M&C SAATCHI GROUP

Sustainability Update July 2022

In 2021, we launched our network-wide sustainability transformation programme ACTION@M&CSAATCHI.

Recognising the urgent need for environmental and social change, ACTION commits us to using our business and the power of our ideas to accelerate meaningful change for people and planet.

In this report we recap our commitments, update on our progress so far, and set out plans for what comes next.

INTRODUCTION FROM OUR CEO

Welcome to our first Sustainability update sharing our commitments, actions taken so far, and plan for what's to come.

The need to act on social and environmental issues has never been more urgent. Demand for sustainable products and services is accelerating fast, and expectations of business from investors, consumers, regulators and talent are rightly ratcheting up.

We are addressing how we work. But in a business like ours we have the most scope to make a positive difference through the work we do - shaping how we all see the world and live our lives.

Since launching our ACTION@M&CSAATCHI sustainability strategy in 2021, we have been busy gathering data, implementing new initiatives and working with partners and clients to accelerate meaningful change.

For example, our targets and goals have been formally submitted to the SBTi for approval, M&C Saatchi Open House has opened up our agency to over 2,500 people worldwide, and our new Employee Led Networks are helping us develop an inclusive experience where everyone can flourish, perform and belong.

Meanwhile I am delighted to see a surge in positive social and environmental client work – such as launching Burger King's plant-based range, supporting Lexus's roll out of EVs, promoting diversity and inclusion for Nando's and Ballantine's, and advocating climate action as the UK Government's communications partner at COP26.

We are still at the very beginning of our journey, but I'm proud of the way the whole Group has embraced our commitments and the actions we've taken so far. I would like to thank everyone for their continued energy and ambition to drive change for our business and our clients. I'm excited to see what lies ahead as we harness our business and the power of our ideas to make meaningful change for people and planet.

Now is the time for meaningful change. Now is the time for action. Moray MacLennan Now is the time for meaningful change.

Now is the time for action.

OVERVIEW FROM OUR CHIEF SUSTAINABILITY OFFICER

- JOANNA YARROW



Christiana Figueres, Former Executive Secretary of the UNFCCC recently said "We are entering the most critical decade of human existence. By the end of the '20s we will have largely decided the quality of life on this planet for centuries to come. There has never been a more urgent need for the superpower of media companies. The time to use it is now". I agree. Which is why it's so exciting to take these first steps in harnessing the superpowers of M&C Saatchi's global network of brilliant creativity to address some of the biggest challenges of our time.

We're starting with 12 commitments that apply to our whole global network. For planet we're focusing initially on climate as a key challenge on which many others depend. And for people we focus on diversity, equity and inclusion.

We'll become a carbon neutral company by 2030, in our own operations and in the production of the content we create for our clients. To deliver this, by 2030 we'll reduce our scope 1, 2 and 3 emissions to 50% of our 2019 emissions. We're also setting a Net Zero target with the Science Based Targets Initiative – holding ourselves to account on playing our part in the transition to a livable future.

We're creating a company that values difference. We're addressing under-representation in how we recruit, develop and reward people, in our working environment and in supporting people from under-represented groups to start careers in our industry.

Transforming how we work is important. But our biggest potential impacts are in helping shape norms and behaviour to be a force for good through our work. So we're reorienting our business to deliver climate action, using our expertise to drive behaviour change towards cutting carbon emissions. And we'll contribute to a more inclusive world by ensuring the work we do with clients and communities is centred around DE&I principles. We're focusing on who we work with – we'll review all potential new clients'

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Christiana Figueres, Former Executive Secretary of the UNFCCC

environmental approach; and on the impact of the work we do - year on year we'll grow the percentage of our revenue from planet positive campaigns. And we're providing people, funding and creative skills to charities and new partnerships that have positive impacts for planet and people.

Radical change needs radical changemakers. So as well as our new dedicated team of sustainability experts and new governance structure shaping and steering our strategy, we're building climate literate teams. We're training our people to understand the latest climate science and the levers we can use to create impact within existing briefs and the importance of DEI, unleashing the power of conscious creativity in our work.

With the help of great partners, collaborators and creative talent, we'll expand and deepen our approach. Our commitments will evolve to encompass a broader range of issues. But the focus will continue to be on the changes that are most needed and where we can make the biggest positive difference. And to harnessing the power of creativity to accelerate meaningful change for planet and people.

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PLANET COMMITMENTS

- THE WAY WE WORK 1 Set a Net Zero target, in line with the SBTi Net Zero standard
 - 2 Reduce our scope 1, 2 and 3 emissions by 50% by 2030
 - 3 Be carbon neutral across our own operations by 2025 and across our value chain by 2030

THE WORK WE DO

- 4 Build climate-literate teams
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PEOPLE COMMITMENTS

- THE WAY WE WORK 7 Evolve how we recruit, develop and reward our people to address under-representation
 - 8 Create an inclusive experience where all can flourish, perform and belong
 - 9 Inspire and support people from underrepresented groups to start careers in the industry

THE WORK WE DO

- 10 Train our teams to champion DE&I and embed 'Conscious Creativity'
- 11 Offer people and funding to organisations that have a positive impact
- 12 Collaborate with key partners to create campaigns that support our People and Planet ambitions

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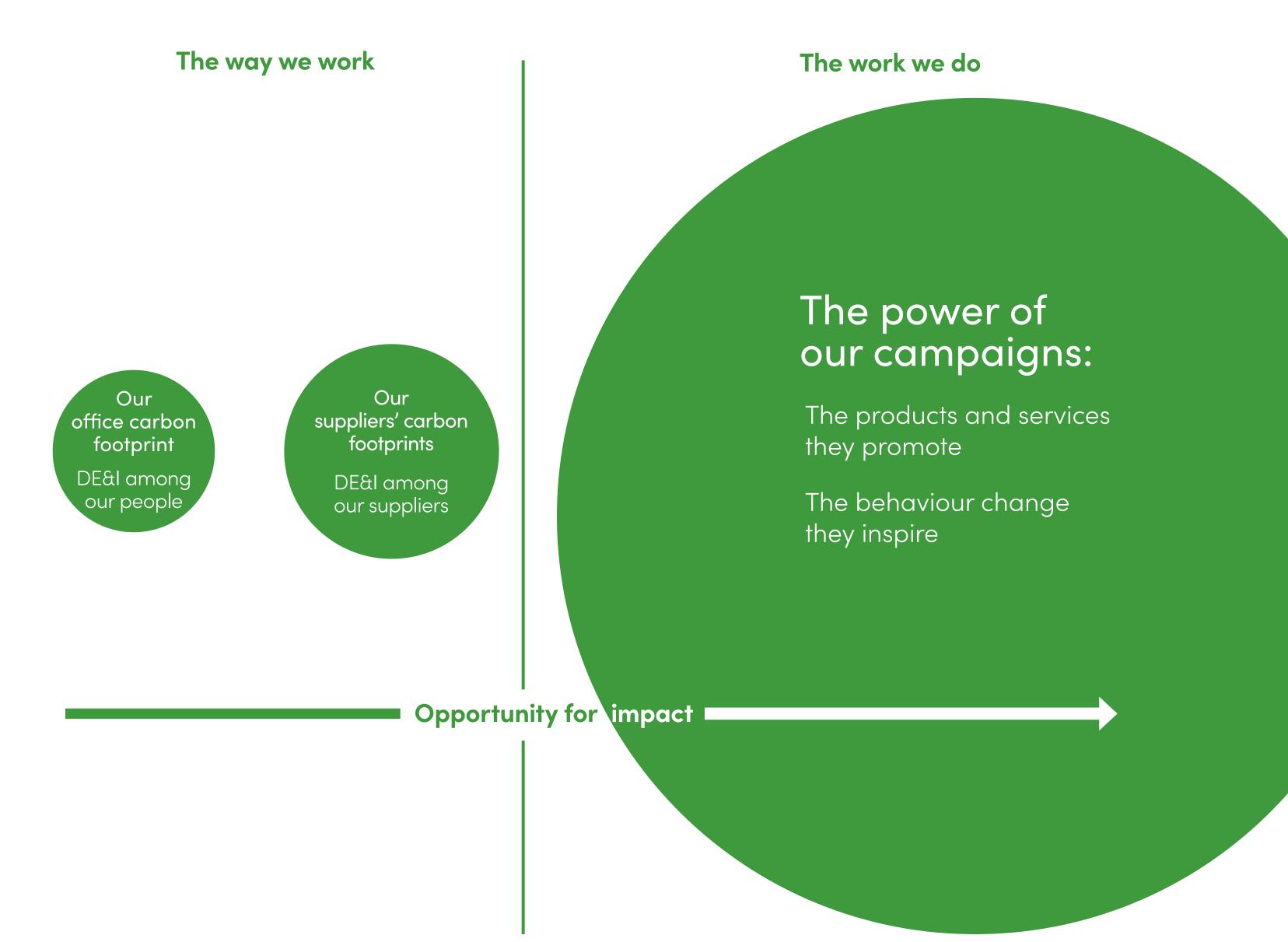
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- 2. Organising for Action
- 3. Taking Action
- 4. Campaigns in Action
- 5. Appendix

APPROACH

Action@M&CSaatchi is structured around two pillars: Planet and People. These are split between 'the way we work' and 'the work we do' within each pillar.

