intel

WPP company: Burson-Marsteller, US

Burson-Marsteller's US Technology Practice created *Sunflower*, an innovative marketing campaign to launch Intel's first lead-free microprocessors. Lead is poisonous and can damage the environment if not disposed of correctly.

The agency chose sunflowers in the campaign as the plants absorb lead from soil. During the launch day, 9,000 sunflowers were handed to commuters in US cities. A tag was attached to each flower introducing the lead-free microprocessors and directing people to Intel's website for more information.

Burson-Marsteller also created a virtual sunflower field on Intel's website where users were invited to plant a seed. Intel donated \$1 to the Boys & Girls Club of America for every virtual seed planted, raising \$45,000 for the charity in just five weeks. The agency also posted a video of the *Sunflower* handout on YouTube, which was viewed by over 1,000 people, developed viral messages and sent out Intel-branded sunflower seed packets to media contacts.

The *Sunflower* campaign successfully communicated the environmental benefits of Intel's new microprocessor which were mentioned in more than 80% of media coverage.





### Campaign: Promoting environmental responsibility

Client: Siemens

WPP company: Ogilvy, Frankfurt and Ogilvy, New York

Many people are familiar with Siemens products but are less aware of how the technology company is helping to tackle some of the world's toughest challenges.

Ogilvy Frankfurt and Ogilvy New York created the *Answers* campaign which asks challenging questions and shows the part that Siemens plays in finding answers.

One ad asks, "How can you power a planet hungry for electricity without damaging it?" The accompanying visual of an offshore wind farm holds a simple answer: efficient energy supply. People are then prompted to visit [www.siemens.com/answers](http://www.siemens.com/answers) where they can find out more about the company's environmental products, such as components for wind turbines.

Launched originally in Germany and the US, the campaign was expanded to more than two dozen markets around the world. The campaign includes print, outdoor, TV, radio and web.

### Campaign: Resources for the future

Client: Petrom

WPP company: Ogilvy Group Romania

Ogilvy Group Romania has been working with Petrom, the largest oil and gas producer in south-eastern Europe, on a communications strategy to educate people on the importance of using resources responsibly.

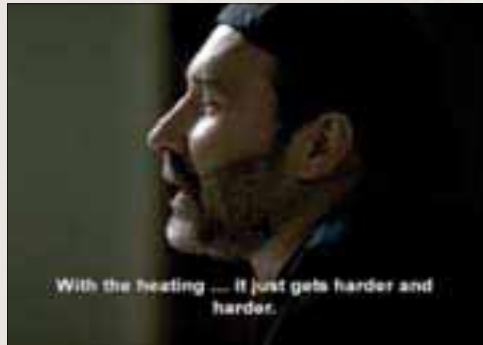
The central message of the campaign is that future generations will be affected if we don't stop wasting limited resources. Each of us can make a difference by taking responsibility and reducing consumption now.

The TV ad emphasises a potentially bleak future for children caused by a lack of responsibility towards using precious resources. It shows a soon-to-be father, very nonchalant about the amount he consumes, with an inlaid story of an older man, explaining the difficulties of living without basic resources. At the end, it becomes clear that the older man is in fact the son of the younger one, living in a not so distant future when basic resources are scarce.

The ad was very successful, recently winning Silver in the TV CSR category of the International Advertising Association Responsibility Award, during the IAA Congress in Washington.

# The impact of our work

CR in our client work



## Work by our research companies

Our research companies increasingly undertake research into consumer attitudes to social and environmental issues. An example is featured right.

### Case study: Ethical issues move up the consumer agenda

Europeans are taking an active interest in ethical issues according to research from WPP's brand consultancy, Added Value.

Added Value interviewed 2,000 consumers across three major European markets – the UK, France and Germany – about their ethical values and consumer choices.

Over half of the interviewees stated that they were interested in ethical issues and 21% said they are a real priority. Germans are most engaged with ethical issues with 25% rating them as a real priority, compared to 22% of French and just 15% of Britons. However, 77% of Britons are taking steps to become more responsible consumers, mainly due to concerns about the environment.

The research showed that companies need to think carefully about their impact on the environment. Respondents in all countries listed their top ethical priorities for brands as pollution and use of resources, packaging and recycling and impacts on climate change.

Other issues that were previously seen as important are beginning to drop off the radar. Ten years ago, animal testing was a key issue for British consumers, but it was mentioned by only 55% of Britons in the Added Value survey. Sixty three percent of French and 60% of Germans rated it as important.

Company support for charities was viewed as even less important, named by just 45% of Germans, 44% of Britons and 55% of French. This suggests that consumers want companies to improve their own environmental and ethical credentials rather than just donating to charity.

The message for those in the marketing industry couldn't be clearer. Brands must incorporate the ethical agenda into their marketing strategy.

[m.ridgley@added-value.com](mailto:m.ridgley@added-value.com)



### Social marketing

WPP companies undertake work for clients (frequently government agencies) where the objective is to advance a social or environmental cause. These campaigns typically provide public health information, raise awareness of environmental issues or address public safety.

Several of our companies specialise in this area, including Ogilvy Outreach, Ogilvy PR's social marketing practice and Thompson Social.

In this section we profile examples of social marketing work.

### Campaign: Influenza vaccination promotion

Client: Influenza Specialist Group

WPP company: Burson-Marsteller, Australia

It is estimated that each year around 10% of Australians get the flu and, as a consequence, 18,000 people are admitted to hospital with illnesses such as bronchitis and pneumonia. People over 65, pregnant women, young children, healthcare workers and people with chronic conditions such as asthma, diabetes and heart disease are most at risk. Flu can be debilitating and even fatal to the sufferer and expensive for the healthcare system.

The Influenza Specialist Group (ISG) has been raising awareness about flu and the benefits of vaccination since 1992. They have helped encourage almost 80% of over 65s to have a flu jab every year. Now they are focusing on healthcare workers and other high-risk groups.

In 2007 Burson-Marsteller Australia provided PR support to help ISG implement its seasonal influenza awareness launch and take its message to a wider audience. The campaign used opinion leaders, such as GPs, pharmacists, nurses and patients as spokespeople to raise awareness in local communities.

A launch event and press release generated significant media interest, resulting in 619 articles. GPs reported that 42% of at-risk under 65s were vaccinated by April 2007, a figure which is not usually reached until the influenza season arrives in July.

### Campaign: Media launch of the Africa Progress Panel

Client: Africa Progress Panel

WPP company: Hill & Knowlton, London and Berlin

Africa is still blighted by poverty and disease despite the economic and political potential of the continent. The Africa Progress Panel (APP) aims to focus world leaders' attention on alleviating poverty in Africa and achieving the UN's Millennium Development Goals. Panel members include Kofi Annan, Tony Blair, Bob Geldof and Michel Camdessus (former head of the IMF).

Hill & Knowlton provided PR support to the APP's April 2007 press launch in Berlin. This included organising private meetings and public statements from Kofi Annan, German Chancellor Merkel and Tony Blair. H&K secured high-profile interviews with Sky News, CNN, *The Financial Times* and *Der Spiegel*, and also produced the Panel's first public communiqué.

The launch of the APP generated over 200 positive stories worldwide, including the front page of *The Guardian* the next day. The APP is on its way to establishing itself as an independent and credible organisation. They have been inundated with offers of support and requests for speeches. H&K is continuing its work with the APP, helping them plan the next phase of activity.



## Campaign: Heart and stroke risk factors – self-intervention

Client: Heart and Stroke Foundation  
WPP company: Ogilvy, Toronto

In Canada, 32% of male and 34% of female deaths are due to cardiovascular diseases including heart diseases and stroke. The Heart and Stroke Foundation works towards eliminating heart disease and stroke through research and the promotion of healthy living.

Ogilvy Toronto was asked to design a media campaign which would help to shatter the myths and complacency surrounding stroke and heart disease, and encourage people to adopt healthier behaviour.

The ‘Self-intervention’ TV campaign, which ran from March-June 2007, encouraged audiences to visit the website: [www.heartandstroke.com](http://www.heartandstroke.com), where they were able to complete a heart and stroke risk assessment, learn about the diseases and receive email coaching to help them improve their lifestyle.

Audience responses to the campaign were extremely positive, with website hits more than doubling compared to the prior campaign and survey completion rates showing impressive increases.

## Campaign: Floodline early warning system

Client: The Environment Agency  
WPP company: Headcount Worldwide Field Marketing, UK

Five million people in the UK are at risk of flooding. It is estimated that a house flood is 30 times more costly than a burglary.

Headcount, WPP’s field marketing agency, has been helping The Environment Agency to promote Floodline, an early warning system set up to reduce flood damage. The technology warns at-risk people via text message, fax, pager, telephone or email, enabling them to prepare their homes and evacuate when necessary. The Environment Agency has invested £1,100 million since 2000 in flood defences and public awareness. Despite this, only 30% of homes who can sign up to receive warning have done so.

Headcount Worldwide organised a face-to-face marketing, ‘door-knocking’ campaign in late 2006 to spread awareness and encourage residents to sign up for the free Flood Alert Scheme. A specially-trained team visited 1,880 high-risk properties across the Manchester and Liverpool area, to inform people about the Flood Alert Scheme, distribute info packs and encourage them to sign up.

Around 34% of the residents spoken to signed up on the spot, and a further 50% expressed an intention to sign up.

*“The door-knocking exercise has been very successful for raising awareness of flood issues and getting people to sign up for flood warnings,”* reported Claire James, Flood Incident Management Officer of the Environment Agency.

## Campaign: Drive to discourage prostitution

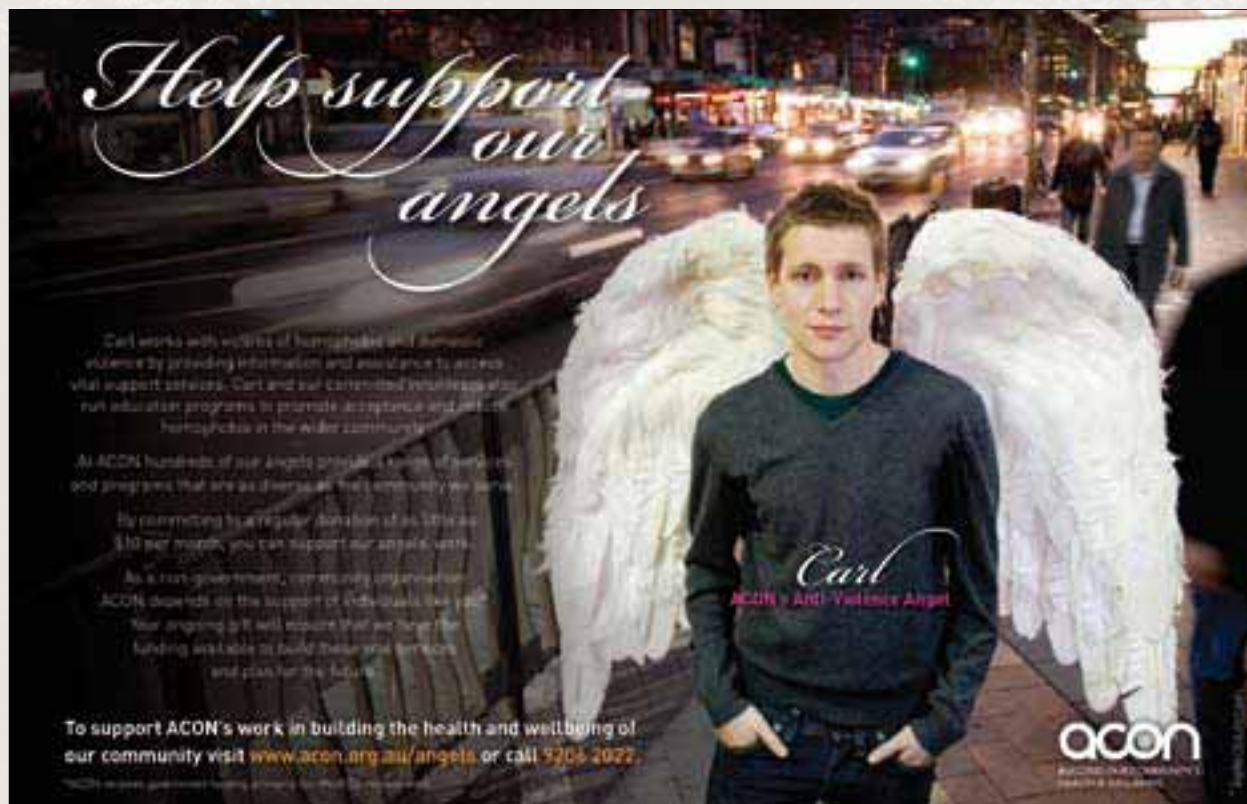
Client: Madrid City Council  
WPP company: Grey, Spain

Madrid City Council is trying to eliminate prostitution from the centre of the Spanish capital.

Most prostitutes in Madrid are illegal immigrants and many have been coerced into the industry.

Grey developed a campaign for the council targeting potential sex industry clients. Posters, pamphlets and postcards with the strapline 'Because you pay, prostitution exists' were displayed in public buildings and the Madrid subway system to get the message across.





**Campaign: HIV/AIDS fundraising**

Client: ACON Aids Council  
WPP company: Fibre Ogilvy, Australia

ACON promotes the health and wellbeing of the gay, lesbian, bisexual and transgender community.

It provides HIV/AIDS-related services including counselling, housing and transport which are funded through donations. ACON volunteers run anti-violence and drug education initiatives and provide assistance to victims of homophobic violence.

Fibre Ogilvy created a fundraising and awareness campaign to support the 'angels' who volunteer at ACON. Though the campaign is still in its initial stages, there has already been a 30% increase in long-term monthly donations.



## Campaign: Bird flu prevention

Client: UNICEF

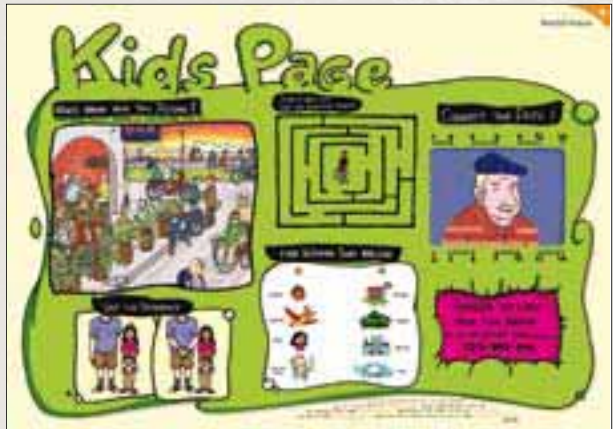
WPP company: OgilvyOne, Indonesia

The United Nations Children's agency UNICEF launched a campaign in Indonesia to raise awareness about avian flu. More than 30 million households in the country own chickens, which are an important part of their livelihoods. This makes eradicating the disease a huge challenge and there have been 105 deaths from the virus in Indonesia since 2006, more than any other country.

OgilvyOne developed a creative communication strategy for the campaign to educate people about the easy steps that can prevent avian flu such as hand-washing and separating new and sick birds from the flock. The message was simple: "It's in your hands".

As well as public service announcements, television features, billboard ads and leaflets, a range of community events were used to spread the message. For example, 2,000 village leaders were educated about the dangers of bird flu at a workshop in Makassar, the capital of South Sulawesi. The leaders are now equipped to pass on this critical information to their communities. UNICEF is supplying 50,000 schools with specially developed educational kits using characters from a popular TV series.

The campaign generated 769 media items which reached an audience of over 120 million – half of Indonesia's total population.



## Campaign: Targeting child sex tourism

Client: World Vision

WPP company: Bates 141, Asia

In Cambodia, approximately 77% of the population live on less than US\$2 a day and around 30,000 children are engaged in the child sex tourism trade. World Vision is a charity working to reduce poverty and help protect at-risk children.

