



## **Environment Policy**

We are committed to embedding environmental practices and the prevention of pollution into our business strategy, in line with leading external frameworks. WPP's aim is to facilitate the continual improvement of the reduction of environmental impact of our operations and supply chain, and to maximise our positive impact on the planet. WPP aims to use resources carefully and to reduce waste and recycle as much as possible.

WPP aims to act in accordance with the aims of the Paris Climate Agreement. We are committed to decarbonisation in our own business and supply chain, transitioning to lower-carbon products and services and supporting clients as they implement their own transition plans.

We have set ambitious carbon reduction targets aligned with a 1.5oC pathway.

Compliance with this policy will enable WPP and its agencies to meet our targets and supports the transition to a lower-carbon economy.

### **1. SCOPE**

This policy applies to the direct and indirect environmental impacts of carbon emissions, energy use, waste disposal and resource-use relating to our direct operations and supply network.

### **2. GOVERNANCE**

At Board level, the Sustainability Committee has responsibility for sustainability and climate change and meets a minimum of four times per year. Together with the Sustainability Committee, the Board level Audit Committee oversees the integrity of WPP's financial and non-financial disclosures relating to greenhouse gasses and other material environmental topics as defined by the WPP Double Materiality Assessment.

Our Chief Sustainability Officer has operational responsibility for managing our response to climate change.

WPP and its agencies should comply with all applicable environmental laws and standards in the countries in which they operate, and obtain relevant permits where activities require them. If a client sets stricter requirements in its policies or codes of conduct, they should be considered.

This policy should be applied within the scope of the wider WPP Policy Book.



### **3. TARGETS, REPORTING AND DISCLOSURE**

WPP has set targets and continual improvement<sup>1</sup> programmes to ensure an absolute reduction in our greenhouse gas emissions. Emissions reduction targets have been set against the Greenhouse Gas (GHG) Protocol and validated by the Science Based Targets initiative (SBTi). WPP has set targets in line with a 1.5°C planetary warming scenario.

WPP will use high-quality offsets to neutralise residual emissions to reach net zero emissions in line with the requirements of WPP's Net Zero commitment and in accordance with WPP's Offsetting Policy (section 7).

WPP is committed to measuring and reducing the greenhouse gas emissions which result from its direct operations and supply chain, including emissions produced by media buying. This incorporates all material Scope 1, 2 and 3 greenhouse gases and their contributory activities as defined by the Greenhouse Gas Protocol Corporate Accounting Standard and the Greenhouse Gas Protocol Scope 3 Guidance.

Progress against these targets will be reported on an annual basis through the WPP Annual Report and CDP response. Information on the basis of measurement will be published in the WPP Sustainability Reporting Criteria<sup>2</sup> which is managed by the WPP Sustainability Team.

Targets will be reviewed every five years in line with requirements of the SBTi to ensure they meet the standards outlined in this policy and deliver required reductions.

Additional agency-level carbon reduction commitments or targets must be approved by WPP.

### **4. OUR TRANSITION TO A LOWER-CARBON BUSINESS**

We communicate our approach to managing the implementation of our carbon reduction targets and the role that the organisation plays in supporting clients' emissions reduction through our Annual Report and CDP response.

Delivery of the targets is focused on the areas of our business which generate the largest proportion of emissions within our total footprint. Progress against our targets is overseen by our Net Zero Leadership Group, bringing together executive-level sponsors across each emissions focus area.

Our approach to emissions reduction is reviewed periodically as part of our broader sustainability strategy review, or upon any material revisions to WPP's emissions reduction targets.

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<sup>1</sup> Continual Improvement ISO14001: 2015

<sup>2</sup> To be published on wpp.com as a requirement of undertaking third party limited assurance



## 5. PROCUREMENT RELATED SPECIFICATIONS

All Procurement of products and services must comply with the WPP Procurement Policy.

Specific environmental provisions are in place for the following categories:

- **Renewable electricity:** from 2025, 100% of electricity should be purchased from renewable sources. Direct purchase of renewable electricity via energy contracts should be explored in all markets where policy allows this, either directly with energy companies or via landlords. Where direct purchase is not possible, central procurement of Energy Attribute Certificates (EACs) will be made. Renewable electricity contracts must ensure the highest environmental and ecological standards, with large hydro-power use not permitted.
- **Company cars:** all company cars should be purchased in line with the WPP Company Car Policy. Where possible, electric, hybrid or low emission vehicles should be purchased.
- **Business Travel:** all air travel should be booked and managed in line with the WPP Global Travel and Expenses Policy.
- **Offsetting projects:** all carbon offsets purchases must be made through Procurement teams. All carbon offsets should be purchased in accordance with the Commercial Offsetting Policy (section 6).
- **Plastics:** Purchasing, use and disposal of plastic items in our offices should be carried out in line with the WPP Circular Economy Plastics Policy.

## 6. COMMERCIAL OFFSETTING POLICY

The first step to limiting emissions must always be to reduce the total footprint of any product or service as far as possible.

Offsets purchased to neutralise remaining carbon emissions, or to provide carbon neutral or net zero products to clients, should be purchased via WPP Procurement.

All offsets bought must be verified by a carbon offset standard, for example Verified Carbon Standard or Gold Standard, and comply with the recommendations outlined by the International Carbon Reduction and Offset Alliance (ICROA).

Where a WPP agency is offering carbon offset emissions services (e.g. net zero or carbon neutral) to clients all calculations should be completed in line with the Greenhouse Gas Protocol.

All offset providers used by WPP will be asked to disclose calculation methodologies.

Alongside carbon removal, offsets should provide additional environmental benefits (e.g. protecting or enhancing biodiversity) and social benefits (e.g. health benefits or poverty alleviation).