While transforming the way we work is important, the biggest impact we can have is by using our unique position as an organisation that helps shape norms and behaviour to be a force for good through our work.

Joanna Yarrow Chief Sustainability Officer, M&C Saatchi



2. ORGANISING FOR ACTION

NEW TEAM

We have established a new sustainability leadership team to spearhead Action – focusing on systemic change and exceptional delivery.



JOANNA YARROW
Chief Sustainability Officer,
and Founding Partner
of M&C Saatchi LIFE

Before joining M&C Saatchi
Joanna was Global Head of
Sustainable and Healthy Living
at IKEA. She currently sits on
P&G's global Sustainability
Advisory Board. At M&C
Saatchi Joanna oversees the
Group's sustainability strategy
and is Founding Partner of
M&C Saatchi LIFE.



PAMELA NOAKESGlobal Sustainability
Director

Pamela is a cross-industry sustainability expert and former Purpose Director at Virgin Group, where she led the development and embedding of their Purpose and Sustainability strategy at Masterbrand level and across the Group's portfolio. At M&C Saatchi Pamela drives and embeds the sustainability agenda with our people and across our global businesses.



MARK DICKINSON-KEEN
Global Chief People Officer

Mark has been working in the field of People and Culture for the past 20 years and holds a Masters in Strategic Human Resources. Mark was previously at Mind Gym, a leading behavioural change consultancy, and prior to that spent 10 years with TalkTalk, where he was Chief People Officer. He has been with M&C Saatchi Group since April 2021 where he has overall responsibility for the people agenda, leading the team globally.



TAZ LATIFGlobal Head of Diversity,
Equity and Inclusion

Taz has over a decade of experience working in DEI, with brands including Samsung, Unilever, NHS, The Financial Times, Sky Comcast, Bloom & Wild, Vodafone and the Singaporean Government. Her focus at M&C Saatchi is to ensure we create, launch and deliver consistent, high quality and effective DEI strategies across our global companies and to help evolve our culture and practices.



TOM FIRTH
Sustainability Transformation
Lead and Founding Partner
of M&C Saatchi LIFE

Tom has been with M&C Saatchi for over 20 years, most recently as Managing Director of M&C Saatchi London where he was responsible for leading many of their most prominent behaviour change and social impact campaigns. In his new role Tom is responsible for leading a change agenda within the network to prepare for the enormous disruption that environmental and social issues will cause to both our industry and society. He is also leading M&C Saatchi LIFE.

NEW GOVERNANCE

We have introduced a new governance structure and network of task forces to deliver on our Action Commitments.



Executive oversight

A Group Sustainability Sub-Committee including our global CEO, a Non-Exec Board Member and our global CFO meets quarterly to provide oversight, agree direction and scrutinise delivery.

Once a year this group will be joined by independent external experts to bring outside-in thinking and review and critique our strategy and performance according to our commitments.

Focus and partnership

A sustainability leadership team oversees development and delivery of our global sustainability strategy and action plans. To integrate people and planet the team is jointly led by our Chief People Officer and Chief Sustainability Officer, and they're supported by our newly appointed Global Head of DE&I and Global Sustainability Director.

Global and Local Task Forces

Reflecting the global nature of our Group and the specialist focus required on people and planet we've established global task forces with senior representatives from across our major divisions and regions. These task forces work with the leadership team to develop and activate global strategies within their business areas – overseeing local teams to embed the approach into the companies across our network.

NEW INCENTIVES

We have linked sustainability performance to executive remuneration.



Our sustainability Action strategy is a key part of our organisational priorities. To reinforce this, in 2022 we are beginning to link executive compensation to our sustainability goals for the first time. These targets are equally weighted across planet and people and in total will make up 10% of the overall performance bonus for our Executive Directors, and certain other Executives in our central, global team. We look forward to reporting back on these targets in 2023.

NEW CAPABILITIES

In early 2022 we established M&C Saatchi LIFE, a global consultancy that combines commercial sustainability expertise with behaviour change and creativity, to help brands and businesses inspire and enable people to live healthier and more sustainable lives and, in doing so, build brand value.

LIFE is led by Joanna Yarrow, former Global Head of Sustainable & Healthy Living at IKEA, and Tom Firth, formerly MD of M&C Saatchi London. Strategic Advisors include Sue Garrard, one of the chief architects of Unilever's Sustainable Living Brands Strategy, and Hilary Berg, formerly Head of Sustainability and Social Responsibility at Iceland Foods.



NEW PARTNERSHIPS

We are working with pioneering organisations and initiatives to align our approach with leading standards and best practice principles.



An industry-wide initiative set up by the AA, ISBA and IPA to reduce the carbon impact of developing, producing and running advertising to real net zero by 2030.



A voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN Goals.



Conscious Advertising
Network: A voluntary
coalition of over 70
organisations set up to
ensure that industry ethics
catch up with the
technology of modern
advertising.



Ad Net Zero's plan sets our industry on a clear path

the rapid shifts in consumer behaviour across the

to net zero by 2030, as well as using creativity to drive

economy needed to address the climate emergency



A partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) created to show companies and financial institutions how much and how quickly they need to reduce their greenhouse gas (GHG) emissions to prevent the worst effects of climate change.

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In 2021 we initiated a mandatory learning programme on inclusive leadership for all UK CEOs, partnering with specialist consultancy 'Included'. Created by Founder Stephen Frost, Head of D&I, London 2012 and Paralympic Games 2012, the training delivers a leadership development journey to drive inclusive behaviours and foster an inclusive culture.



In spring 2022 we became a design partner in the world-renowned Healthy & Sustainable Living consumer insights research programme led by GlobeScan. The study provides insights into the shifting preferences and behaviours of global consumers across 34 markets, giving us a unique understanding of how people are responding to changing global and social issues and the part that brands can play in inspiring and enabling a healthier and more sustainable lifestyle.

Enabling consumers to live healthier and more sustainable lives is not only crucial for our collective future, but also a massive opportunity to build more meaningful and deep relationships with customers. It's great to have M&C Saatchi as a design partner, and to be working with them so closely to help better engage consumers on sustainability. They're experts in using brand and marketing to shift behaviour, so I'm very excited to see what we can do together. Now more than ever, we need big, engaging and exciting ideas to inspire and enable positive changes in how we live and to apply the best of social science to this effectively.

Chris Coulter, CEO GlobeScan

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MENTOR BLACK BUSINESS

We have partnered with Mentor Black Business to help black-owned businesses in the UK to thrive, giving free access to the best industry know-how and experience. MBB provides tailored advice on crucial business questions like how to develop a digital marketing strategy, optimise a website or get started with online selling.



An activist collective of advertising insiders working together to reshape the industry to tackle climate change.

While our industry has been part of the problem for many years it is now finally waking up to its responsibilities. It is great to see M&C Saatchi take such significant steps to start addressing the climate crisis in their everyday work, and involve themselves so actively with our mission – participating in our Good Life 2030 activity at COP26, being part of the Advertised Emissions Working Group and both contributing content to our #ChangeTheBrief training programme as well as rolling it out across their entire network.

Jonathan Wise, Founder, Purpose Disruptors

NEW DATA

We have analysed our global footprint across scopes 1, 2 and 3 to establish a baseline for action on carbon.

See p21 to find out how we are reducing these emissions.