Bates 141 developed a campaign for World Vision to deter potential sex offenders and encourage other tourists to report suspicious behaviour to a dedicated hotline. The campaign targeted both Western tourists and visitors from Korea, Japan and China through ads displayed in in-flight magazines, hotels, tourist publications and at popular tourist destinations.



### Cause-related marketing

Cause-related marketing (CRM) enables companies to achieve business objectives and address social issues. In a typical CRM campaign the company will donate a percentage of its profits to its partner charity for each product sold.

Linking a product to a cause can increase sales for the company and enhance customer loyalty. The charity benefits through vital funds and awareness for their cause. Consumers have the opportunity to buy something they want and benefit a good cause at the same time.

To be successful, CRM must be based on a brand-charity partnership that is meaningful and appropriate. WPP companies help their clients to achieve this.

### Campaign: RAZR<sup>2</sup> Wish Campaign

Client: Motorola

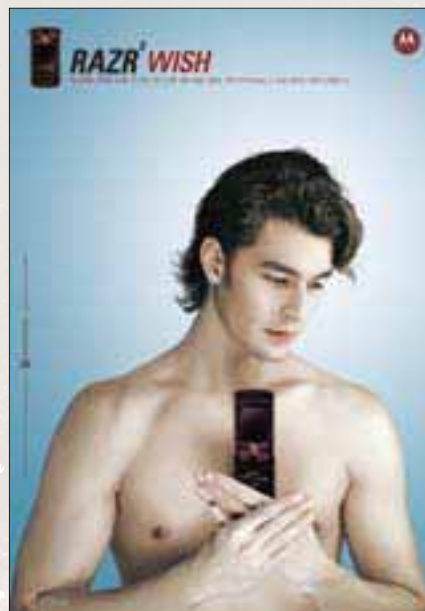
WPP company: Ogilvy & Mather, Korea

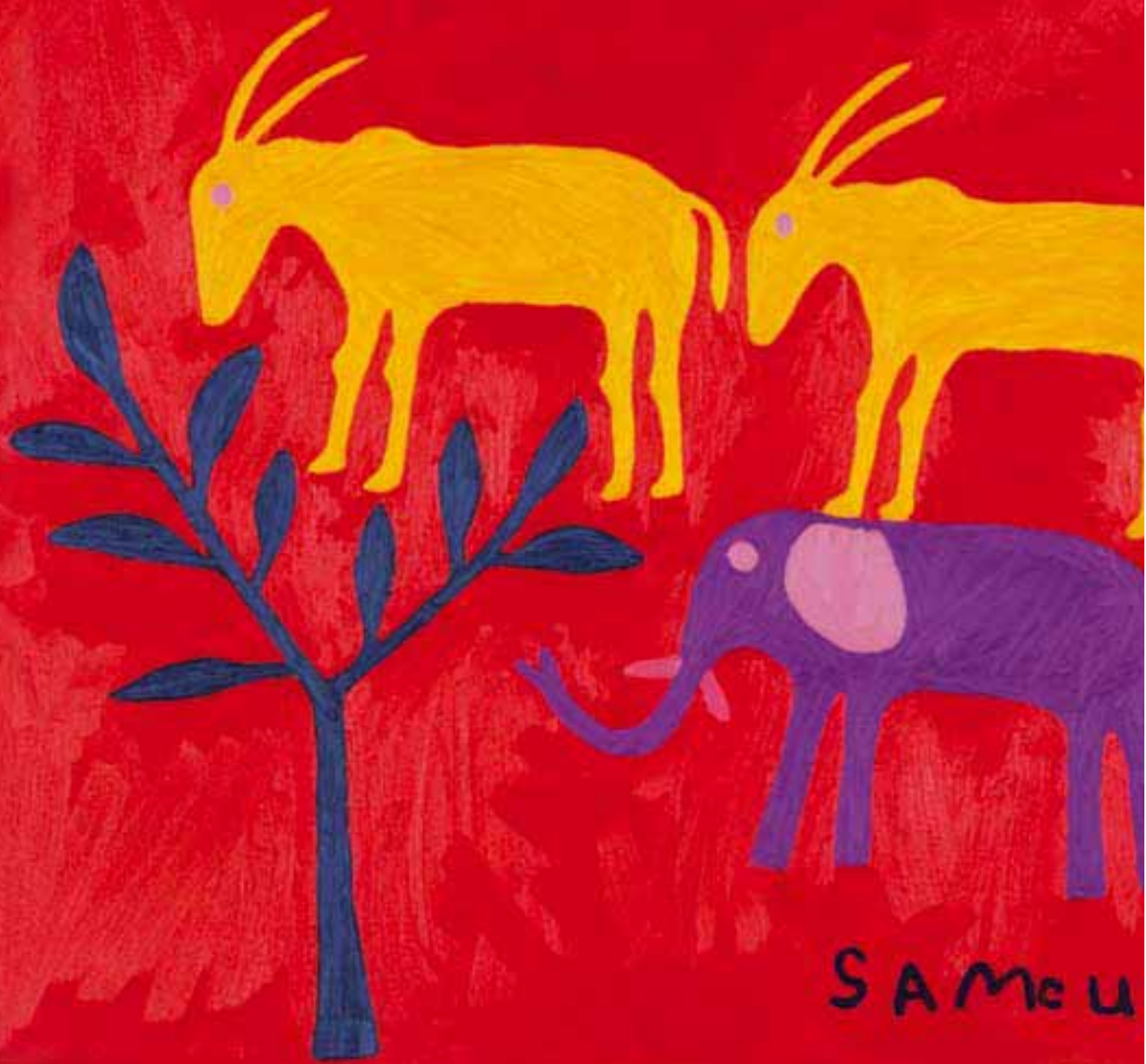
In 2007 Ogilvy Korea created a cause-related marketing campaign to help Motorola promote its RAZR<sup>2</sup> handset and raise funds for the Make-A-Wish Foundation.

Motorola donated \$5 for each of the first 50,000 handsets sold to the Make-A-Wish Korea Foundation, which helps children with terminal diseases realise their wishes. The special handsets came with a battery cover engraved with the “WISH COME TRUE” slogan.

The campaign was targeted at Motorola’s young customer base and featured situations in which Motorola customers do good deeds. It was rolled out on the internet, posters and television with the strapline “Do something cool, do something good.”

Fifty thousand phones were sold during the campaign between December 1, 2007 and January 31, 2008. A total of \$250,000 was donated to the Make-A-Wish Korea Foundation.






SAMU



# Marketing standards



Marketing has the power to influence attitudes and behaviour. This influence should be used responsibly.

We expect our companies to apply high ethical standards in all their work for clients and particularly when marketing sensitive products such as alcohol or tobacco, or when creating advertising directed at children.

### Extracts from WPP's Code of Conduct and CR Policy

☛ 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, 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 ☛

Our policies are set out in full on pages 14 and 15.

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 is becoming an increasingly important issue for our digital and research companies as more consumer information is collected online and stored electronically.

Marketing that misleads or breaches customer privacy can undermine trust in our clients' brands and the professional reputation of our operating companies.

Not all the products we promote are considered beneficial, tobacco being one example. While 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.

### Involvement in industry groups

Advertising standards and regulations vary significantly by country. As do attitudes to humour, sexuality, nudity, religion, alcohol and many other topics.

Industry organisations play an important role in updating national marketing standards, disseminating marketing best practices and developing guidance on subjects such as advertising to children and marketing of food and pharmaceutical products.

Senior people from many of our operating companies play an active role in these organisations. Examples include:

- Jan Van Aken, CEO, Ogilvy Brussels is President of the Association of Belgium Communication Agencies
- Melissa Baker, Africa Director Social and Public Research, RI East Africa, is Treasurer of the Market and Social Research Association of Kenya
- Becky Chidester, President, Wunderman New York is a Member of the Advisory Board for Women in Communications
- Matt de Gruchy, Managing Director, OgilvyHealth PR, UK is a member of the Standards Committee of the Health Communications Agency (HCA)
- Julie Halpin, CEO, The Geppetto Group is a board member of the Children's Advertising Review Unit (CARU)
- David Moore, CEO, 24/7 Real Media is a board member of the Advertising Education Foundation

## Performance in 2007

We expect all advertising and marketing produced by WPP companies to comply with the law and applicable marketing regulations. However, a very small number of campaigns do give rise to complaint.

The table below shows the infringements identified in public reports by regulatory authorities in Brazil, India, New Zealand, the Philippines, South Africa and the UK. In future, we aim to obtain this information directly from WPP businesses through our financial reporting system.

## Complaints upheld by global advertising regulatory organisations 2007

WPP company	Country	Regulatory organisations	Type	Ruling
Cohn & Wolfe	UK	ASA	Print	Toothpaste advert breached rules forbidding endorsement of products by healthcare professionals
Grey	India	The Advertising Standards Council of India	Broadcast	Advert was judged to include a motorbike rider driving dangerously without justifiable reason
JWT	India	The Advertising Standards Council of India	n/a	Advert included a dangerous act which could be copied by inexperienced motorcycle riders
JWT	India	The Advertising Standards Council of India	n/a	Advert showed a dangerous act which could be copied by young people
JWT	South Africa	ASA	Print	Advert showed vehicle parked on the pavement which could promote bad driving
JWT	UK	ASA	Broadcast and print	A mascara advert was judged to be misleading as it featured a model wearing false eyelashes
JWT	UK	ASA	Broadcast	Advert implied that a product contains extra protein and fibre when it actually contained less than the original product
JWT	UK	ASA	Broadcast	TV adverts judged to include offensive and stereotypical portrayals of Caribbean people
Ogilvy & Mather	Brazil	CONAR Ethics Council Chamber	Broadcast	Advert implied intolerance towards another race which could be viewed as offensive
Ogilvy & Mather	India	The Advertising Standards Council of India	Broadcast	Advert was judged to be inappropriate for viewing by children
Ogilvy & Mather	Philippines	ADBOARD	Point of sale materials	Banned slogan used on point of sale materials
Ogilvy & Mather	Philippines	ADBOARD	Billboard	Billboard showed partial frontal nudity
Ogilvy & Mather	UK	ASA	Broadcast	Advert misleadingly implied that a product was linked to a particular film, which could make it more attractive to some viewers
Rainey Kelly Campbell Roafe/Y&R	UK	ASA	Broadcast/print	Advert implied that the product was cheaper than a direct competitor when this was not the case
Sudler & Hennessey	New Zealand	The New Zealand Advertising Standards Authority	Print	A medical claim that a product gives total control of asthma was judged to be misleading
Y&R	New Zealand	Advertising Standards Complaints Board (NZ)	Broadcast	A food advert was judged to breach the Advertising Standards Complaints Board's Code of Ethics

ASA = Advertising Standards Authority

### Privacy

Today, more people than ever are using the internet to shop, chat and network. Personal data obtained online is collated and used to target digital advertising. This means consumers receive more relevant advertising and advertisers are rewarded with higher response rates.

Collection and use of personal data has become a controversial issue (see the essay on pages 44 and 45). Consumer trust is essential to WPP's business and that of our clients. We need to ensure that personal data is handled by all our agencies in a manner that is acceptable to consumers and respects their privacy.

Privacy is particularly relevant for our digital agencies and our market research and direct marketing companies which collect data on consumers to study lifestyles and purchasing habits and to target direct marketing campaigns.

During 2007 WPP set up a working group to review the significance of privacy for our companies and to identify any potential risks or opportunities in our current approach.

The Group is undertaking a fact-finding exercise to assess current privacy practices at WPP digital companies. As a first step, a privacy questionnaire has been completed by 14 companies. This has highlighted a number of differences between the approaches taken by our agencies and helped us identify areas for improvement.

In the longer term the Group aims to develop a proactive, coordinated data and privacy strategy for WPP, including a monitoring solution.

We are developing a Group privacy policy that will help us maintain consumer trust by applying two principles:

- 1 Transparency – being clear and open about which data is collected, how it is stored and how it is used.
- 2 Consumer control – giving consumers choice about how their data is collected and used.

### Data protection

WPP companies are required to 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.

Although these guidelines differ in detail they share common principles:

- Data must be obtained by lawful and fair means with the knowledge and choice of the data subject.
- Data should be accurate, complete and up to date and only used for the purposes specified at the time of collection.
- Individuals should be able to access personal information held about them.

### Case study: Privacy and data protection at Safecount

Safecount is a WPP online research agency, headquartered in the US and operating in Asia, Europe and North America. As well as reaching high standards of data protection it has made online privacy and consumer education a distinguishing feature of its products and services.

Safecount works with market research companies, advertisers, online publishers and media companies to assess the effectiveness of online advertising. Its services include hosting online surveys, recruiting survey participants and analysing the results.

Research suggests that consumers are more likely to participate in online surveys if they know how the information they provide will be used and are confident that their privacy will be respected. This makes privacy a key business issue for Safecount.

The agency has created a number of tools to provide greater transparency and give consumers more control. In particular by providing information on cookies and by helping to protect consumers from receiving too many survey invitations.

(A cookie is a small text file that is sent to a user's computer when they visit a website or view an online ad. Cookies, for example, can be used to store information that's recalled on subsequent visits to a site. Cookies play a key role in online advertising by enabling advertisers to track the number of people viewing their ads. They also enable researchers to differentiate between users who have seen a specific online ad from those who have not. The views of the two groups can then be compared to assess the effectiveness of the ads.)

Privacy tools developed by Safecount include:

- **www.safecount.net** which provides information for consumers on how cookies work, when and why they are used and the kind of information that is collected via cookies.
  - The Safecount cookie-viewer tool. This enables users to find out how many times they have seen a Safecount-tracked ad and what information the relevant cookies contain. The agency raises awareness of the tool through its own marketing and involvement with industry organisations and regulatory bodies.
  - Opt-out function. Consumers can choose not to be invited to participate in Safecount market research surveys and not to be tracked by Safecount cookies.
  - A free telephone helpline for consumers to learn more about privacy issues and register questions, comments or complaints.
  - *Veranda*, a new tool that will improve coordination between different market research companies. *Veranda* will help prevent consumers being invited to participate in surveys by multiple agencies.
- Safecount has a senior privacy officer who is responsible for ensuring that privacy is taken into account in all business development decisions and during the creation of new products and services. The agency's privacy credentials are used as a key component of new business pitches and regularly updated data protection training is provided for employees.

Safecount also encourages high privacy standards across the industry through its engagement with industry organisations and government initiatives. For example, the agency is a member of the Network Advertising Initiative, which has developed voluntary principles for online companies.

## Digital marketing: The battle for consumer data

By George Pappachen, Safecount  
and Nick Nyhan, Dynamic Logic

What do Facebook and the Prime Minister of the UK Gordon Brown have in common? They have both been called out and publicly embarrassed for something that until a few years ago was almost unknown: data protection and consumer privacy.

And why is privacy such a hot topic right now? Because the internet (and digital media) is exploding and teeming with opportunity for those positioned to leverage its unique capabilities for data collection and use.

It's one reason that the biggest acquisition in online marketing (Google/DoubleClick) was held up for regulatory scrutiny. There is more consumer data being collected now than ever before and, not surprisingly, people want to know how companies are trying to use the accumulated information.

As users travel through the digital ecosystem, little footprints – often innocuous and harmless – are stamped into the soil of computer server files and databases. Most of it is used for basic counting (pages viewed, unique visitors, ads served). But imagine if all the billions of footprints could be stored and analyzed at a high level. Multiple sets of footprints from different places and different times could be grouped together. Potentially these data sets can be tied to specific people or groups of people, along with their purchase history, demographic details, likes and dislikes, who their friends are and what their current location is. Perhaps even information on their genetic code could be added to the profile.

This may be a somewhat scary proposition but it is the future. As Google's CEO Eric Schmidt quite simply puts it: "The goal is to enable Google users to ask questions such as 'What shall I do tomorrow?' and 'What job shall I take?'"<sup>1</sup>

Personalised searches like these could be incredibly useful if Google can deliver the right answers – or at any rate answers that individuals find interesting. In order to do that, Google would need to hold a lot of highly personal data. In case you regard this as far-fetched, consider that Google already has

an estimated 450,000 servers to store data, and has even invested in a human genetics company, 23andMe.

The 'digital age' is also a 'database age' with online marketing companies working feverishly to connect the various data dots on consumers in the hopes of improving marketing tactics. This is neither a new pursuit nor exclusive to the internet marketing world. For years, data-driven marketing firms like cataloguers, credit card companies, and direct mail houses have been doing the same thing with subscription, shopping, and credit card data sets. The difference with digital marketing is the increased granularity and the visibility it gives to consumers and consumer advocates.

Facebook embodies many of the major themes of the booming internet advertising marketplace. **Size:** in just a few years, Facebook has built a sizeable audience (nearly 60 million regular users generating billions of daily impressions). **Influence:** it received nearly \$250 million in 'strategic' money from Microsoft. **Power:** it has become the social gateway for an entire generation of young people.

To capitalize on this, Facebook introduced 'Social Ads' and the 'Beacon' advertising program in late 2007. Under Beacon, when a Facebook member is active (eg makes a purchase) on a Beacon sponsor's site an alert or notification of the activity is sent to the member's network of friends. So if you rent a movie, your friends will know which one.

Social Ads are brand ads shown to Facebook members whose friends interact with a brand's Facebook profile page. The idea being that news of a friend's interaction with a brand makes for a more persuasive pitch.

Consumer advocates immediately complained that this program violated established privacy rules on several fronts including its activation without express opt-in and its failure to provide a simple, straightforward opt-out mechanism. Coca-Cola, Overstock.com, and Travelocity – to name just a few brands – either withdrew from the program or bailed out after initial trials.

To its credit, even after a big launch, Facebook reversed course and pulled back on the program in response to user concerns. Facebook CEO, Mark Zuckerberg, made a rare public *mea culpa* to explain and apologise to its members and the public.

<sup>1</sup> *The Independent*, 24 May 2007: <http://www.independent.co.uk/news/science/google-is-watching-you-450084.html>

These services are now operated on an opt-in basis. On the internet, the next competitor is just a click away, and CEOs know that concerns over privacy can easily provoke an exodus of digital consumers.

The opposing points of view are stark: where advertisers see precision, personalisation, customisation and accountability, consumers see chilling data collection, identity theft, spyware, and loss of control.

Marketers do *not* want a digital arms race with consumers over data collection – where each side enlists more powerful technology to block or circumvent the systems the other side has built up! This scenario would not be in the interests of either party.

Instead, the marketing services sector needs to recognise it has a duty to protect the interests of consumers in the growing digital ecosystem by embracing transparency and promoting greater user-controls. Simply posting a privacy policy on your web site is not nearly enough to meet the challenges and provide consumers with the assurances they are demanding.

In the same way that they have accepted they must look after the natural ecosystem, companies need to protect the digital ecosystem, long-term.

Implications for marketers:

■ **Admit you are in the data collection business:** It doesn't matter what you sell. Consumer control, privacy, and data collection/security should be considerations for *all* brands – not just for 'internet' companies. If you want to dialogue with consumers online, then you will engage in data collection and use. You need to know how it's being done and realise that your name is attached to various data collection and data-sharing schemes of third parties working for you or for agencies contracted to you. Get to know them and establish good practices and responsible partners you want to work with long term.

■ **Trust is sexy:** Brand attributes like 'innovative', 'modern', 'for people like me', 'stable', 'dependable', 'fashionable' and 'good value' are still important for many brands – but another attribute that is increasingly important is 'trustworthy'. Trust is the cornerstone to establishing a digital dialogue with consumers and it needs to be implicitly or explicitly promoted for brand building in a digital age. After all – if everyone is asking for your data – who will you give it to?

■ **Educate consumers – sell the concept:** Advertising enables a free internet and, if it is a part of the deal, most surveys find consumers prefer it to be relevant. Information collection is at the heart of delivering advertising that is relevant or customised to an individual consumer's profile. A free internet is part of the argument for consumers agreeing to share some data. Isn't an ad-supported model better than paying for every website?

■ **Make notice and consent real and don't leave it in fine print:** Brands should see online as a core part of their consumer relationships. Respecting consumer wishes online helps grow trust. When consumer data is collected, clear notice should be provided.

■ **Consumer control:** Most regulatory regimes recognise that consumers have a right to dictate terms on how certain types of data are handled – especially personal or sensitive information. Giving consumers control by having them opt in to personal data collection may suggest a depressed rate of return. In reality it could have the opposite effect. Allowing consumers to control how they engage with data collection, based on their comfort level, is a formula for positive long-term returns. Brands should encourage their online partners to implement consumer-friendly practices. There is a lot to gain by building trust in the internet.

■ **Avoiding downstream ignorance:** It may seem attractive to hand over digital marketing to a chain of service providers but this can put your brand in compromising positions. Don't hide behind ignorance about downstream tactics. Brands should contractually require online partners to abide by good consumer-friendly data handling practices. Both regulators and consumers will hold the brand owner accountable for any privacy failures.

Privacy will be increasingly prominent in the digital marketing and advertising space for the next several years. Consider this – we may soon arrive at a point when consumers can decide, based on a given technical feature, *which* brands they will allow into their digital device (phone, computer, game console, TV). The question is – will your brand be the one allowed in or kept out? If you could buy a device like this – wouldn't you?

### Public affairs

A number of WPP's companies undertake public policy work on behalf of clients. This is done through direct lobbying of public officials or through influencing public opinion.

Our companies use media relations and facilitate coalitions of individuals and organisations with shared views. This activity is primarily, but not exclusively, in the US. Some similar work is done in Canada, the UK and in the EU and occasionally elsewhere. Among the WPP companies engaged in public affairs work are:

■ 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 & Company

■ Quinn Gillespie & Associates

■ Dewey Square Group

■ Public Strategies

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.

### Ethical issues in client work

Sometimes the nature of the clients approaching WPP or the type of work we are asked to undertake on their behalf can give rise to ethical issues. To raise awareness of this risk, the following clauses have been added to WPP's Code of Business Conduct.

■ *We will consider the potential for any new client or new commission from an existing client to have a negative impact on the reputation of WPP or the long-term interests of our share owners.*

■ *We will not undertake work designed to mislead in any regard.*

Risk areas include, but are not restricted to sensitive or controversial products and work in countries subject to sanctions or where government advises against doing business there.

We recognise that some decisions in this area require judgement. Therefore, in cases where there is a potential risk to WPP's reputation we will elevate the decision first 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.

We are developing appropriate training for our employees.



### Case study: Achieving high standards in pharmaceutical marketing at CommonHealth

Marketing of pharmaceutical products is a potentially sensitive area and one that is highly regulated. It is important that all marketing reaches high ethical standards and puts the interests of patients first.

WPP company CommonHealth specialises in healthcare communications, including marketing pharmaceutical products to healthcare professionals through journal and online advertising and materials used by sales representatives when visiting doctors. CommonHealth creates TV, radio, and print advertising, and develops websites that promote pharmaceutical products directly to consumers. This marketing can play a useful role in providing up-to-date information on new medicines to doctors and patients.

CommonHealth is committed to achieving high ethical standards and compliance with all relevant regulations. This means ensuring that all its work for clients is based on the following principles:

- Sound science – all claims made must be supported by valid scientific data.
- Fair balance – marketing must include information on product risks, as well as benefits.

Employees are expected to understand and comply with regulatory requirements, industry codes of practice, and style guidelines for pharmaceutical marketing established by the Food and Drug Administration's Division of Drug Marketing, Advertising and Communications (DDMAC) and by standards and industry organisations such as the Accreditation Council for Continuing Medical Education (ACCME), the Pharmaceutical Research and Manufacturers of America (PhRMA), PhRMA DTC, and the American Medical Association.

Employees complete online training each year explaining the WPP Code of Business Ethics and Right to Speak policy, which encourages employees to report suspected ethical breaches anonymously.

CommonHealth employs specialist medical directors with advanced degrees in health sciences to help copywriters and account teams understand the scientific research behind a particular product and its therapeutic category. This also helps to ensure that all claims are supported by valid scientific data.


All campaigns are subject to three stages of review: CommonHealth's medical directors, editors and senior account managers; the client's legal, medical and regulatory departments; and DDMAC.

Some areas of pharmaceutical marketing are subject to a particularly high level of scrutiny, for example corporate sponsorship of Continuing Medical Education (CME) programs. All physicians in the US are required by law to undergo regular training and many CME programs are supported by pharmaceutical companies.

It is very important that the financial support does not influence the course content. CommonHealth provides opportunities for its clients to sponsor CME programs by working with medical schools and other organisations that run the programs. Employees involved in this area must strictly adhere to ACCME and PhRMA standards that guide the development and execution of CME programs.



# Employment



**W**PP employs 110,00 people (including associates) in 2,000 offices in 106 countries.

The success of our business depends on attracting and retaining the best people. It is the creativity and flair of our people that makes our clients choose WPP companies.

This makes it vital to maintain high employment standards including providing a workplace where people from all backgrounds feel comfortable, rewarding talent through competitive salaries and benefits and investing in training to help our employees develop their knowledge and skills.

WPP's Chief Talent Officer, Mark Linaugh, has overall responsibility for attracting, developing and retaining our talent.

Human resources policies are set and implemented at operating company level. Since we do not have a single set of employment measures and practices to report on, we have selected a few in-depth case histories to illustrate our approach and show how our companies are managing these issues in practice.

### Diversity and inclusion

Diversity and inclusion in our workforce brings innovation and helps us to create marketing that appeals to the widest possible audience.

We want our workforce to reflect the diversity of the populations we serve. To achieve this we aim to recruit a diverse range of people and to create an inclusive workplace where everyone's views are heard.

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 Business Conduct contains policies on harassment and non-discrimination. 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.

### Diversity performance

In 2007, women accounted for 33% of board members/executive leaders, 47% of senior managers and 55% 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 and Group Chief Counsel, Andrea Harris.

Many WPP companies are led by women, including:

- Shelly Lazarus, CEO, Ogilvy & Mather Worldwide
- Donna Imperato, President & CEO, Cohn & Wolfe
- Tamara Ingram, President Team P&G
- Marcia Silverman, CEO, Ogilvy PR Worldwide
- Eileen Campbell, CEO, Millward Brown Group
- Mary Ellen Howe, COO, WPP's Specialist Communications division
- Ann Newman, WPP's Executive VP, Latin America
- Lynn O'Connor Vos, President & CEO, Grey Healthcare Group
- Julie Halpin, CEO, The Geppetto Group
- Janine Hawkins, Global CEO, Added Value

During 2007, WPP became an associate member of Opportunity Now, a UK organisation which helps companies promote gender equality in the workplace.



## Gender diversity 2003-2007 %



This year we recorded ethnic diversity in our UK and US businesses representing over 29,000 of the Group's 110,000 employees. In 2007, ethnic minorities accounted for 11.1% of board members/ executive leaders, 13.2% of senior managers and 21.6% of total employees.

## Ethnicity in the UK and US %

	Total employees	Senior managers	Board members executive leaders
White	78.4	86.8	88.9
Ethnic minority	21.6	13.2	11.1

WPP Leaders and Partners are individuals receiving the top level incentive from the parent company. The group of 848 individuals comprises 26 nationalities.

## Promoting diversity and inclusion in the US

Our major companies in the US have programs to increase the diversity and inclusion of their workforce.

For example:

- Partnerships:** WPP companies work with diversity organisations and participate in initiatives to encourage diversity in the advertising industry. These include: the American Association of Advertising Agencies' (AAAA) Operation Success; the Leadership, Education and Development Program in Business; and the National Black Public Relations Society.
- Internships:** Several WPP companies participate in the AAAA's Multicultural Advertising Internship Program (MAIP) 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.

### Case study: Diversity at Grey New York

Grey New York is stepping up its efforts to attract and retain diverse talent. In 2007, the agency formed a diversity committee to increase understanding and awareness of diversity among its employees. The committee includes representatives from human resources, line managers, directors, vice presidents and senior vice presidents.

Grey's diversity committee has created a diversity and inclusion mission statement:

“As agents of change, we are a team committed to:

- Encouraging and endorsing an agency-wide “big picture understanding” of inclusivity that will embrace all human differences across our firm.
- Ensuring that all Grey employees are educated, empowered and included in all enterprises that might contribute towards the development of diversity and inclusion at our agency.
- Putting energy into initiatives that will continually promote the dynamic definition of diversity here at Grey NY.
- Encouraging our HR team to recruit and retain diverse employees as we bring awareness of this vital concept throughout our agency.”

Grey participates in a number of initiatives and partnerships with diversity organisations including:

- **Multicultural Advertising Intern Program (MAIP)** – a summer internship program designed to encourage African-American, Asian-American, Latin-American, Native-American and multiracial and multiethnic college students to strongly consider advertising as a career through participation in 10-week paid internships. Grey sponsored six MAIP interns in the summer of 2007.

- **Capital program** – a program promoting summer youth employment in New York City for inner city students. We participated in the pilot program in 2006 and participated again in 2007, sponsoring two Capital interns.

- **Diversity roundtable** – Grey is an ongoing member of the roundtable diversity discussion group which is attended by human resource directors and managers from a number of advertising agencies.

Grey takes part in recruitment events aimed at people from minority backgrounds. Examples include:

- **AdEx: (Advertising Industry Experienced Hire Diversity Recruiting Program)** – Grey sponsor this event which takes place during Advertising Week, along with G2 Branding & Design, G2 Direct & Digital and G2 Promotional Marketing. It focuses directly on recruiting mid- to senior-level diverse candidates for the industry. Unlike typical public job fairs, AdEx provides a forum where experienced candidates from diverse backgrounds can connect with top agencies in private career information and networking sessions.

- **Diversity in Advertising Career Day** – Grey (along with G2) purchased a booth at this important job fair. This provided the opportunity to meet and attract gifted diverse candidates.

### Diversity pilot study

At the parent company level, we want to improve our understanding of diversity in WPP companies. In 2006 we started a pilot project to collect data on gender, ethnicity, age and disability. We also asked employees to give their views on issues such as diversity, training and wellbeing. The project will give us a clearer picture of the current diversity of WPP's workforce and help us identify areas where we need to improve.

During 2007 we extended the survey to all WPP companies in the UK. We report some of the findings on page 56. We now collect data on gender diversity and ethnicity through our financial reporting system. We report on this on page 51.

### Helping clients with diversity

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

- Grass Roots, a WPP company specialising in motivational and performance improvement services, offers a diversity awareness training program. Employees go through the program at their own pace, either online or with the support of a fully illustrated workbook. They then take a short interactive test. Managers can view the results as well as reports on the number of employees who have completed the test.

- WINGLATINO is a specialist Hispanic marketing agency based in New York. It helps companies connect their brands with Hispanic consumers.

- CultureCom is an ethnic media unit at MediaCom UK, one of WPP's media companies. It helps clients produce targeted marketing and implement strategies to reach diverse audiences.

### 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 2007 there were 79 new cases, 62 of which were concluded, compared to 182 cases in 2006. Of these eight were withdrawn, 33 agreed between parties, 20 judged against WPP and one judged in our favour.

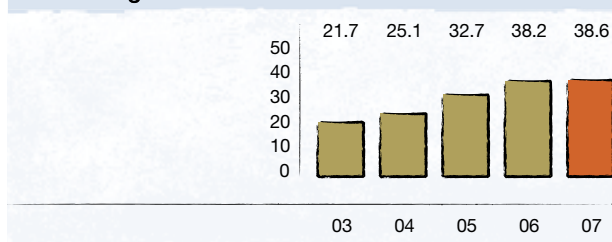
All cases are carefully evaluated to ensure that we have the right policies and procedures in place to reduce infringements wherever possible.