Scope 1&2 footprint over time Scope 1 Scope 2 (market-based) 1,697 1,339 1,132 tonnes CO2e

2020

2021

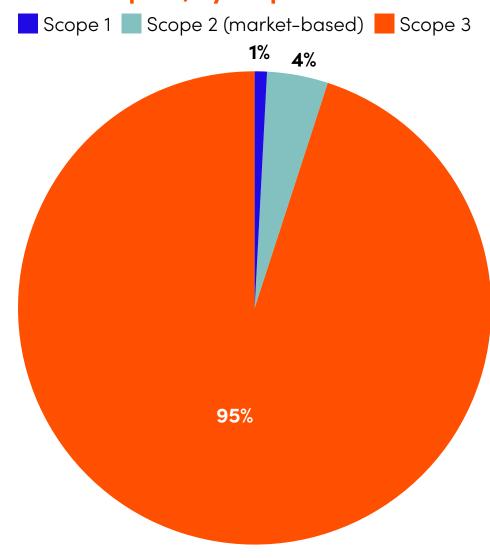
2019

Scope 1 & 2 emissions (2021)

(emissions from our buildings' operations)



GHG footprint, by scope

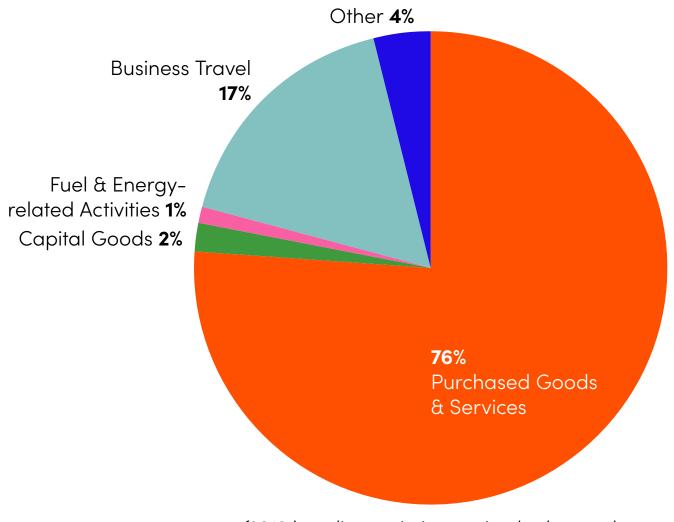


Total Scope 3 emissions = $33,463 \text{ tCO}_2\text{e}$

FTE Footprint Scopes 1&2 (2021)



Scope 3 Category Breakdown



(2019 baseline emissions, using both spend data and actual data, where possible)

/3. TAKING ACTION

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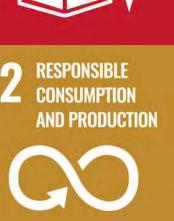
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The UN Sustainable Development Goals (SDGs) are the world's blueprint for sustainable development, creating peace and prosperity for people and the planet, now and into the future. We recognise the power of our business to ignite change across a range of different areas and we have mapped our approach against the Sustainable Development Goals where appropriate.















SUSTAINABLE CITIES



5 GENDER EQUALITY

3 GOOD HEALTH AND WELL-BEING







4 QUALITY EDUCATION



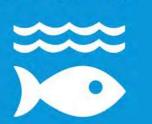
19 RESPONSIBLE **AND PRODUCTION**



6 CLEAN WATER AND SANITATION



14 LIFE BELOW WATER







5 GENDER EQUALITY

13 CLIMATE ACTION



15 LIFE ON LAND



6 CLEAN WATER AND SANITATION AFFORDABLE AND



8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG

INSTITUTIONS

14 LIFE BELOW WATER

6 CLEAN WATER AND SANITATION AFFORDABLE AND **CLEAN ENERGY**

1 NO POVERTY





16 PEACE, JUSTICE AND STRONG **INSTITUTIONS**

8 DECENT WORK AND ECONOMIC GROWTH



2 ZERO HUNGER







1 NO POVERTY



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



16 PEACE, JUSTICE AND STRONG **INSTITUTIONS**

DECENT WORK AND

17 PARTNERSHIPS FOR THE GOALS



SUSTAINABLE GENALS

4 QUALITY EDUCATION

12 RESPONSIBLE CONSUMPTION

AND PRODUCTION

















5 GENDER EQUALITY



13 CLIMATE ACTION







15 LIFE ON LAND

Set a Net Zero target, in line with the SBTi Net Zero standard.

In late 2021 we formally committed to setting a near-term science-based target with the Science Based Targets Initiative(SBTi) - the leading global initiative for setting and reporting against GHG emissions targets.

We've now developed our near term target and interim goals and formally submitted them to the SBTi for approval. These targets are in the process of being formally validated and will be confirmed as part of the SBTi approval process.

ACTIONS

So far:

- Formal commitment to SBTi ('near term target') made in 2021
- Currently under validation and approval by SBTi

Next:

 Measure and report annually on the emissions associated with our own operations and our value chain (scope 3)

Targets:

- By 2023, our major operations will have their own GHG reduction targets and action plans in place that are in line with our global ambition
- In 2023 we will submit our long-term net-zero target to the SBTi for approval.



Reduce our scope 1, 2 and 3 emissions by 50% by 2030.

We will address scope 1 & 2 emissions (emissions from our operations) through moving to renewable tariffs, energy efficiency and behaviour change initiatives.

Over 90% of our emissions are in our value chain. We will partner with suppliers to support them to reduce their emissions and will address key hotpots such as production with partners including AdGreen and Ad Net Zero. We will also implement a business travel policy.

13 CLIMATE ACTION



ACTIONS

So far:

- Measured emissions across our global operations
- Purchasing renewable electricity in our largest market, London
- Measured our scope 3
 emissions using spend and
 actual data
- Identified production as a key hotspot and introduced measures to reduce those emissions
- Continued year on year reduction of UK emissions
- Trained our UK account handling, creative and production departments and partners in how to use AdGreen tool (a marketleading carbon calculator) & started applying it to UK productions
- Developed Action Production Guidelines for M&C Saatchi London's productions
- Joined the Ad Net Zero Steering Committee

Next:

- Pursue opportunities to switch to renewable energy contracts across markets
- Implement energy efficiency and behaviour change programmes throughout our offices globally
- Partner with key suppliers to gather accurate data and support them to reduce emissions
- Identify best carbon calculators to apply to other disciplines
- Launch global travel policy, with air travel as last resort
- Produce first carbon-neutral campaign

Targets:

- Reduce our scope 1, 2 and 3 GHG emissions by 50% by 2030 from a 2019 base year, as validated by the SBTi
- Roll out the Action Production Guidelines to the rest of our network by the end of 2022
- Establish a Planet Dashboard that allows us to map the GHG footprint of all client productions by the end of 2023
- Produce our first carbonneutral campaign by the end of 2023

Be carbon neutral across our own operations by 2025 and across our value chain by 2030.

Our primary focus is on reducing our own footprint as far as possible, in line with our ambitious science-based target, as well as encouraging our partners to do the same. But there will be some residual emissions we're unable to avoid.

To start to address this we'll offset our 2022 Scope 1 and 2 footprint, purchasing verified Gold Standard carbon removal offsets.

In 2023 we'll introduce a go-forward strategy for carbon offsetting. This will take a more creative approach to maximising co-benefits in addition to carbon benefits and show greater transparency around impacts than is currently available in the global markets.





ACTIONS

So far:

 Reviewed the carbon offsets market and committed to offsetting our 2022 scope 1 and 2 footprint with Gold Standard offsets

Next:

 Development of a transparent and innovative offsetting strategy that maximises co-benefits

Targets:

 Publish our go-forward strategy for carbon offsetting in 2023

What do we mean by 'Carbon Neutral'?

Carbon neutral means that a business is in the process of reducing its emissions and is also offsetting those emissions that it has not yet been able to eliminate. Offsetting is not in itself an answer to the climate crisis but when done well, is a useful tool in the transition – enabling businesses to put a price on the carbon they emit (incentivising them to reduce their emissions), while also providing additional social and environmental benefits.

Build climate-literate teams.

Our biggest opportunity to create planet-positive change is in the work we do with our clients. We are engaging training partners to ensure our people understand the latest climate science, arming them with the knowledge and tools to drive this change.

Internal working groups will maintain post-training momentum and roll-out of initiatives. We will revisit and refresh our approach periodically to keep meaningful change front of mind.

ACTIONS

So far:

- Trialing Purpose Disruptors' #changethebrief Alliance on-demand learning and online community platform with 1,000 colleagues taking part from across the globe
- Ad Net Zero Essentials Certificate across our global network
- Set up working groups across our businesses and regions to continually engage our colleagues in our planet transformation

Next:

- Review success of Ad Net Zero and #changethebrief initiatives and develop future targets in these areas
- Finalise and globally roll-out our Action Guidance, which outlines our approach to creating positive impact through our work
- Train our people on the ASA and CMA codes and create anti greenwashing workshops for our teams to help them better identify the right questions to ask of their clients

Targets:

• All our global colleagues will be offered climate training. We will measure uptake and impact and identify future requirements in this area











Grow the % of revenue from planet positive campaigns year on year.