### 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 development opportunities to enable our employees to gain new skills and advance their careers. Our approach includes performance assessment, succession planning and training. Our goal is for our people at all levels to receive regular performance appraisals.

In 2007, we invested £38.6 million (2006: £38.2 million) in training and wellbeing.

Staff training and welfare 2003-2007 £m



Training courses are co-ordinated at operating company level. These cover all aspects of company business and creative skills. Courses in 2007 included creative, client and personal leadership skills courses. Many companies in the UK are accredited as Investors in People including Banner Corporation, Coley Porter Bell, EWA, Headcount and Ogilvy Healthworld. This is a UK standard of good practice for training and development.

### Case study: Bates 141 training and development

Advertising and marketing is changing rapidly, with more audiences being targeted on screen rather than through traditional channels. WPP company Bates 141 took action in 2007 to give its people the skills needed to compete in the new digital age – it sent them to Digital Boot Camp.

The company selected 26 ‘Digital Sparks’, representing each of its offices, to attend this five-day intensive course on all the different aspects of digital marketing. For example, they learnt how best to engage with consumers in the most digitally-advanced society. The course included discussions on when and how to target consumers through both traditional and interactive channels.

Participants returned to their offices to share what they had learned with their colleagues through a cascade program. The company also set up a social networking site for employees to discuss ideas and new developments in digital advertising.

### Case study: Helping New York students step up to professional life

WPP companies in New York, including JWT and affiliates, Mediaedge:cia, MindShare and Young & Rubicam Brands have become partner companies of Ladders for Leaders. This is an innovative new youth development program that gives New York City high school and college students a head start in their lives after education.

Students are nominated for the program by community-based organisations. They then receive training to prepare them for professional life, before starting a seven-week summer internship at partner companies, which also fund the program. The students are paired with a professional role model at the company who guides them through their internship.

The program has been a great success since its launch in 2007:

- 100% of companies (including all the WPP companies involved) reported that they would like to participate in the program again.
- 100% of the students said they would recommend the program to their peers.
- 90% of respondents believe that they have more career options than they did at the start of the program.

Ladders for Leaders is a joint initiative of the NYC Commission on Women’s Issues (CWI) and the NYC Department of Youth and Community Development.



## Remuneration and share ownership

We aim to offer competitive packages so that we attract and retain the best people. We regularly benchmark our compensation against other companies in our sector.

We motivate our employees 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 63,976 of our people.

## Communication

We aim to keep our people informed about the Group. We do this through:

- WPP's public website ([www.wpp.com](http://www.wpp.com)), Group intranet site and professional knowledge communities.
- Our *Navigator* Group handbook, the *Atticus Journal*, *The WIRE* (WPP's award-winning global newspaper) and regular *FactFiles* which are distributed to all companies worldwide.
- WPP's public monthly online news bulletin – *e.wire*.
- Regular communication on Group initiatives such as the Worldwide Partnership Program, *BrandZ*<sup>TM</sup>, the Atticus 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 short- and long-term incentive plans.
- Formal and informal meetings at operating company level.

## Employee survey

Our companies seek feedback through employee surveys. This helps both the companies and WPP the parent company to understand the views of our people and identify areas for improvement.

During 2007, we conducted a voluntary anonymous online survey of employees working at our major companies in the UK. The survey was sent to 5,163 employees and 1,482 (29%) took part. Participants were asked to give their views on a range of issues such as diversity, training, wellbeing and ethics.

	Agree %	Neutral %	Disagree %	Don't know %
<b>Opportunity and diversity</b>				
My company treats all employees fairly and without discrimination	77.4	11.8	7.7	3.2
My company encourages a diverse workplace and aims to represent all sections of the community	62.1	21.1	12.8	4.0
<b>Training and development</b>				
I have been given enough training to do my job well	63.6	15.5	21.1	0.7
My performance in my job is evaluated fairly	63	17.5	15	4.5
I have opportunities for career development in my company	65.2	16.3	16.1	2.4
<b>Wellbeing and stress</b>				
My manager takes an interest in my wellbeing	80.7	8.5	10.2	0.5
I am able to maintain a satisfactory balance between work and personal life	58.1	11.8	29.9	0.3
I am given sufficient support to manage my workload	57	17.8	24.7	0.3
<b>Ethics</b>				
My company takes its social and environmental responsibilities seriously	69.5	15.7	11.4	3.5
I could report unethical practices in my company without worrying that my job would be affected	57.5	21.1	11.4	10

The survey results were encouraging. The strongest responses included:

- 80.7% of respondents agreed that their manager takes an interest in their wellbeing.
- 77.4% of respondents agreed that their company treats all employees fairly and without discrimination.
- 69.5% of respondents felt their company takes its social and environmental responsibilities seriously.

The weaker areas related to work-life-balance and managing workloads and ethics. 57% of people agreed that they are given enough support to manage their workload and 57.5% of respondents felt that they could report what they regarded as unethical practices.

While individual responses are anonymous, we will share the overall data, broken down by individual operating company, with the management of those companies. Many of our operating companies conduct employee satisfaction surveys on a regular basis, which provide on-going measurement of these issues.

## Health and wellbeing

Promoting a healthy workforce benefits our business by increasing productivity and reducing the costs of people taking time off work due to illness.

We have identified two main risks to health and wellbeing associated with office workplaces, where most of our employees are based: stress and ergonomics-related injuries.

### Managing stress

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

Some WPP companies have their own programs to tackle stress in the workplace for example:

- Employee assistance programs – a source of confidential advice, support and counselling.
- Flexible benefit programs, including subsidised childcare.
- Flexible work arrangements, enabling people to work part-time or from home.
- Medical checks and health screening.
- Training on stress and time management.

## Reducing ergonomics-related injuries

Ensuring our workstations follow good practice design reduces problems such as repetitive strain injury or back problems. For example:

- FITCH Dubai provides each employee with orthopaedic chairs in the office, so that employees are comfortable and correctly positioned at their desks.
- Grey London carries out workstation assessments and provides specialist chairs for people with back problems.
- H&K Singapore has LCD screens to reduce strain on the eyes.

## Accreditations and awards

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

- Grey Australia – Advertising Federation of Australia Training Accreditation.
- Banner Corporation, Coley Porter Bell, EWA, Headcount and Ogilvy Healthworld in the UK – Investors in People.
- Mediaedge:cia UK and Grey London are IPA CPD (Institute of Practitioners in Advertising Continuous Performance Development) accredited.

These are a few of the human resources awards won by WPP companies during 2007:

- The HR team of Hill & Knowlton China was a finalist of the HR Award for “Best HR Strategy for Business Growth”, CCH 10th HR Award Competition.
- Grey London was named as one of the top 10 agencies to work for in *Campaign* magazine in December 2007.
- Hill & Knowlton US was recognised by *The Holmes Report* as one of “The 50 Best Agencies to Work For”.
- Mediaedge:cia Sweden participated in “Sweden’s Best Workplace 2007” and were placed in the final 45 companies.
- VML is one of the “Best Companies to Work For” in the greater Kansas City area according to *Ingram’s* business magazine (March 2008 edition).



# Environment

In our Corporate Responsibility Policy we commit to minimising our impact on the environment. Climate change is our most significant environmental issue and we have set targets to reduce our CO<sub>2</sub> emissions by 20% by 2010 (using 2006 as a baseline).

In 2007 WPP became carbon neutral.

Climate change is also important to our key stakeholders including investors who are asking us to disclose our carbon footprint. Many of the companies we work for are taking action on climate change and increasingly request information on our environmental credentials during pitches. Having a clear climate strategy provides an additional credential for our businesses advising clients on their response to climate change.

Taking a leadership approach to climate change also helps us to recruit and retain environmentally aware graduate talent.

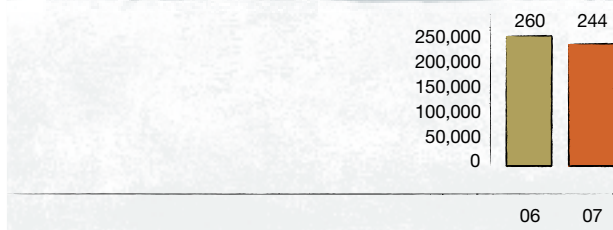
### Energy efficiency and climate change

During 2007 we fulfilled our commitment to go carbon neutral.

Our main climate impact arises from consumption of electricity (and gas) in our 2,000 offices. Employee air travel also has a significant impact.

Our carbon footprint in 2007 was equivalent to 244,146 tonnes of CO<sub>2</sub> compared to an estimated 260,000 tonnes in 2006. This has been calculated using data from our office energy use and business air travel reported by our major companies through our financial reporting system. The data collection covered over 95% of the Group and we extrapolated data for the missing 5%. We add an additional 15% to our CO<sub>2</sub> footprint to account for unmeasured impacts such as couriers and taxis.

WPP's carbon footprint CO<sub>2</sub> emissions '000 tonnes



### WPP's carbon footprint

	CO <sub>2</sub> emissions (tonnes)	
	2006	2007
Office energy use	144,354	120,032
Air travel	81,733	92,269
Other	33,913	31,845
<b>Total</b>	<b>260,000</b>	<b>244,146</b>
Average headcount	77,686	84,848

### WPP's energy use (megawatt hours)

	2006	2007
Energy use	297,406	251,685

We report our greenhouse gas emissions to the Carbon Disclosure Project (CDP), a collaboration of institutional investors on the business implication of climate change. This year we participated in the CDP's Supply Chain Leadership Collaboration at the request of one of our clients.

Having fulfilled our commitment to go carbon neutral, we have set a target to reduce our CO<sub>2</sub> emissions by 20% by 2010, from a 2006 baseline.

Our parent company office and 13 of our companies in the UK are supplied with green electricity (from biomass, wind and hydroelectricity). This year we negotiated new contracts in Italy and the UK.

WPP came first in the Sustainable Productivity Seal of Approval's Climate Change ranking.

### WPP's climate change strategy

Our climate change strategy commits us to:

- Reduce our energy consumption by 20% by 2010, from 2006 levels.
- Achieve efficiency gains in our buildings and IT.
- Purchase renewable electricity where available.
- Offset the balance of our emissions.

The program involves changes to office design, IT purchasing, electricity sourcing and intra-office flights that collectively will enable us to achieve our target over four years.

To implement our climate change strategy we have established Energy Action Teams in North America,

Europe, Asia Pacific and Latin America. These include members of our IT, property and procurement functions. Their job is to measure and identify energy-saving initiatives, run pilot projects and provide technical guidance in energy reduction.

Several WPP companies such as Grey New York, Ogilvy London, JWT London and Finsbury London are also launching their own green initiatives.

### Reducing our CO<sub>2</sub> emissions

#### Office energy efficiency

The energy we use in our buildings accounts for 49% of our emissions. In early 2007 WPP completed detailed energy reviews of three buildings in the UK (see case study). These studies monitored sources of energy use and identified opportunities for reductions. We installed meters in selected parts of these buildings (eg the server room) to measure energy use in those areas. This enabled us to identify where we are using the most energy and to eliminate waste.

Using this initial energy review as a model, we conducted eight energy audits in properties in three regions globally: two in Europe, three in Asia Pacific and three in the Americas.

We will use the results of these studies to make recommendations to all of our operating companies on how to achieve the most significant and cost-effective energy reductions.

Some of our companies operate accredited environmental management systems, for example BDGworkfutures has achieved certification to international standard ISO14001.

We estimate that we can reduce our CO<sub>2</sub> emissions by 22,000 tonnes quickly and with no capital cost by:

- Educating employees to switch off all electrical equipment at the end of the day.
- Ensuring all lights are off at night.
- Matching heating and cooling accurately with occupancy hours.
- Reducing cooling by one degree in summer and heating by one degree in winter.

### Case study: Energy saving at 33 St John Street, London

In 2007, WPP completed pilot energy reviews of three office buildings in the UK. These showed that we can achieve significant energy reductions by implementing a few simple measures.

One of our pilot studies took place at The Brand Union and BDGworkfutures offices at 33 St John Street, London. Around 150 people work at the building which dates from the early 1980s and has about 27,000 sqft of floor space on five levels.

The review identified opportunities to reduce energy use by making heating, cooling and lighting more efficient. Infra-red controls which automatically turn off lights and ventilation when there is no one in the room were installed. New boiler controls were added to allow operating times to be more accurately monitored and controlled.

These measures are estimated to save around 196,380 kWh and 88 tonnes of CO<sub>2</sub> each year, a 21% reduction.

These results indicate that we can make good progress towards our goal of reducing CO<sub>2</sub> emissions by 20% by 2010 by improving building controls.

In the medium term we can save an estimated 36,000 tonnes of CO<sub>2</sub> by upgrading energy-savings systems during refurbishment or when buying new properties. Our pilot projects will help us determine the most efficient and cost-effective ways of achieving these 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.
- Applying green building design standards.

### 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 already begun introducing requirements to improve the energy efficiency of our IT equipment. For example:

- All new computers must comply with our new 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.

We are also encouraging WPP companies to:

- Set printer default settings to double sided and black and white.
- Establish a 'turn-off' culture for all ICT equipment including computer equipment, projectors, TV screens and set-top boxes.
- Avoid using stand-by.
- Switch off chargers when not in use.

In the next two to three years we aim to achieve significant savings by reducing numbers of servers from over 7,500 to around 3,000. We will also improve the energy efficiency of data centres and server rooms.

### Travel

---

Employee business air travel has a significant climate impact. We aim to provide alternatives to make it easier for people to meet with clients and colleagues without having to fly. Video conferencing facilities are now available at most of our major offices.

We have previously collected data on air travel emissions from our central travel centre. In 2007 we asked our operating companies to report this data and in future we will encourage companies to set their own reduction targets. We are encouraging operating companies to publish their business travel carbon footprint internally to raise awareness among their employees.

We are also looking at how we can make it easier to work from home to help reduce the impact of our people travelling to the office.

### Education

---

All our people can help save energy through simple steps like making sure computers and screens are switched off overnight. We need to raise internal awareness of WPP's policy and encourage our employees to adopt low-carbon behaviour.

During 2007, we produced information on our climate change strategy which has been distributed internally, to key clients and other stakeholders.



It describes the thinking behind our climate strategy and contains useful tips on what the reader can do to help, both at work and in the home. It is also available to employees on our intranet.

### Buying renewable energy

---

We purchase renewable energy where we can and regularly review energy sourcing across all markets to identify new opportunities. During 2007 major green energy contracts were agreed in the UK and Italy providing approximately 70% of the total WPP electricity consumption in both countries. In November 2007, Ogilvy New York, one of WPP's largest offices, took a green electricity contract for 12 months. Together our renewable electricity will save approximately 20,600 tonnes of CO<sub>2</sub> (8% of the Group total) each year.

WPP parent company office and 13 of our companies in the UK have been supplied with green electricity (from biomass, wind and hydroelectric) since 2006.

### Carbon offset

---

We are reducing our CO<sub>2</sub> emissions as much as possible and offsetting the rest. This means paying someone else to reduce their carbon emissions by an amount equal to our own footprint which will save one tonne of CO<sub>2</sub> elsewhere in the world for every tonne that WPP creates.

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.

We work with the CarbonNeutral Company, an offset provider, to source sufficient carbon offset agreements to neutralise the Group's footprint. All carbon offset projects supported by WPP are renewable energy projects (eg wind, hydro and solar).

We do not support forestry offset. 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 Longwangtan Hydro Power Project located in the relatively undeveloped province of Guizhou, China. The hydro power facility has a total capacity of 15MW and supplies electricity to the southern power grid. This helps to meet growing energy demand in the region without the need to increase power generation from fossil-fuel sources. The development of renewable energy supplies in China brings local as well as global benefit. The project provides jobs and helps stabilise the supply of electricity on the local grid, benefiting local people and their businesses.

### Other environmental impacts

---

#### 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 13% of the paper WPP companies purchased from our preferred paper suppliers contained recycled content. In the US the figure is around 14% compared to 8% in 2006.

WPP procurement teams in Australia and Hong Kong have recently signed new paper supply contracts. These agreements focused on cost savings and encouraging greater use of recycled products. WPP companies in Hong Kong have made a commitment for 16% of the paper they purchase to contain a minimum of 50% recycled components.

Recycling

This year we began to track recycling data through our financial reporting system. This establishes a base line for improvement although we expect the accuracy of this data to improve over time.

Recycling/Kg	
Mobile/cell phones	8,140
Computer equipment	97,297
Paper and cardboard	9,674,101
Printer cartridges	40,061
Other waste recycled	244,496
<b>Total recycled</b>	<b>10,064,095</b>

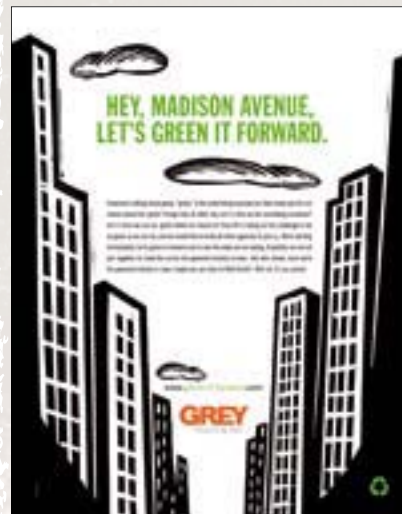
WPP companies make extensive use of mobile technology which is frequently upgraded. During 2007 we introduced Vodafone's Fonebak Freepost recycling scheme to our offices across Europe. Employees can send their used mobile equipment to Fonebak for re-use and recycling.

We operate a scheme to ensure all obsolete IT equipment from WPP companies worldwide is disposed of in an environmentally-sensitive way.

Case study: Going green at Grey New York

Grey New York is leading the charge to make Madison Avenue the greenest street in the city. The agency created the website, [www.green-it-forward.com](http://www.green-it-forward.com), where companies can share ideas and get advice on how to reduce their environmental impacts. The site (shown below) includes a letter from Steve Hardwick, president of Grey New York, which urges ad agencies to work together to go green. Since its launch, several agencies have approached Grey for advice on how to become greener. The site has received press coverage, stimulating debate about how the industry can approach sustainability.

The agency has also set up a green team to get its own house in order. In 2007 the team focused on helping its people to cut their climate impact at work and when commuting. Activities included encouraging employees to walk, carpool, or take public transport to work, setting up a discount program for bike purchases and providing secure bike storage for employees who cycle to work. Grey promotes TransitChek, a plan that gives employees tax benefits for public transport tickets paid through payroll deductions. The agency also invested in data-sharing and teleconferencing systems to reduce the need to travel to meetings, changed standard light bulbs to energy-efficient alternatives and upgraded to Energy Star-rated equipment.



## Case study: Food recycling at Y&R London

Y&R has taken its recycling to the next level. Rather than sending its food waste to landfill sites (where it rots and emits methane, a greenhouse gas), it is collected and turned into compost.

The company now recycles food from its restaurant as well as its eight kitchenettes. Employees are encouraged to put all cooked foods as well as tea bags, bread, fruit and other organic waste into special recycling bins. The waste is then collected by a contractor and subjected to a 14-day natural process to turn it into garden compost.

In the first 10 months Y&R recycled over 9.25 tonnes of food waste. Y&R employees can collect the compost to use on their gardens and the remainder is given to charities, parks and local housing associations.

## Environmental pro bono work

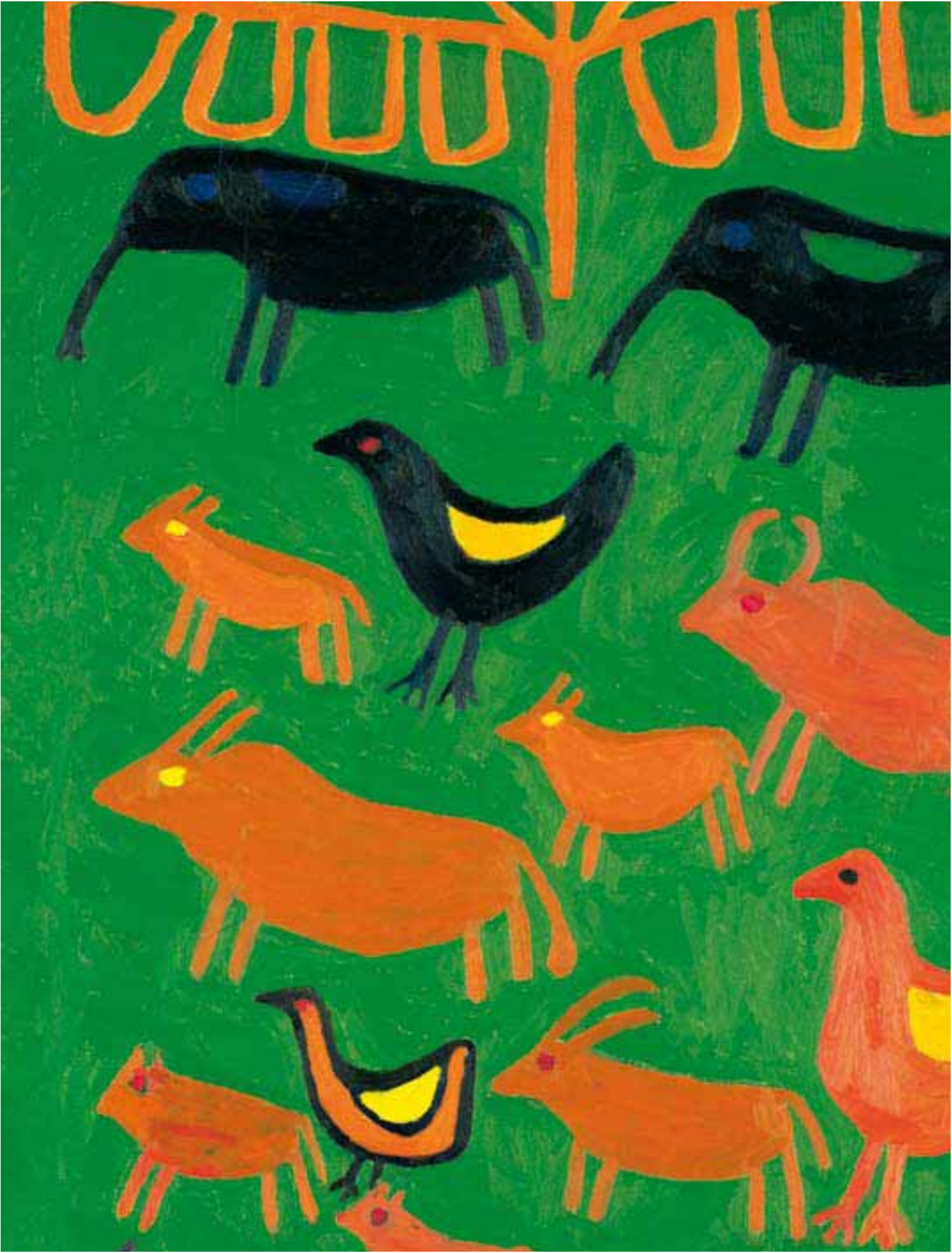
Our CR policy encourages WPP companies to undertake pro bono work for not-for-profit organisations involved in tackling environmental issues. You can see some further examples of pro bono work on pages 78 to 97.

## Case study: Energy initiative at Wunderman London

In 2007 Wunderman London stepped up its efforts to improve its environmental credentials.

- To tackle its climate impact, the agency signed a contract to be supplied with 100% green electricity. It also ran energy awareness campaigns which included a series of screen savers to highlight how 'naughty' it is to waste energy by not turning computers off at night.
- Instead of sending Christmas cards to clients, Wunderman planted a forest which will be maintained so that it can be enjoyed for years to come.
- The agency also conducted recycling awareness campaigns which resulted in 72.6 tonnes of paper waste being recycled in 2007, 38% more than in 2006. This saved an equivalent of 884 trees.
- Wunderman also introduced food recycling and, after four months, 3.3 tonnes of waste was collected and turned into compost for local schools and public gardens.





# Our supply chain

**W**PP spends more than \$3 billion with suppliers each year. We recognise the potential impact of our purchasing decisions on the environment and also the need to consider the labour standards associated with manufacturing in certain product sectors. Our CR supply chain vision states that:

↳ Across all of our spend, 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 supply chain

We 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. Most of these are purchased through contracts negotiated by our individual operating companies.

WPP Group Procurement is responsible for negotiation of major global, regional or local procurement contracts with preferred suppliers worth around \$1.5 billion. These cover high-spend categories such as IT, travel, telecommunications, professional services (eg consultancy and recruitment) and facilities management.

WPP procurement teams are based in the UK, the US, Europe (France, Germany, Italy, Spain and Denmark), Asia Pacific (Australia, China, Hong Kong, India, Malaysia and Singapore) and Latin America (Brazil and Mexico).

#### 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 CR as well as assurance of supply, quality, service, cost and innovation. We do not have a standard weighting for each criteria and they may vary from project to project. We ask potential suppliers to complete a simple five-point questionnaire to raise awareness about CR issues and to make our requirements clear.

#### The questions we ask suppliers

##### 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?

##### Key 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 2007, all existing and new preferred suppliers in our largest markets, the US, the UK and Asia Pacific, completed our CR questionnaire.

In addition, our procurement teams in France and Spain started including the questionnaire in all new requests for proposals in 2006 and this was extended regionally during 2007. Responses show that our suppliers fall into one of two categories: those with highly-developed CR programs and full CR performance reports (mainly multinationals) and those with rudimentary or no information on policy and performance (mainly smaller companies).

In the US we also incorporate a section on CR into our standard Group supply contract terms and conditions.

### Assessing WPP suppliers in the UK

---

We continued our project to assess and improve the ethical and environmental credentials of selected suppliers in the UK. In 2006 we held a workshop with eight suppliers that provide products and services for client work (eg print or TV post production) where we discussed our approach to CR and our expectations of suppliers. We then followed up with each supplier individually to agree a plan for improving CR management. During 2007 we held a second workshop where the suppliers reported back on their progress to date. This showed that each supplier has implemented an adequate CR program.

We also held a workshop in 2007 for four print suppliers. Improving CR is a key theme of our Print Procurement Group (PPG) which is working with 12 of our largest UK companies to establish a single approach to management and use of print suppliers.

### Performance monitoring and awareness

---

We include CR in our procurement reporting process. Every quarter our regional procurement teams report their progress to the head of Procurement & Commercial Services. An update is provided to the WPP Board of Directors.

WPP's procurement leadership team (our global and regional heads of procurement) regularly reviews progress of our CR supply chain initiatives.

CR is included in our procurement strategy plan and in the personal objectives for each regional head of procurement and the purchasing managers in each of our major markets. The objectives are aligned with our two main themes of supplier selection and managing supply chain risk.

They include objectives on green electricity purchasing in line with our carbon neutral strategy, see page 60.

We raise awareness of CR through our regular cross-Group sourcing team activities and we discuss CR progress during our Procurement Steering Team meetings.

### Supplier diversity

Some of our companies in the US have created supplier diversity programs. For example, Ogilvy & Mather operates a supplier diversity program to increase opportunities for certified women- and minority-owned businesses to work with the company.





# Social investment

**W**e want WPP and its companies to be recognised for environmental, ethical and social leadership, and to be a centre of excellence for environmental and social communication. Pro bono work can help us to achieve this.



Our agencies use their skills in advertising, marketing, PR and design to support good causes through pro bono accounts – work done for NGOs and charities for free or at minimal cost. This work is worth much more than an equivalent cash donation. Many NGOs do not have the experience, capacity or available funds to spend time on creative work which can help raise their profile, reach a greater audience and increase their funding. Effective communications can also help raise awareness on an issue and overcome stereotypes and prejudice.

Pro bono campaigns also benefit the Group, enhancing our reputation in a marketplace where it pays to stand out from the crowd. They showcase our companies' ability to communicate effectively on a wide range of issues ranging from environmental awareness to HIV.

Finally, pro bono accounts also benefit our people by developing strategic thinking and broadening their perspectives. By choosing their own projects, employees can combine personal interest with professional expertise. Pro bono work also gives them a chance to contribute to their communities.

Examples of pro bono advertising campaigns and design work are featured on pages 78 to 97.

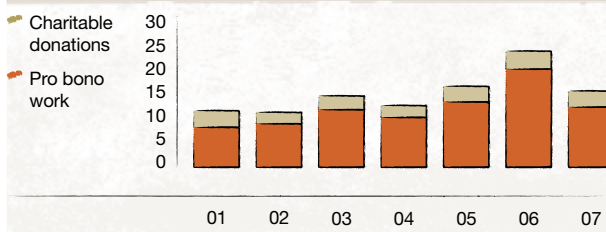
### Facts and figures

In 2007, the total value of our social investment was £16.3 million compared with £24.9 million in 2006.

This is equivalent to 0.3% of revenue (2% profit before tax), short of our annual guideline of up to 0.4%. This includes direct cash donations to charities of £3.5 million and £12.8 million worth of pro bono work. This is calculated based on fees the organisations would have paid for our work.

The value of pro bono in 2007 excludes £1.5 million of donated media space that WPP media agencies negotiated on behalf of pro bono clients. In 2006, donated media was included in the total reported.

Social investment 2001-2007 £m



**Charitable donations 2007 %**

Local community	19
Education	15
Health	22
Environment	1
Arts	12
Alcohol and drug abuse	2
Other	29



**Pro bono work 2007 %**

Local community	21
Education	11
Health	27
Environment	7
Arts	14
Alcohol and drug abuse	1
Other	19



**Charity donations**

Collectively, the Group gave £3.5 million to charity in 2007. Individual companies made donations to many organisations, benefiting projects that range from helping children in developing countries to supporting people with cancer.

**WPP: Parent company activities**

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

In the UK we support:

- Education Africa UK
- Gambian Education Development Trust
- International Business Leaders Forum
- INSEAD Trust for European Management Education
- NABS, a charity which offers financial, practical and emotional support to those in the industry
- The London Business School
- The National Portrait Gallery
- The Natural History Museum
- The Royal Opera House
- University of Cambridge
- University of Oxford

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

In addition our senior executives throughout the Group give pro bono advice and support to charities.

### Case study: WPP and Sanyang village, Gambia

In 2006, donations from WPP were used to build and stock a library at the Lower Basic School in Sanyang village, Gambia. During 2007, we continued our funding to add more books to its shelves and to enable the school to take on a full-time librarian. With more books, it is now the central library for both the local schools and students, parents and people who want to read.

WPP paid for the installation of lighting and ceiling fans allowing local children and adults to use the library in the evening. The funds were also used to build and equip a children's internet centre at the school. Finished in November 2007, the centre has 12 workstations, providing internet access for 1,000 pupils. It also offers email and copying services to the surrounding schools and villages.

The school joined the Gardens for Life program run by the Eden Project. This helps children create their own school garden where they can learn about nutrition, science and the environment. WPP paid for two kitchen gardens and a full kit of tools for the children to use to clear the land and set up vegetable beds.

WPP's contribution has also enabled the regional health clinic at nearby Medina Salaam to buy drugs and to pay the salary of a local nurse for the year.

### Case study: Marketing campaign for NCH

NCH is one of the UK's leading children's charities supporting some of the country's most vulnerable children, young people and their families. Every year the charity organises Byte Night when IT professionals sleep rough for one night to raise money and awareness of young people who are homeless or at risk of becoming so.