We are reorienting our business to deliver climate action, using our expertise to drive behaviour change towards cutting carbon emissions. Holding ourselves to account is key to this. We will capture and report the % revenue from 'planet positive' campaigns. These are defined as campaigns that promote products or services with demonstrably lower negative impacts and/or promote behaviours which reduce impact on the planet or have a regenerative environmental impact.

ACTIONS

So far:

- Training our people in how and why to include planet-positive initiatives in existing briefs (see Commitment 4)
- Launched M&C Saatchi LIFE (see P13 for more details)

Next:

- Aligning planet positive definitions with the CMA's Green Code and ASA guidance
- Development of a methodology and an internal governance process that will enable us to capture and report on the work we are doing that is leading to positive impacts on the planet - as a % of our overall revenue
- Development of an impact methodology using industry tools, working with independent bodies to understand and measure the broader impact of campaigns - e.g. Purpose Disruptors' Ecoeffectivenss and Ad Net Zero Scope 3 working groups

Targets:

• By end of 2022 we will publish guidance on how we are measuring the planet impact of our work and start reporting on income derived from planet positive campaigns















Review the environmental approach of potential new clients.

The products and services we promote on behalf of our clients are fundamental to our impact. We will therefore ask prospective clients for information on their environmental footprint and their approach to reducing it.

This will help us to better understand the impact of our work and provide information that we can use to begin to make more informed decisions about our client portfolio.

ACTIONS

So far:

- Client questionnaire template developed for use during the pitch process
- 3-Step-Check list developed for New Businesses teams to help identify high risk clients
- Initiated training of new business and leadership teams
- Participating in industry working groups exploring the impacts of advertising, including AdNetZero and Purpose Disruptors' Scope 3 initiatives

Next:

 Strengthen our role in the development of industry standards in this space, and work with industry bodies across our markets to explore ways of assessing campaign impact

Targets:

- 3-Step-Checklist for new business implemented globally by end of 2022
- Share our approach and learnings with the Advertising Association and IPA by end of 2022
- By end 2023 implement a system to understand and measure the impacts of the work we do for our clients



Evolve how we recruit, develop and reward our people to address under-representation.

The communications sector, like many industries, does not currently represent the diversity of the populations it serves. As a major brand in the sector, we must lead the way in addressing this.

We recognise the need for a more strategic, more ambitious and more joined-up approach.





ACTIONS

So far:

(Examples from our UK businesses)

- Undertaken a Diversity
 Benchmarking Survey
 covering a broad range of
 demographic measures
 including social background,
 sexuality and race
- Undertaken a lived experience survey to understand how inclusive our culture is for our people
- Annual reporting of gender pay gap for all companies (see our Gender Pay Gap report <u>here</u>)
- Launched UK internal talent initiative 'Connected Talent' providing colleagues with the opportunity to pursue career routes within and across our 15 UK businesses
- Working with recruitment consultancies to mandate balanced shortlists for senior vacancies, to help ensure we recruit from underrepresented groups
- Commenced training of recruitment leads in unconscious bias in recruitment

Next:

- Complete review of end to end recruitment process at our UK companies, and develop recommendations with a focus on DEI by end 2022
- Equal pay audit at UK companies by end of 2022 with a resulting action plan to address any issues uncovered

Targets:

- Openly share our representation data annually, reporting on our progress towards creating a more diverse Group
- Learn how to do better by taking part in external accreditations

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Create an inclusive experience where all can flourish, perform and belong.

Creating an inclusive culture begins at the top and requires engagement at all levels of the business. We are building on the progress we've made with continued training and enhanced employee communication and engagement.

ACTIONS

So far:

- Established Employee Led Networks (ERGs in South Africa) across our global businesses. These are active drivers of our internal culture and have their own dedicated time and budget
- Implemented a mandatory learning programme on inclusive leadership for all UK CEOs in partnership with specialist consultancy 'Included'. All leaders commit to a personal action plan as part of the training
- Established DE&I leaders who are accountable for driving change in every UK company
- Launched our partnership with the Vault app, giving our UK people a simple, safe and confidential way to disclose unfair treatment and other concerns

Next:

- Global roll-out of Vault
- Development of a global code of conduct covering a wide range of ethics topics

Targets:

- In 2022 we will survey the global workforce using Glint's employee survey software – covering the company, culture, ESG, DE&I and what matters to them
- We will use this data to set qualitative improvement targets

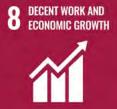




Inspire and support people from under-represented groups to start careers in the industry.

One of the main issues for our industry is that a career in communications and marketing is often not considered by people from under-represented groups. While we're supporting industry led initiatives, we are also using the reach of our own business to accelerate the pace of change. We have developed and are extending initiatives across our network to put us at the leading edge.









ACTIONS

So far:

- Our Open House programme in the UK is a free training programme that is 'open to all'. In 2021 it attracted 1,500 participants from over 38 countries and led to 8 new hires, 6 paid internships and 12 creative entries into The Drum Chip Shop Awards
- Expansion of Open House to Australia in 2021, where it led to 20 internships, 50% of whom were hired into permanent roles
- Support for our annual cohort of 10 talented female and non-binary students into the Carbon Academy, in partnership with University of Greenwich
- Start of a 3-year partnership as Principal Patron of the Saatchi Gallery to increase access to contemporary art and broaden learning opportunities for young people and minority groups
- Partnership with Blackboard to bring the possibility of creative careers to South African township students

Next:

 Exploring expansion of Open House to our other larger companies

Targets:

 We will open up the possibility of careers in our industry to under-represented groups (including low socioeconomic backgrounds) through targeted programmes across all of our major markets by 2024

Train our teams to champion DE&I and embed 'Conscious Creativity'

We recognise the unique power of our client work to promote and reflect a more diverse, equitable and inclusive world and have invested in diversity training for many years.

We are rolling out an additional 'Conscious Creativity' training programme with the most senior creative leads across each of our companies. This will further embed inclusivity and representation into our work, in a way that is responsible and authentic. These individuals will act as champions in their company, mentoring colleagues and reviewing our work through an inclusivity lens.

ACTIONS

So far:

• Signed up to the Conscious Advertising Network Manifesto, with ambitions to eradicate advertising fraud, produce content as diverse as we are, ensure neither hate speech nor deliberately misleading 'fake news' are funded by brands, ensure that safeguards around the wellbeing of children evolve with the industry, and ensure that consent is informed and people are seen as active participants in their online experience

Next:

 Identify an external training provider to develop a bespoke programme to be rolled out globally

Targets:

 Begin the roll out of the Conscious Creativity programme during 2022 – ensuring DE&I principles continue to be at the heart of the work we do for clients





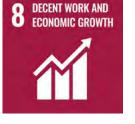
Offer people and funding to organisations that have a positive impact.

We will use the power and influence of our business and brand to continue to support causes that create positive change for planet and people, such as Mentor Black Business. We will also continue to enable our colleagues to support key issues where they have particular passion and energy, providing funding, resources and time.























So far:

- We support and fund two major programmes championing black entrepreneurship - the M&C Saatchi Saturday School and **Mentor Black Business**
- We create opportunities for our people to give their time and creativity to good causes – for example in 2021 our London agency's staff chose to produce the pro bono campaign 'GoGo Soho' to help draw people back to the neighbourhood and support much loved local businesses post lockdown

Next:

- Learn from good practice in our existing initiatives, systematically map opportunities across our businesses and then focus on key initiatives where the skills and interests of our people can have the biggest impact on the societies in which we work
- In Australia employee volunteering in 2022 will be used to support Re-love, a partnership between our gender parity employee network and our Climate Action employee network, as well as supporting the delivery of Sydney World Pride in 2023

Targets:

- Continue to grow Saturday School and Mentor Black **Business support**
- Explore similar partnerships in South Africa, Australia and the USA by the end of 2023

















Collaborate with key partners to create campaigns that support our People and Planet ambitions.

Across our network we create campaigns for non profits and other organisations that promote positive social and environmental change. This approach has evolved to address local needs, offering creative work either probono or on preferential rates.

Our Action strategy builds on this work, continuing locally led initiatives and also introducing new projects and collaborations where by working together we can create positive behaviour change in unique ways.