For the fourth year running, WPP's technology marketing company, Banner, was invited to lead the marketing campaign for Byte Night. Banner developed a pro bono campaign worth over £20,000 that included print ads, an email campaign, online banners, a website and some night caps for the event. The Banner team also managed to secure £180,000 worth of free advertising space. The ads were based around the idea that one person's support can change hundreds of lives for the better. With the help of Banner, NCH also launched Byte Night Local in 2007, where people raised money by sleeping out in their own garden.

A record 270 IT executives from companies such as Dell, Barclays, BT, HP and Nokia slept out in Potter's Fields, London on Byte Night 2007. Celebrities including Trinny Woodall, Jenny Agutter and Sandi Toksvig also took part. Sixty people slept out in their back gardens for Byte Night Local.

In 2007 the events raised almost £400,000; over £10,500 of which was fundraised and donated by Banner.

### Employee volunteering

We encourage our employees to contribute their time and skills to charity. Many of our companies give employees paid time off to volunteer. This benefits our business as well as the charity because it contributes to job satisfaction and motivates our people. Some recent examples of employee volunteering include:

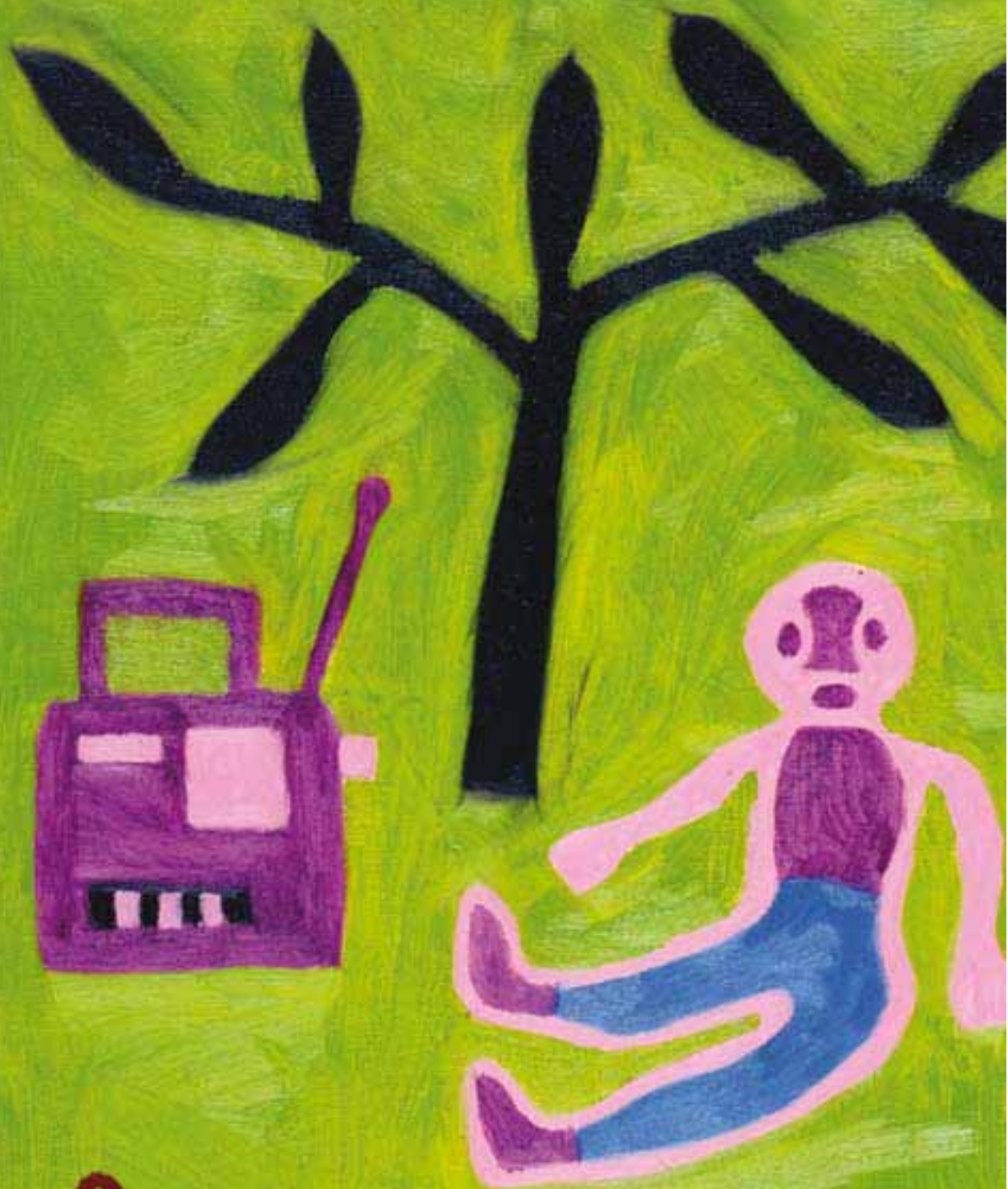
- Burson-Marsteller US participated in the 2007 Light the Night Walk to benefit the Leukaemia and Lymphoma Society. Two B-M employees, who are Hodgkin's Disease survivors, served as co-chairs, raising more than \$40,000 from colleagues around the world.

- MediaCom employees are asked to spend a minimum of one day a year (paid for by the company) working for a charity of their choice as part of their Giving Back program.

- VML employees participated in the American Cancer Society's annual 'Shave to Save' program, where people shave their heads to raise awareness and money. They made a total of \$130,000 for the Hope Lodge in Kansas City, which provides free accommodation for adult cancer patients and family members travelling to Kansas City to undergo cancer treatment.

Many Group executives give their time as charity trustees and advisors.

For example: Matt Anthony, CEO of VML is a board member of the American Cancer Society; Walter Montgomery, CEO of Robinson Lever & Montgomery is a member of the board of directors for Project Hope; Lothar Leonhard, Chairman of Ogilvy & Mather, Germany and Switzerland is on the Founder's Board for WWF; Jorge Rodriguez, President of JWT Puerto Rico is a director at the Red Cross.



SAMCHIA

# Pro bono campaigns

**W**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.

### Campaign: Fundraising for new forests

Client: WWF

WPP company: JWT, Jakarta

In the past two decades, more timber has been exported from Borneo than from Latin America and Africa combined.

JWT Jakarta worked pro bono with WWF to create the website [www.mybabytree.org](http://www.mybabytree.org). The site enables people to plant and follow the growth of a tree in Indonesia for US\$5.50. Unlike other campaigns that simply encourage one-off donations, the *My baby tree* project keeps people engaged and involved. Geo-tracking technology allows donors to pinpoint the exact location of their tree and watch it grow via Google Earth.

As well as generating funds for new forests, the campaign educates people about the massive deforestation in Borneo and the impact it has on the country's wildlife, including the famous orang-utans.

*My baby tree* won an award at ADFEST for its innovative use of new media and technology. It also won the Green award at Media Spikes 2008 Asia Pacific Advertising Awards Show.





## Campaign: Helmet-wearing awareness campaign

Client: Asia Injury Prevention Foundation  
WPP companies: Ogilvy & Mather, Ogilvy PR Worldwide and OgilvyOne, Vietnam

There are more than 21 million motorbikes on the roads of Vietnam. More than 11,136 people died each year in motorbike accidents between 2002 and 2006. Tragically, most of these deaths could have been avoided if the riders had been wearing helmets.

Ogilvy created a pro bono advertising campaign for the Asia Injury Prevention Foundation to encourage motorbike riders to wear helmets. The campaign was worth between half and one million dollars.

The ads contrasted images of the devastating effects of not wearing a helmet with superficial excuses commonly used like “wearing a helmet makes me look stupid” or “my parents don’t wear a helmet so why do I have to wear one”. The campaign included television, print, postcard, radio and internet ads.

Within four months of the launch of the campaign the proportion of people wearing helmets in Hanoi and Ho Chi Minh City almost doubled, from 10.8% to 19.1%. The percentage of motorcyclists wearing helmets when driving out of the cities increased by 15.7% to 77%.

Even more significantly, the campaign also helped to influence legislation. The Vietnamese government decided to bring forward the introduction of legislation making helmets mandatory to December 2007, ahead of the planned launch date in 2008.



### Campaign: Eliminating poverty

Client: United Nations

WPP company: Grey, worldwide

In 2006 over 23 million people participated in ‘Stand Up Speak Out Against Poverty’. The event, organised by the UN, is designed to remind governments of their commitment to the Millennium Development Goals to eliminate poverty and inequality by 2015.

In 2007, Grey provided pro bono marketing and communications support to the campaign. A series of ads projected the full range of poverty and its root causes and highlighted the great need to end hunger, ensure basic education for children and promote equality for women. Grey offices around the world took part, adapting the global campaign messages to reflect local cultures and to captivate a wider audience.

MediaCom offices also procured millions of dollars in free advertising.

On 16-17 October 2007, over 43.7 million people in 127 countries stood up and spoke out, setting a new Guinness World Record.

*“We came away from the event overwhelmed at the level of engagement. I don’t recall a movement that was led so powerfully by the voices of the poorest people. There’s something quite extraordinary in that. The role of Grey cannot be underestimated in strengthening the reach and impact of these voices,”* said Mandy Kibel, Millennium Campaign.



### Campaign: Encouraging recycling in India

Client: Concern India

WPP company: Ogilvy & Mather, Bangalore

Rapid economic development and surging population growth is creating a waste problem in India. Waste production in the sub-continent is predicted to rise from less than 40,000 metric tonnes per year to over 125,000 by 2030. Recycling will be vital if India is to protect its natural environment.

The Concern campaign highlighted the importance of recycling through stickers and posters placed in schools, offices and apartments and through radio advertisements.

The work for Concern India was done on a pro bono basis by Ogilvy & Mather Bangalore.



### Campaign: Preventing illegal trafficking

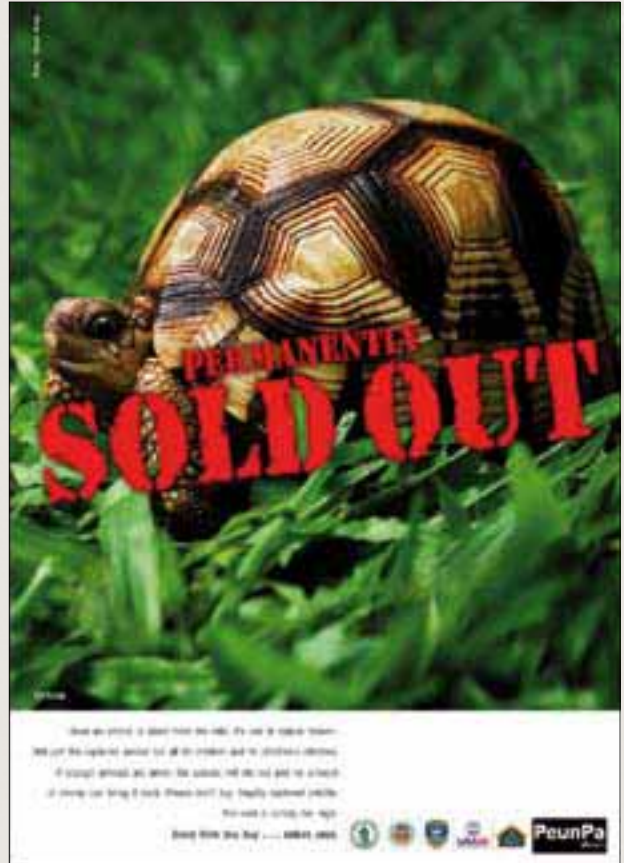
Client: PeunPa Foundation  
WPP company: JWT, Thailand

Every year hundreds of millions of plants and animals are sold illegally. The illegal wildlife business is worth billions of dollars and is the second largest illegal trade after narcotics.

Thailand is often used as a transit route for animal smugglers on their way to China, where animals are sold for food, furs, leathers and medicines.

JWT Thailand provided pro bono support to the PeunPa Foundation, an NGO, worth more than \$14,000. The *Sold Out* campaign helped to raise awareness of illegal trafficking in the region and to encourage lobbying against sales of endangered wildlife such as tigers, bears, snakes and tortoises. It included magazine print ads and posters in English and Thai which were displayed at airports.

The campaign generated a lot of publicity and its launch was attended by the Thai Prime Minister and the US Ambassador to Thailand. *Sold Out* also sparked international media attention and will be extended into 2008.



**Campaign: Fundraising for Angolan children**

Client: Save the Children  
WPP company: Grey, Copenhagen

Save the Children is a charity working to promote the wellbeing and protection of children in more than 120 countries. It campaigns for the right to food, healthcare, education and security for all young people.

Angola's 27-year civil war left 500,000 people dead and a generation of orphans. Today 60% of the population is under 18 years old and many Angolans live in extreme poverty. There aren't enough adults to create the economic and social development the country needs.

Save the Children provides Angolan children with an education, helping them to change their future.

Grey Copenhagen worked pro bono to develop a nationwide campaign to raise awareness of the problems faced by young Angolans and the work done by Save the Children. Using the strapline 'All children need an adult' the campaign aimed to raise money and recruit fundraisers across Denmark.

Following the campaign in September 2007, 6,000 fundraisers were recruited and beat all targets raising 7.1 million Kroner (£728,000).



**We need grown-ups**

60% of Angola's population is under the age of 18.

Register as a coordinator for the nationwide collection September 9 and give the next generation in Angola a chance.

[www.redbarnet.dk](http://www.redbarnet.dk) or 33 36 55 55



Red Barnet  
Save the Children Denmark



**Campaign: Fundraising for historic monuments**

Client: German Foundation for the Preservation of Historic Monuments  
WPP company: Ogilvy & Mather, Frankfurt

The German Foundation for the Preservation of Historic Monuments has helped to protect and restore over 3,000 historical monuments across Germany.

O&M Frankfurt developed a pro bono publicity campaign to help generate donations. The campaign, aired in local magazines throughout Germany from August 2007, used striking images to communicate the important work of the Foundation in protecting Germany's cultural heritage.

Since the campaign the Foundation has had one of its most successful years ever in terms of new members and donations received.





**Campaign: Improving literacy among US children**

Client: Ad Council and the Library of Congress  
WPP company: The Geppetto Group, New York

The Geppetto Group, WPP's youth marketing agency, created a pro bono campaign to help the Ad Council and the Library of Congress encourage more young people to read.

Children aged 9-12 years' old often prefer interests such as sports and video games to books, but research by the National Institute for Literacy shows that reading is key to succeeding at school and in later life. The campaign, 'Explore New Worlds, Read', targeted children in grades four to six and aimed to inspire them to read throughout their lives.

Geppetto's pro bono support was worth \$206,185 and included a series of ads based around fictional classics such as *The Wizard of Oz* and *The Chronicles of Narnia*.

*"Young people who read throughout their lives are not only more knowledgeable, but they are also better citizens and more engaged in the world around them"* said Dr James H. Billington, Librarian, Library of Congress.



**Campaign: Fundraising for Barnardos**

Client: Barnardos Australia  
 WPP companies: OgilvyOne and Ogilvy Interactive, Australia

Barnardos works to prevent child abuse and support children and young people who are victims of neglect. The charity operates family centres, out-of-home care programs and support for teenagers.

In 2007, Ogilvy provided pro bono marketing support to raise funds for the charity. The campaign featured images of successful Australian celebrities having fun and asking “doesn’t every child deserve a childhood?” It included press advertisements, TV commercials and postcards distributed during Australian Fashion Week.

The campaign has helped to increase donations to fund Barnardos’ valuable work.







### Campaign: Drug prevention in Singapore

Client: National Council Against Drug Abuse  
WPP company: Bates 141, Singapore

The use of synthetic or 'party' drugs is a growing problem in Singapore. With extremely harsh punishments for people caught using or trafficking drugs, and serious health implications for users, it is crucial that this is tackled.

Bates 141 worked pro bono to help the National Council Against Drug Abuse target young people who are at risk of falling into the party drugs culture.

The campaign used a street-art style that resonates with young people's lifestyle and interests. It contrasted aspirational images from advertising with stark images of the reality of getting arrested and going to prison for doing drugs. The ads appeared on posters at bus stops, in newspapers and relevant magazines. They were also featured on an interactive website which included messages from inmates convicted of drug-related offences.

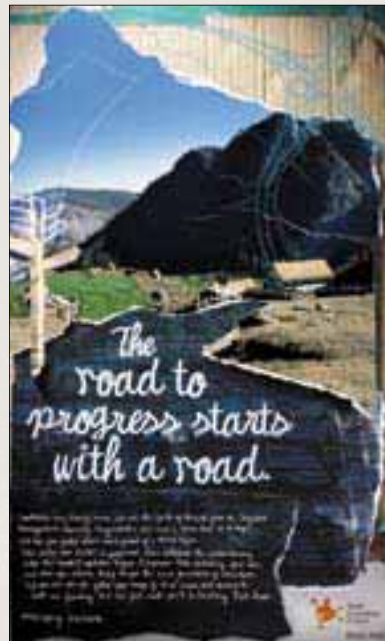
### Campaign: Youth volunteering in Asia

Client: National Youth Council  
WPP company: Grey, Singapore

The Youth Expedition Project (YEP), an initiative of the National Youth Council of Singapore, gives 17-35 year-olds the chance to volunteer abroad in Asian countries that are members of the Association of Southeast Asian Nations, including India and China. This enables them to learn new skills and broaden their horizons, whilst making a difference to overseas communities.

In 2007, Grey Singapore developed the 'Return Richer' campaign to encourage people to sign up for the YEP. The agency ran two events, one for young people and students, the other targeting working adults and corporate companies who wish to integrate YEP into their human resources initiatives. It created a promotional video and a brochure which were both launched at YEP's corporate event. Grey also developed print ads which will be run in 2008, showing how volunteers can help rebuild the lives of communities destroyed by natural disasters such as the South Asian Tsunami.

Since the Youth Expedition Project began in 2000, 13,000 young Singaporeans have volunteered on community projects. Current volunteering projects include the refurbishment of a day care centre in Bago City in the Philippines and basic health screenings for villagers in Chennai, India.



### Campaign: Understanding coeliac disease

Client: Fondazione Celiachia

WPP company: Ogilvy, Italy

Coeliac disease is a genetic disease affecting one in a hundred people in Italy. Sufferers cannot eat bread, pasta or pizza – staples of the Italian diet – as the disease is caused by a reaction to gluten protein in wheat. If neglected it can lead to osteoporosis and intestinal cancers.

Fondazione Celiachia (The Foundation for Coeliac Disease) was set up in 2005 to fund research into the disorder. Ogilvy Italy created a pro bono marketing campaign to raise awareness of the Fondazione Celiachia and attract donations for this little-known disease. The Italian word 'spiga' or ear of wheat used in the advert, sounds very close to the word 'sfiga' or misfortune.



**Campaign: ELBA identity re-launch**

Client: East London Business Alliance (ELBA)  
WPP company: Coley Porter Bell, UK

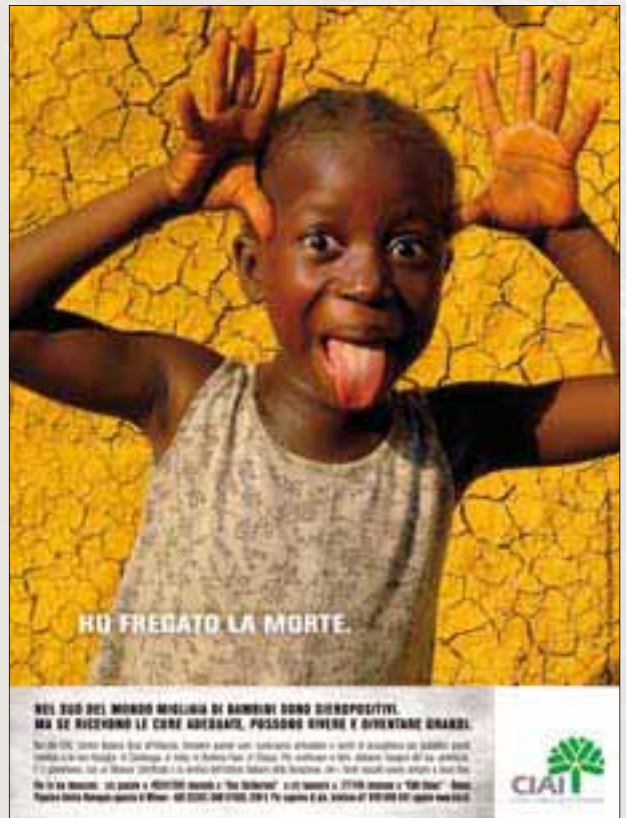
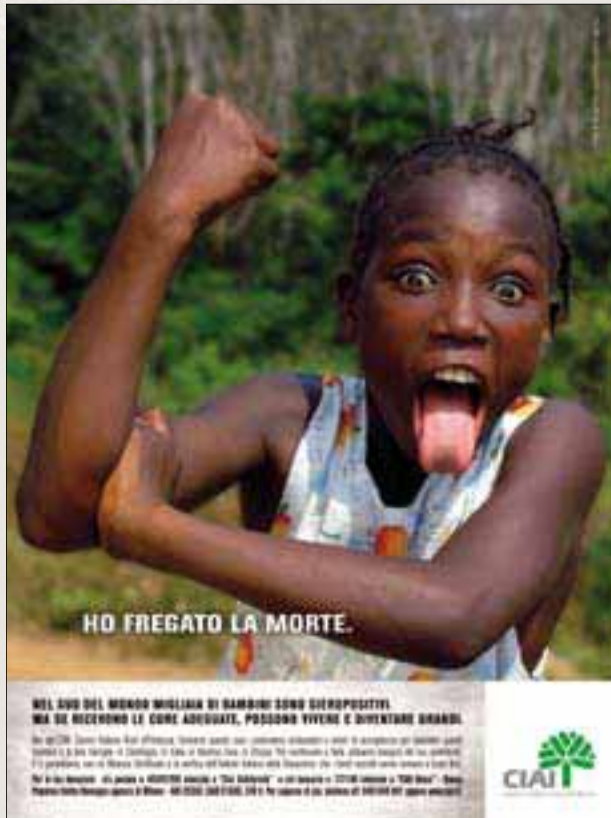
East London is one of the most vibrant and diverse areas of the UK's capital. It has been transformed from an industrial centre to a place synonymous with exotic food, multiculturalism and lively street markets. But many parts of East London are run down and have high levels of poverty and unemployment.

The East London Business Alliance (ELBA) encourages companies to support regeneration of the area, through a number of diverse programs covering employment and skills, mentoring in schools, health projects and support for social enterprises.

Design agency Coley Porter Bell worked pro bono to create a fresh, dynamic identity for ELBA. The logo portrays two brightly-coloured overlapping faces looking east, reflecting both a meeting of minds and the vibrant, multicultural heritage of the area. The new identity will help raise the profile of the organisation in the crucial run-up to the 2012 Olympics which will mainly take place in East London.

*“Our new identity captures the energy and excitement of the work ELBA does with and for the people of East London,”* said Liam Kane, Chief Executive, East London Business Alliance.





**Campaign: Improving access to anti-retroviral therapy**

Client: CIAI  
WPP company: Ogilvy & Mather, Italy

More than a million children around the world are HIV positive. Access to anti-retroviral therapy gives them a chance to grow up and live fulfilling lives.

The Italian Centre for Aid to Children (CIAI) is an NGO working to defend children’s rights to health, family, education and enjoyment.

Its latest campaign ‘I cheated death’, supported pro bono by O&M, highlights the impact of AIDS on children and the need to increase access to medicine.

The campaign uses images of African children with cheerful mocking expressions on their faces symbolising the hope that CIAI provides to HIV-positive children in developing countries.

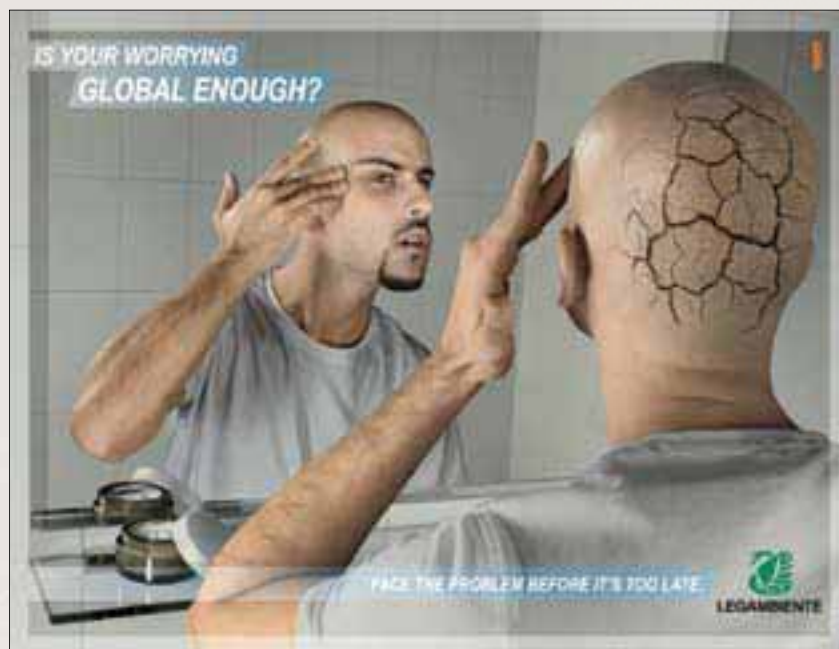
### Campaign: Climate change awareness

Client: Legambiente

WPP company: Grey, Italy

While most scientists agree that urgent steps are needed to avert dangerous climate change, governments and the public have been slow to act.

Grey Italy developed a billboard and print ad campaign for Italian environmental NGO Legambiente to raise awareness about the severity of climate change. This urged people to stop burying the issue and to wake up and see the bigger picture.



### Campaign: Preventing drink driving

Client: Malteser Ambulance Service

WPP company: Ogilvy & Mather, Frankfurt

One in nine traffic deaths in Germany is caused by a drunk driver, often a teenager. With the pro bono support of Ogilvy Frankfurt, The Malteser Ambulance Service launched a campaign reminding young people of the dangers of drink driving.

The campaign used letters from famous liquor bottle labels to spell out the risks of driving under the influence – from whiplash to skull fractures and paraplegia. The ads appeared on billboards in parking lots next to popular nightspots, as posters in toilets and as banners on party websites. An animated version of the ads ran in local cinemas.

The campaign received significant attention from the media and general public. It was also a winner at the Cresta International advertising awards 2007.



**Campaign: Reducing air pollution in China**

Client WWF

WPP company: Ogilvy & Mather, Beijing

Air pollution in China has increased by 50% in the last decade as a result of rapid industrialisation and growth in car ownership. Sixteen of the planet's 20 most polluted cities are in China. Pollution levels are predicted to quadruple within 15 years unless the country can slow its growth in energy consumption and automobile use.

To kick off its "20 tips for sustainable development" campaign, O&M helped conservation charity WWF organise an event to highlight the dangers of excessive emissions. An eye-catching seven by nine metre exhaust cloud was displayed in a busy shopping area of Beijing, showing people how much pollution they could prevent by not driving for just one day.

The event received media coverage in daily newspapers, local TV news broadcasts and foreign-language TV as far afield as Hong Kong, Europe and the Middle East.

**"Black Cloud"**



While the Chinese economy is booming, the cities across its cities are suffering. One of the biggest causes is the phenomenal growth in the number of cars and exhaust emissions. To kick off their "20 tips for sustainable development" campaign and drive people to their 20tips.org mini-site, WWF expressed one tip in a tangible fashion. Along with an increase in new car ownership, WWF received coverage of the event in a number of Chinese newspapers as well as on CCTV 6, Beijing TV, Phoenix TV, even international news stations as far away as Deutsche Welle Broadcasting in Germany and Al Jazeera in the Middle East.

Go further:

Drive one day less and look how much carbon monoxide you'll keep out of the air we breathe.





### Campaign: Supporting medical aid in Sudan

Client: Médecins Sans Frontières  
WPP company: Grey, Amsterdam

Médecins Sans Frontières (MSF) is an international medical organisation that provides emergency humanitarian aid in more than 70 countries. It has worked in southern Sudan since 1983.

Despite the 2005 peace agreement, which ended decades of civil war in Sudan, there is still a huge unmet need for medical treatment. Outbreaks of disease and violence are common and many people still do not have access to basic healthcare.

In 2007, Grey Amsterdam provided pro bono advertising support worth approximately €20,000 to raise awareness and support for MSF's valuable work in Sudan. Grey also negotiated free media coverage.

The agency created powerful ads which used an image of a machine gun made of medical equipment to tell people that MSF 'will continue to fight' for health in Sudan.





**Campaign: Visual identity for New York museum**

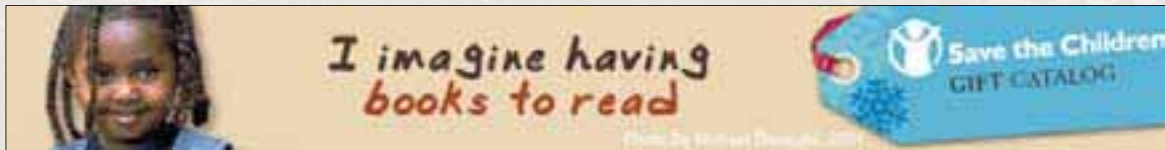
Client: The Museum for African Art  
WPP company: Ogilvy, New York

The Museum for African Art produces exhibitions and catalogues exploring Africa's rich artistic tradition and cultural heritage. The Museum's exhibitions have travelled to over 100 national and international museums since 1984.

Ogilvy provided pro bono work worth around \$145,000 to develop a new visual identity to celebrate

the construction of the museum's first permanent location. The new building on New York's 'Museum Mile' will include exhibition and event spaces, a theatre, an education centre, classrooms, a restaurant, a library and a gift shop. The museum is scheduled to open in 2010.

The visual identity is based on the structure of the building and is inspired by African art. The new logo will be etched onto the building and will appear on museum signs, merchandise and stationery.



**Campaign: Charity gift catalogue promotion**

Client: Save the Children  
WPP company: Neo@Ogilvy, US

Save the Children raises money through its online gift catalogue which offers socially responsible presents such as vitamins for infants in Bangladesh, books for students in rural America and apple trees for communities in Ethiopia. These contribute to specific Save the Children projects. The site also sells handmade crafts, giving artisans in the developing world a new market for their products.

Neo@Ogilvy, one of WPP's digital and direct media companies, developed an advertising campaign to promote awareness of Save the Children and their online gift catalogue for the 2007 holiday giving season. More than 10 million people viewed the ad, helping to increase revenues in the run up to the holiday season. The agency also negotiated discounted media space.