ACTIONS

So far:

- In 2021 we continued to deliver campaigns for charities and community organisations on pro bono and preferential rates
- We drove the development of campaigns and collaborations such as the Good Guys Guide in partnership with Solace Women's Aid and Token Man to encourage men to think about how their body language and movement can be interpreted by others (see p47)

Next:

- Put in place processes to capture and report on the combined value and impacts of this work across our global network
- Launch of Food Is Power –
 a cross–sector coalition
 addressing the need to
 reduce meat in the average
 UK diet by 30% in the next 10
 years to meet the UK carbon
 reduction targets

Targets:

 Each year we will invest our own time in accelerating change on a pro bono and preferential rate basis. We will publish the cumulative value of this work annually









Action on climate change

COP26 UK GOVERNMENT

As the UK Government's communications partner for COP26 we highlighted the different ways in which the Government, businesses and the general public could to get involved and take action in order to combat climate change.

Agency: M&C Saatchi World Services



Renewable energy

GLOBAL WIND ENERGY COUNCIL



Celebrating the benefits of wind energy and issuing a direct challenge to world leaders at COP26 to take meaningful action through energy policy announcements.

Agency: M&C Saatchi Export















Transition to electric

LEXUS

Confronting the perceived challenges of owning an electric car and launching the first all electric Lexus in Australia.

Agency: M&C Saatchi Australia





Transition to electric

Racing an electric mini through the streets of Milan to showcase the speed and handling of the new Electric Pacesetter.

Agency: M&C Saatchi Milan











Plant-based diet

BURGER KING

Elevating the consumption of the newly-launched Plant-Based Range by celebrating how it tastes 'as good as the original'.



Agency: M&C Saatchi UAE

M&C Saatchi Group Global Sustainability Update July 2022 Campaigns in Action - Client

Responsible travel

Encouraging KLM's customers to adopt a more considered and responsible approach to travel, post Covid.

Agency: M&C Saatchi Stockholm





Sustainable apparel

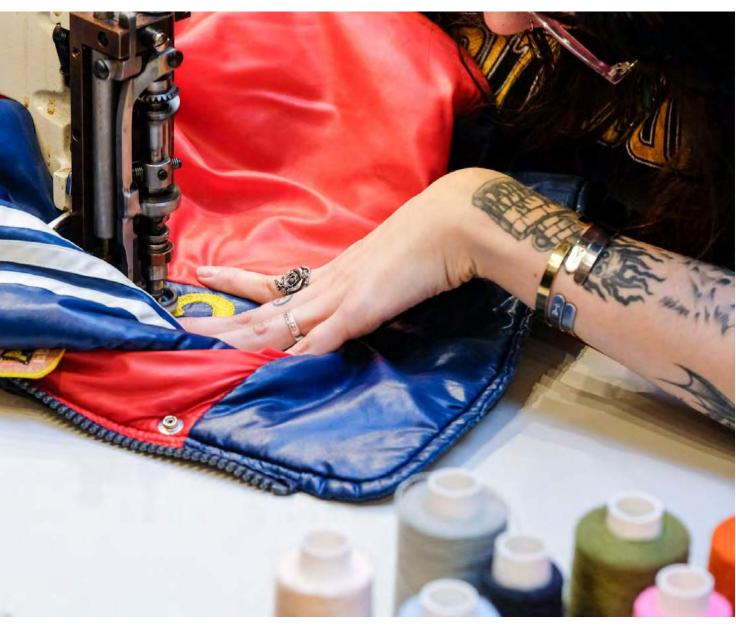
ADIDAS

Promoting more sustainable sports wear with the CHOOSE TO GIVE BACK campaign in the US – highlighting different environmentally-friendly design processes such as upcycling. Partnering with thredUP.

Agency: M&C Saatchi Sport and Entertainment















Diversity and inclusion

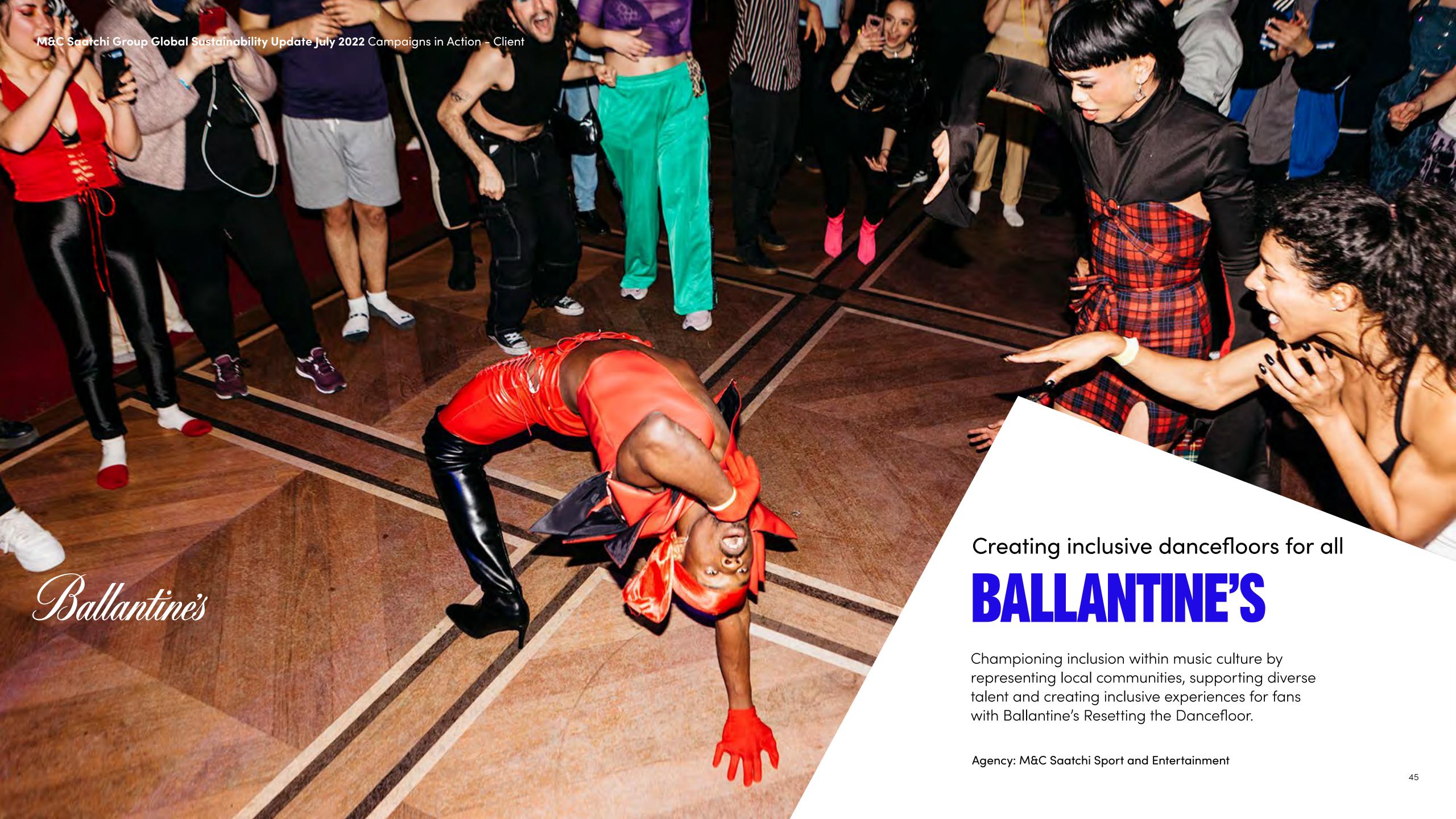
COCA-COLA

Partnering with Stonewall as part of Coke's Where Everyone Plays campaign to install large scale rainbow-coloured welcome mats outside each Premier League stadium to promote diversity and inclusion.

Agency: M&C Saatchi Sport and Entertainment







Social inclusion

NANDO'S

Campaign for Nando's which aimed to introduce the concept of pronouns to South African consumers and foster inclusion – using Nando's sharing meals at Easter to normalise pronouns through a heart-warming family moment.

Agency: M&C Saatchi Abel, South Africa







Homelessness

STREET STORE

Creating the world's first rent-free, premises-free, free "pop-up clothing store" to clothe hundreds of thousands of homeless people around the world. What started as a local campaign became a global initiative for good.

Agency: M&C Saatchi Abel, South Africa















DON'T RUN

CLOSE























Creating the Good Guys Guide to help men realise that even "good guys" can be perceived as a threat, and that they have a role to play in helping women feel more comfortable when out on the streets. The programme was developed in partnership with Solace Women's Aid and Token Man.

Agency: M&C Saatchi London

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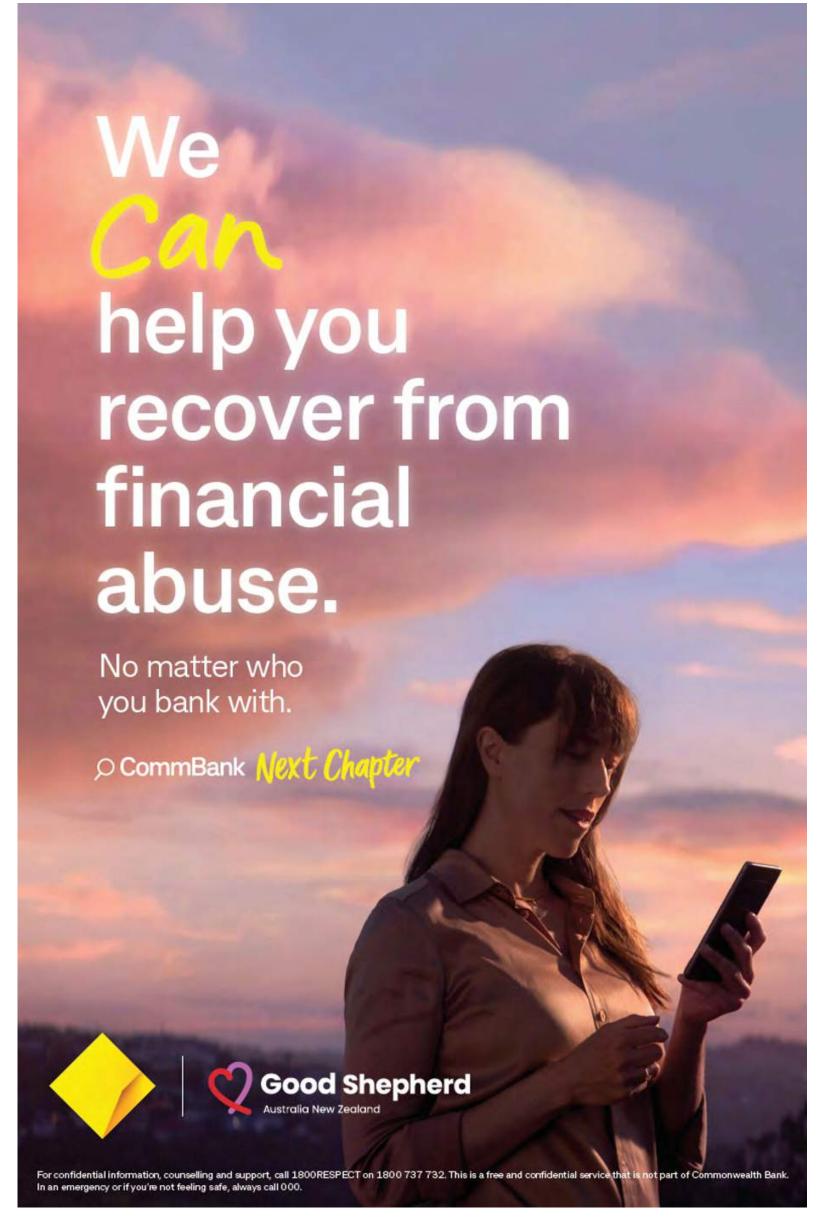


Financial abuse

COMMBANK

Confronting financial abuse, a little understood but serious form of domestic and family violence, in a campaign for CommBank. The campaign raised awareness of the issue and CommBank offers support to those affected, whoever they bank with.

Agency: M&C Saatchi Australia



Representation

THE VOICE

Promoting of the Black British Voices project – the first ever comprehensive national enquiry into the Black British experience, developed in partnership with the Department of Sociology at the University of Cambridge and consultancy group I-Cubed.

Agency: M&C Saatchi London







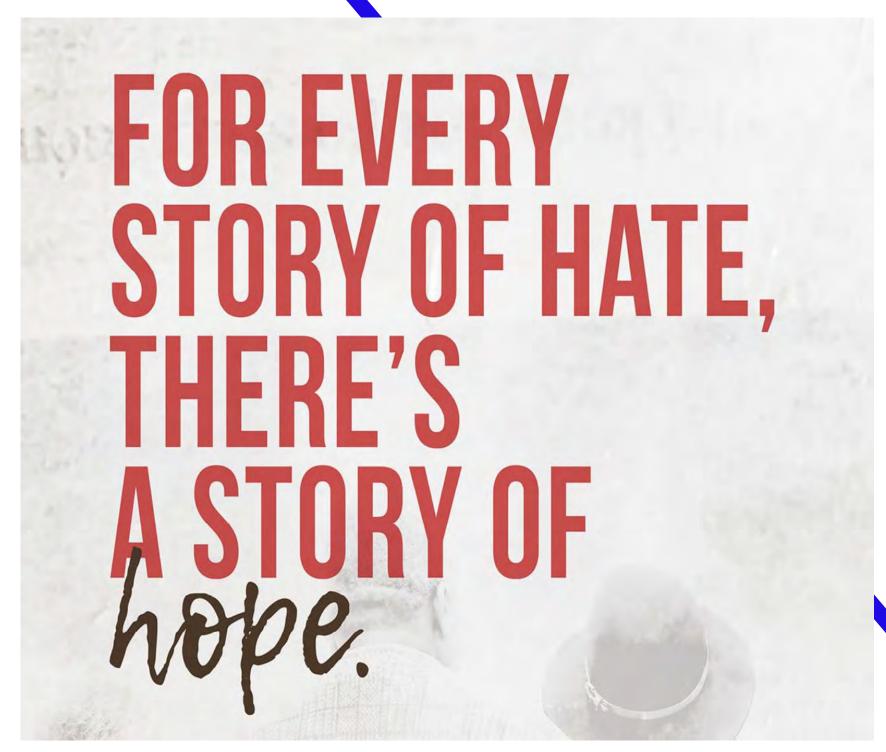
Diversity, equity and inclusion

QUEER BRITAIN

Launching the inaugural Queer Britain Madame F Award, inviting artists to share illustrations, paintings or drawings that celebrate Queer Creativity, supporting the creation of the UK's first national LGBTQ+ museum, a place as exciting as the people, stories and ideas it explores and celebrates.

Agency: M&C Saatchi London





Combatting discrimination

KP REACH

Working with Hivos and The Global Fund to bring together four LGBTQ+ networks and their member organisations across eight countries in Southern Africa to create the first ever joint campaign to tackle discrimination against LGBTQ+ people and sex workers.

Agency: M&C Saatchi World Services







CISCO

Conservation

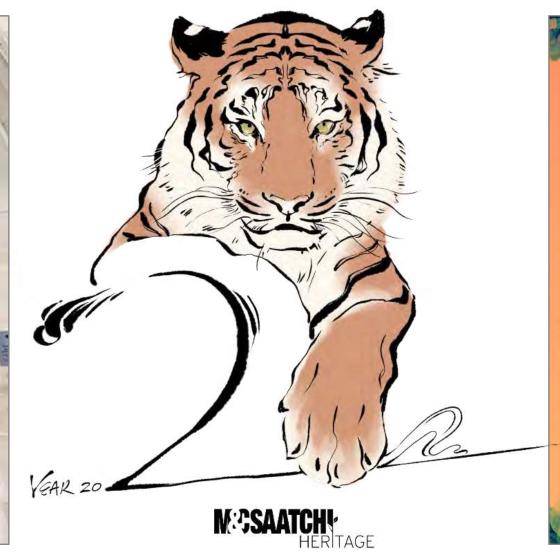
CISCO

Showcasing rhino and shark conservation efforts, supported by the solutions developed by Cisco, in a documentary series aired on National Geographic.

Agency: M&C Saatchi Australia







In aid of World Sleep Day on 18th March, please join the Together Network for a breathwork session with expert Artur Paulins

Thursday 17th March, 7 - 8PM via zoom

The session will help you learn simple and effective breathing techniques to regulate your nervous system.

These practices will help you fall asleep and stay asleep through the night for the best possible physical and mental recovery. You will learn simple strategies and easy habits to optimise your sleep quality.