# CR performance summary

<b>Financial overview</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>
Revenue (£m)	<b>6,182</b>	5,908	5,374
Headline PBIT (£m)	<b>928</b>	859	755
Market capitalisation at year-end (£m)	<b>7,709</b>	8,566	7,881
Number of employees (including associates)	<b>110,000</b>	100,000	97,000
<b>Employment</b>			
Gender diversity – Employees (% female)	<b>55</b>	58	54
Gender diversity – Senior managers (% female)	<b>47</b>	50	52
Gender diversity – Board members/executive leaders (% female)	<b>33</b>	34	33
Ethnic diversity in the UK and US – Employees (% ethnic minority)	<b>21.6</b>	–	–
Ethnic diversity in the UK and US – Senior managers (% ethnic minority)	<b>13.2</b>	–	–
Ethnic diversity in the UK and US – Board member/executive leaders (% ethnic minority)	<b>11.1</b>	–	–
Staff training and welfare (£m)	<b>38.6</b>	38.2	32.7
<b>Environment</b>			
Office energy use (tonnes CO <sub>2</sub> )	<b>120,032</b>	144,354	–
Air travel (tonnes CO <sub>2</sub> )	<b>92,269</b>	81,733	–
Other (tonnes CO <sub>2</sub> )	<b>31,845</b>	33,913	–
Total carbon footprint (tonnes CO <sub>2</sub> )	<b>244,146</b>	260,000	–
Total energy use (MWh)	<b>251,685</b>	297,406	–
<b>Recycling (kg)</b>			
Mobile/cell phones	<b>8,140</b>	–	–
Computer equipment	<b>97,297</b>	–	–
Paper and cardboard	<b>9,674,101</b>	–	–
Printer cartridges	<b>40,061</b>	–	–
Other waste recycled	<b>244,496</b>	–	–
Total	<b>10,064,095</b>	–	–
<b>Social investment</b>			
Total social investment (£m)	<b>16.3</b>	24.9	17.3
% of total revenue	<b>0.3</b>	0.42	0.32
% of profit before tax	<b>2</b>	3.7	2.9
Value of pro bono work (£m)	<b>12.8</b>	21	13.9
Charitable donations (£m)	<b>3.5</b>	3.9	3.4

# In summary

## About this report

This report describes WPP's corporate responsibility (CR) activities in the calendar year 2007 and the first half of 2008. It is our sixth report.

Information for this report is collected through an annual case study survey. Each WPP company has a nominated CR representative who is responsible for completing this survey of CR activity. The results are collated and validated by our audit function.

## Data

---

Data relates to the calendar year 2007.

We collect the majority of data using our financial reporting system, including data on energy and CO<sub>2</sub>, social investment, employment infringements, employee diversity, training and wellbeing, recycling and paper use. We estimate that the reporting system covered around 95% of WPP's business by headcount. We extrapolate energy and CO<sub>2</sub> data to cover all employees. Training and wellbeing data covers all our employees.

Starting in 2008, data is being submitted to our financial reporting system by all businesses on a quarterly basis. We expect this to improve the consistency and accuracy of the data reported, and to further embed CR into our businesses.

We identify marketing infringements involving WPP companies from public reports by regulatory authorities. This data is incomplete and in future, we aim to obtain this information directly from WPP businesses through our financial reporting system.

## Contact points

### Feedback

---

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

### Further information

---

For further information about WPP's CR activities, please contact Vanessa Edwards: [vedwards@wpp.com](mailto:vedwards@wpp.com).

## Our companies & associates

### Advertising

ADK<sup>1</sup>  
[www.adk.jp](http://www.adk.jp)

Bates 141  
[www.bates141.com](http://www.bates141.com)

CHI & Partners<sup>1</sup>  
[www.chiandpartners.com](http://www.chiandpartners.com)

DaVinci

Dentsu Y&R<sup>1,2</sup> ■  
[www.yandr.com](http://www.yandr.com)

Diamond Ogilvy  
[www.diamond.co.kr](http://www.diamond.co.kr)

Grey♦  
[www.grey.com](http://www.grey.com)

HS Ad<sup>1</sup>  
[www.hs-ad.co.kr](http://www.hs-ad.co.kr)

JWT  
[www.jwt.com](http://www.jwt.com)

Johannes Leonardo<sup>1,4</sup>  
[www.johannesleonardo.com](http://www.johannesleonardo.com)

Marsteller Advertising ■  
[www.marsteller.com](http://www.marsteller.com)

Ogilvy & Mather Worldwide  
[www.ogilvy.com](http://www.ogilvy.com)

Santo  
[www.santo.net](http://www.santo.net)

Soho Square  
[www.sohosq.com](http://www.sohosq.com)

TAPSA  
[www.tapsa.es](http://www.tapsa.es)

The United Group  
[www.group-united.com](http://www.group-united.com)

Y&R ■  
[www.yandr.com](http://www.yandr.com)

### Media Investment management

**GroupM:**  
[www.groupm.com](http://www.groupm.com)

MAXUS  
[www.maxusglobal.com](http://www.maxusglobal.com)

MediaCom  
[www.mediacom.com](http://www.mediacom.com)

Mediaedge:cia  
[www.mecglobal.com](http://www.mecglobal.com)

MindShare  
[www.mindshareworld.com](http://www.mindshareworld.com)

Outrider  
[www.outrider.com](http://www.outrider.com)

BrandAmp<sup>2</sup>  
[www.brandamp.co.uk](http://www.brandamp.co.uk)

**Other media agencies**

Kinetic Worldwide<sup>2</sup>  
[www.kineticww.com](http://www.kineticww.com)

KR Media<sup>1</sup>

### Information, Insight & Consultancy

**The Kantar Group:**  
[www.kantargroup.com](http://www.kantargroup.com)

Added Value Group  
[www.added-value.com](http://www.added-value.com)

BMRB International  
[www.bmrb.co.uk](http://www.bmrb.co.uk)

BPRI  
[www.bprigroup.com](http://www.bprigroup.com)

Cannondale Associates  
[www.cannondaleassoc.com](http://www.cannondaleassoc.com)

Center Partners  
[www.centerpartners.com](http://www.centerpartners.com)

Glendinning  
[www.glendinning.biz](http://www.glendinning.biz)

Henley Centre  
HeadlightVision Yankelovich  
[www.hchlv.com](http://www.hchlv.com)  
[www.yankelovich.com](http://www.yankelovich.com)

IMRB International  
[www.imrbint.com](http://www.imrbint.com)

Japan Kantar Research  
[www.jp.kantargroup.com](http://www.jp.kantargroup.com)

Kantar Operations  
[www.kantaroperations.com](http://www.kantaroperations.com)

KMR Group  
[www.kmr-group.com](http://www.kmr-group.com)

– AGBNielsen Media Research<sup>2</sup>  
[www.agbgroupp.com](http://www.agbgroupp.com)

– IBOPE Media Information<sup>1</sup>  
[www.ibope.com.br](http://www.ibope.com.br)

– Markttest<sup>1</sup>

– Mediafax

Lightspeed Research  
[www.lightspeedresearch.com](http://www.lightspeedresearch.com)

Management Ventures  
[www.mventures.com](http://www.mventures.com)

Mattson Jack Group  
[www.mattsonjack.com](http://www.mattsonjack.com)

Millward Brown  
[www.millwardbrown.com](http://www.millwardbrown.com)

Research International  
[www.research-int.com](http://www.research-int.com)

RMS Instore  
[www.rms-uk.com](http://www.rms-uk.com)

Ziment Group  
[www.zimentgroup.com](http://www.zimentgroup.com)

**Other marketing consultancies**

Everystone  
[www.everystonegroup.com](http://www.everystonegroup.com)

ohal  
[www.ohal-group.com](http://www.ohal-group.com)

### Public Relations & Public Affairs

BKSH ■  
[www.bksh.com](http://www.bksh.com)

Blanc & Otus  
[www.blancandotus.com](http://www.blancandotus.com)

Buchanan Communications  
[www.buchanan.uk.com](http://www.buchanan.uk.com)

Burson-Marsteller ■  
[www.bm.com](http://www.bm.com)

Chime Communications PLC<sup>1</sup>  
[www.chime.plc.uk](http://www.chime.plc.uk)

Clarion Communications  
[www.clarioncomms.co.uk](http://www.clarioncomms.co.uk)

Cohn & Wolfe ■  
[www.cohnwolfe.com](http://www.cohnwolfe.com)

Dewey Square Group  
[www.deweysquare.com](http://www.deweysquare.com)

Finsbury  
[www.finsbury.com](http://www.finsbury.com)

GCI Group ♦  
[www.gcigroup.com](http://www.gcigroup.com)

Hill & Knowlton  
[www.hillandknowlton.com](http://www.hillandknowlton.com)

Ogilvy Government Relations  
[www.ogilvypr.com](http://www.ogilvypr.com)

Ogilvy Public Relations Worldwide  
[www.ogilvypr.com](http://www.ogilvypr.com)

The PBN Company<sup>1</sup>  
[www.pbnc.com](http://www.pbnc.com)

Penn, Schoen & Berland ■  
[www.psb surveys.com](http://www.psb surveys.com)

Public Strategies  
[www.pstrategies.com](http://www.pstrategies.com)

Quinn Gillespie  
[www.quinnillespie.com](http://www.quinnillespie.com)

Robinson Lerer & Montgomery ■  
[www.rlmnet.com](http://www.rlmnet.com)

Timmons and Company  
[www.timmonsandcompany.com](http://www.timmonsandcompany.com)

Wexler & Walker Public Policy Associates  
[www.wexlergroup.com](http://www.wexlergroup.com)

### Branding & Identity

Addison Corporate Marketing ♦  
[www.addison.co.uk](http://www.addison.co.uk)

BDGMcColl  
[www.bdg-mccoll.com](http://www.bdg-mccoll.com)

BDGworkfutures  
[www.bdgworkfutures.com](http://www.bdgworkfutures.com)

Coley Porter Bell  
[www.cpb.co.uk](http://www.cpb.co.uk)

Dovetail  
[www.dovetailfurniture.com](http://www.dovetailfurniture.com)

FITCH  
[www.fitchww.com](http://www.fitchww.com)

Lambie-Nairn ♦  
[www.lambie-nairn.com](http://www.lambie-nairn.com)

Landor Associates ■♦  
[www.landor.com](http://www.landor.com)

The Brand Union ♦  
[www.thebrandunion.com](http://www.thebrandunion.com)

The Partners ♦  
[www.thepartners.co.uk](http://www.thepartners.co.uk)

VBAT ♦  
[www.vbat.nl](http://www.vbat.nl)

Warwicks  
[www.warwicks-uk.com](http://www.warwicks-uk.com)

### Healthcare Communications

CommonHealth  
[www.commonhealth.com](http://www.commonhealth.com)

Feinstein Kean Healthcare  
[www.fkhealth.com](http://www.fkhealth.com)

GHG ♦  
[www.ghgroup.com](http://www.ghgroup.com)

Ogilvy Healthworld  
[www.ogilvyhealthworld.com](http://www.ogilvyhealthworld.com)

Sudler & Hennessey ■  
[www.sudler.com](http://www.sudler.com)

**Direct, Digital, Promotion & Relationship Marketing**

A. Eicoff & Co  
www.eicoff.com

AGENDA<sup>†</sup>  
www.agenda-asia.com

AquaOnline<sup>†</sup>  
www.aquaonline.com

Blast Radius<sup>†</sup>  
www.blastradius.com

Bridge Worldwide  
www.bridgeworldwide.com

Brierley & Partners<sup>1</sup>  
www.brierley.com

Dialogue Marketing  
www.dialmkg.com

Digit  
www.digitlondon.com

EWA  
www.ewa.ltd.uk

FullSIX<sup>3</sup>  
www.fullsix.com

GT<sup>■</sup>  
www.wearegt.com

Grass Roots<sup>1</sup>  
www.grg.com

G2<sup>♦</sup>  
www.g2.com

- G2 Branding & Design
- G2 Interactive
- G2 Direct & Digital
- G2 Promotional Marketing

Headcount Worldwide Field Marketing  
www.headcount.co.uk

High Co<sup>1</sup>  
www.highco.fr

KnowledgeBase Marketing<sup>■</sup>  
www.knowledgebasemarketing.com

Mando Brand Assurance  
www.mando.co.uk

Maxx Marketing  
www.maxx-marketing.com

OgilvyAction  
www.ogilvyaction.com

OgilvyOne Worldwide  
www.ogilvy.com

OOT<sup>3</sup>  
www.oot.it

Plano.Trio  
www.planotrio.com.br

RMG Connect  
www.rmgconnect.com

RTC Relationship Marketing<sup>■</sup>  
www.rtcrm.com

Studiocom<sup>■</sup>  
www.studiocom.com

These Days<sup>†</sup>  
www.thesedays.com

VML<sup>■</sup>  
www.vml.com

Wunderman<sup>■</sup>  
www.wunderman.com

ZAAZ<sup>†</sup>  
www.zaaz.com

141 Worldwide  
www.141worldwide.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<sup>■</sup>  
www.thinkbravo.com

Kang & Lee<sup>■</sup>  
www.kanglee.com

MosaicaMD  
www.mosaicamd.com

UniWorld<sup>1</sup>  
www.uniworldgroup.com

WINGLATINO<sup>♦</sup>  
www.winglatino.com

**Employer branding/ recruitment**  
JWT Inside  
www.jwtinside.com

**Event/face-to-face marketing**  
MJM  
www.njmcreative.com

FITCHLive  
www.fitchlive.com

**Foodservice marketing**  
The Food Group  
www.thefoodgroup.com

**Sports marketing**  
Global Sportnet  
www.globalsportnet.com

OgilvyAction Sports & Entertainment  
www.ogilvyaction.com

Performance  
www.performance-worldwide.com

PRISM Group  
www.prismsite.com

**Entertainment marketing**  
Alliance<sup>♦</sup>  
www.alliance-agency.com

**Youth marketing**  
The Geppetto Group  
www.geppettogroup.com

G Whiz<sup>♦</sup>  
www.thinkgwhiz.com

**Real estate marketing**  
Pace  
www.paceadv.com

**Technology marketing**  
Banner Corporation<sup>■</sup>  
www.b1.com

**Media & production services**  
Clockwork Capital<sup>1</sup>  
www.clockworkcapital.com

The Farm Group  
www.farmgroup.tv

Imagina<sup>3</sup>

Metro Group  
www.metrobroadcast.co.uk

**WPP Digital**

BLUE<sup>4</sup>  
www.blue-interactive.com

24/7 Real Media<sup>4</sup>  
www.247realmedia.com

Quasar<sup>4</sup>  
www.quasar.co.in

Schematic<sup>4</sup>  
www.schematic.com

syzygy<sup>1,4</sup>  
www.syzygy.net

**WPP Digital partner companies**

iconmobile<sup>1</sup>  
www.iconmobile.mobi

JumpTap<sup>3</sup>  
www.jumptap.com

LiveWorld<sup>3</sup>  
www.liveworld.com

Media Rights Capital<sup>3</sup>  
mMetrics<sup>3</sup>  
www.mmetrics.com

NuConomy<sup>3</sup>  
www.nuconomy.com

Spot Runner<sup>3</sup>  
www.spotrunner.com

VideoEgg<sup>3</sup>  
www.videoegg.com

Visible Technologies<sup>1</sup>  
www.visibletechnologies.com

Visible World<sup>3</sup>  
www.visibleworld.com

WildTangent<sup>3</sup>  
www.wildtangent.com

**WPP knowledge communities**

The Channel

The Store  
droth@wpp.com

**Key**

- 1 Associate
- 2 Joint venture
- 3 Investment
- 4 WPP Digital
- A Young & Rubicam Brands company
- † Part of Wunderman network (Y&R Brands)
- A member of B to D Group
- ◆ A Grey Group company

As at June 2008

# WPP

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

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

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

[www.wpp.com](http://www.wpp.com)



#### About the artists

The striking illustrations in this report are original works from the !Xun and Khwe Community, probably the largest settlement of the San or Bushmen, the indigenous people of Southern Africa. They were created between 1994 and 2006 and are reproduced by kind permission of Hella Rabbethge-Schiller, who owns the world's largest private collection of this art.

Written and produced by WPP  
Consultancy by Context  
Designed by Addison Corporate Marketing  
Printed in the UK by  
St Ives Westerham Press Ltd, a carbon neutral company  
©WPP 2008

This report uses paper manufactured from 100% recycled de-inked post-consumer waste. All by-products from both the pulp and paper production are used for a variety of things including fertiliser, cement production and energy for heating the local community.