EMPLOYEE-LED NETWORKS

Our major markets have set up Employee-Led Networks to represent voices from across those companies and create an inclusive experience where all can flourish, perform and belong. Groups focus on issues including Gender, Family, Wellbeing, Race and Heritage, Early Career Support. Examples can be found here and overleaf.



FA MARK

PRESENTS

BRING YOUR CHILDREN TO WORK MORNING

Friday 29 October 2021

EVENT PROGRAMME

CHILDREN SHADOW CARER AT THEIR WORK STATIONS

10.00am - 10.30am

SOFT PLAY (1-8 YEARS)

EATRIUM

Available from 10.30am

CREATION STATION (ALL AGES); FACE PAINTING (ALL AGES)

Available from 10.30am - 12.00pm

MAGIC SHOW (ALL AGES)

EAIRIUM

10.30am - 11.30am

HOW TO CREATE A WINNING SOCIAL MEDIA CAMPAIGN (10 YEARS+)

BERKLE

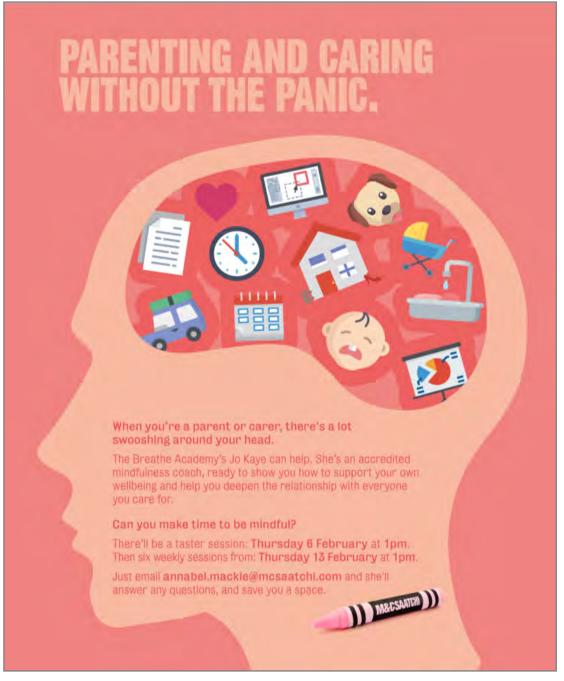
10.30am - 12.00pm

LUNCH AVAILABLE CUPCAKE DECORATING (ALL AGES)

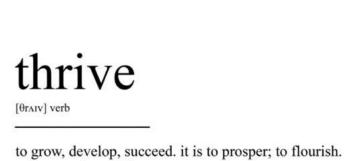
11.30am - 1.00pm

GOODIE BAGS AVAILABLE UPON DEPARTURE

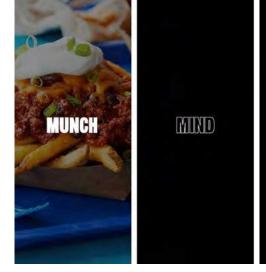
12.30 - 1.00pm

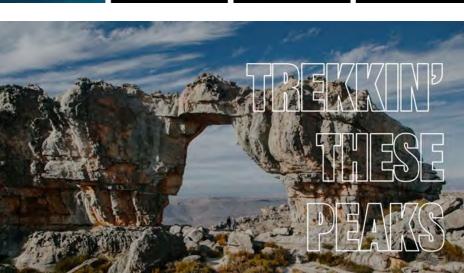


EMPLOYEE-LED NETWORKS



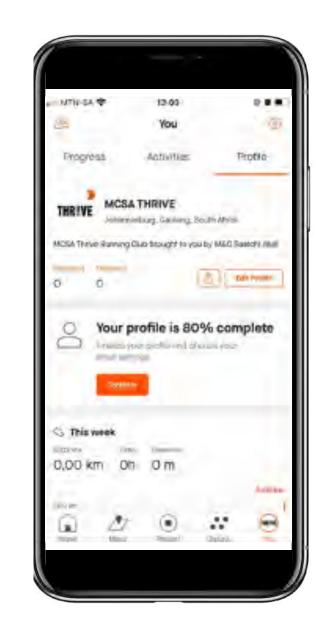
to be your best self.

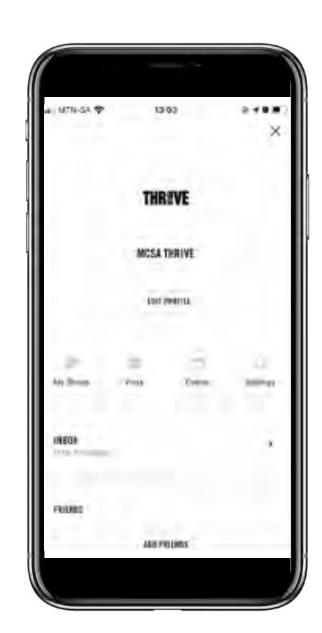




MOVE







SOUTH AFRICA AUSTRALIA







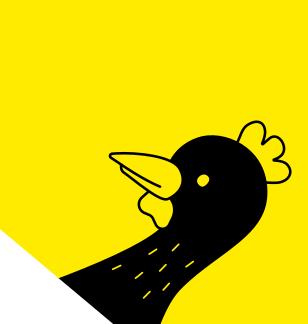












OPEN HOUSE

In 2020 we pioneered the Open House programme in the UK – a free training programme which is open to all. Trainees from across the world participate in our 8-week online training. Experienced M&C Saatchi people share their knowledge and experience through sessions including brand strategy and passion marketing (learning how to connect brands with people). Alongside building industry knowledge, those who complete the programme receive a CPD credit and the opportunity to use what they've learned on a live brief with the prospect of being shortlisted for a future role at M&C Saatchi. Participants also get the chance to build meaningful ongoing connections.

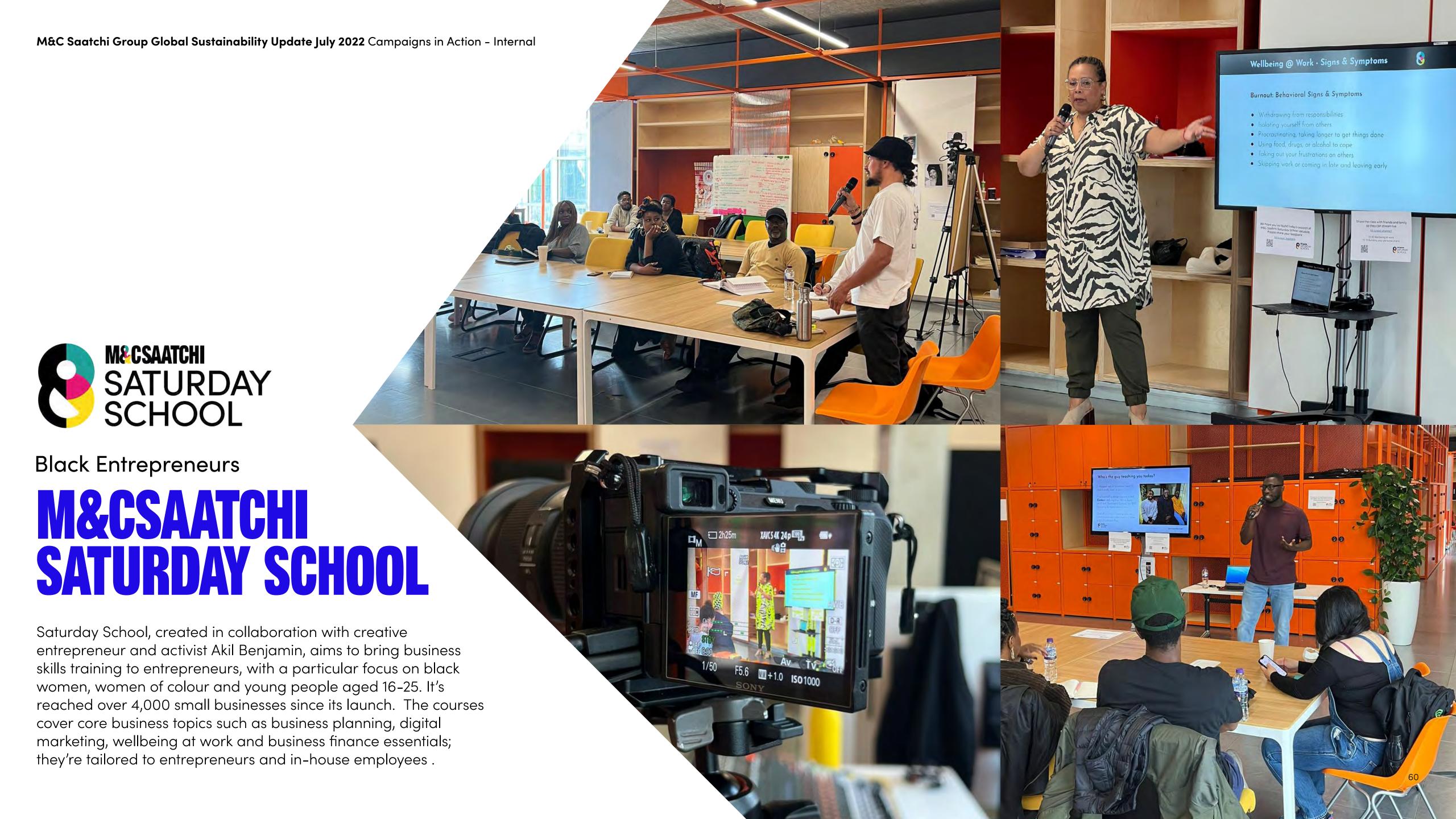
In 2021 the programme attracted 1,000 participants representing a diverse mix: Aged 16 to over 55. From 38 countries. 68% female. 35% of participants from ethnic minorities (based on UK categories). Of the UK-based participants, 40% from outside London.

CABBUN ACALEMY

CARBON ACADEMY

The Carbon Academy programme for female and non-binary college students aged 16-18 gives diverse talent the chance to experience working with a creative advertising agency. In a collaborative partnership with the University of Greenwich, our annual cohort of 10 talented students are matched with experienced female creatives to embark on a 6-month development journey, experiencing a range of cultural events, developing a portfolio of industry relevant work and enabling them to make informed choices about study and work in the creative industries.





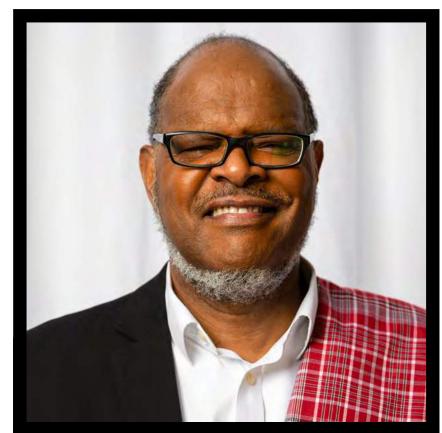
Black Entrepreneurs

MENTOR BLACK BUSINESS

In 2020, following the success of Saturday School we supported Akil to establish Mentor Black Business (MBB). The programme helps black-owned businesses in the UK to thrive, giving free access to the best industry know-how and experience. In 2021, MBB partnered with Google to give 170 black and minority businesses access to a mentor who gave them tailored advice on crucial business questions like how to develop a digital marketing strategy, optimise a website or get started with online selling. 84% of participants agreed that they have more confidence to succeed as an entrepreneur as a result of the course.

















SAATCHI GALLERY

In 2021 M&C Saatchi began a three-year partnership as Principal Patron of the Saatchi Gallery. Our aim is to increase access to contemporary art and broaden learning opportunities for young people and people from minority groups in the UK and worldwide, through a dedicated learning space for students and community groups plus free exhibition visits and on-site workshops, all supported by online resources. The collaboration includes community engagement projects, a cultural change programme to identify the next generation of artists, an annual art prize, and an expanded learning programme bringing art and creativity to a younger, more diverse audience.

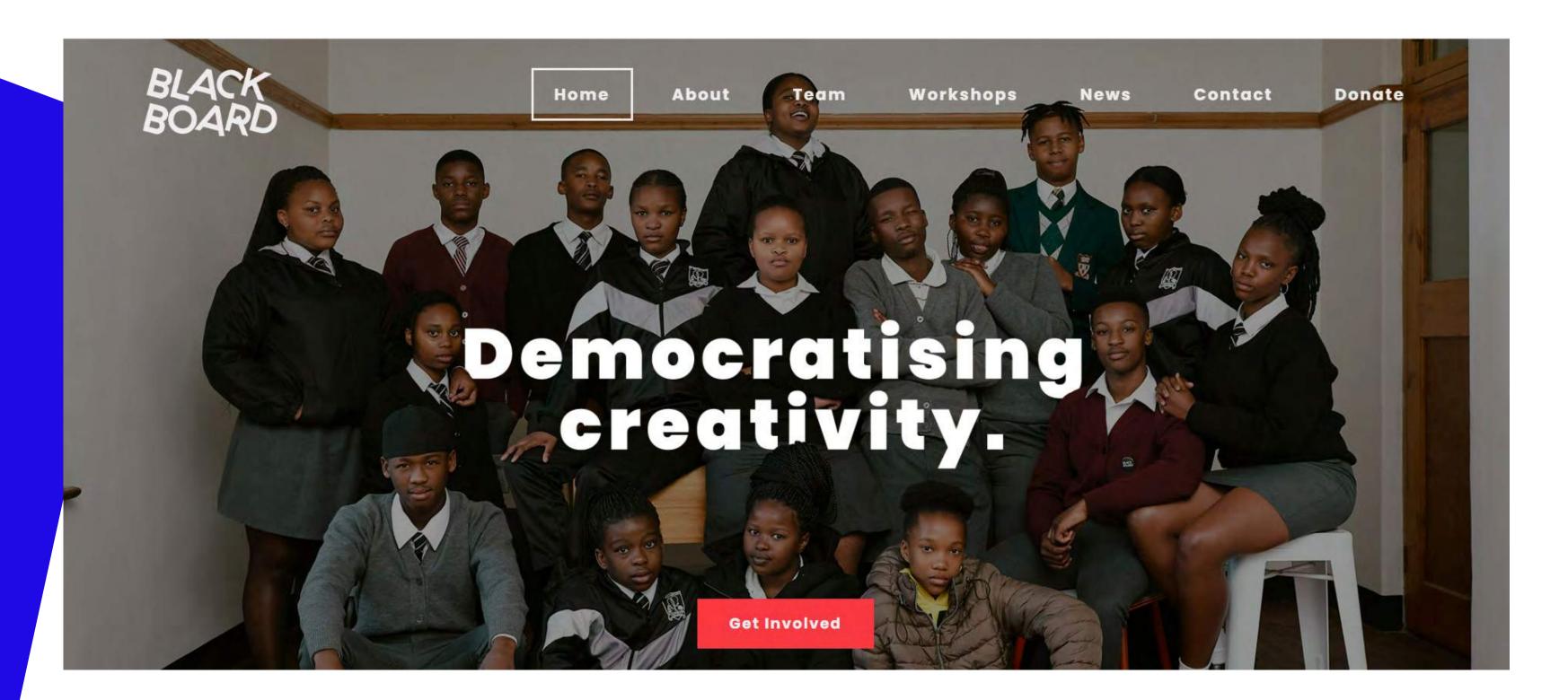
SAATCHI GALLERY





CREATIVITY FOR ALL

In South Africa we partner with the highly respected non-profit Blackboard to bring the possibility of creative careers to South African township students.



5. APPENDIX

BREAKDOWN OF OUR SCOPE 1&2 FOOTPRINT

	Units	2019	2020	2021
Energy consumption (MWh)	MWh	4,597	3,378	3,269
Natural gas	MWh	667	399	424
Other fuels	MWh	263	170	220
Purchased electricity	MWh	3,667	2,809	2,625
Of which renewables	%	34%	31%	40%
Greenhouse gas emissions (location-based)	tCO2e	1,955	1,497	1,292
Scope 1	tCO2e	184	116	129
Scope 2	tCO2e	1,771	1,381	1,164
Greenhouse gas emissions (market-based)	tCO2e	1,697	1,339	1,132
Scope 1	tCO2e	184	116	129
Scope 2	tCO2e	1,514	1,223	1,004

CLIMATE AS OUR INITIAL FOCUS

We're facing a climate emergency that requires immediate and ambitious action. Climate action is therefore the initial core focus of our planet commitments.

However there are other environmental challenges such as biodiversity, water and air quality in our operations and work.

We plan to deepen and accelerate our focus on these, as well as developing a circular economy strategy and a roadmap for phasing out single-use plastics in our network.

We will develop additional commitments addressing these and other issues as our strategy evolves.

59% Female

41% Male

GENDER

Predominantly female at 59%. Above the industry average of 51% female.



ETHNICITY

21% people of colour. Above the industry average of 15% and UK working age population of 15%.



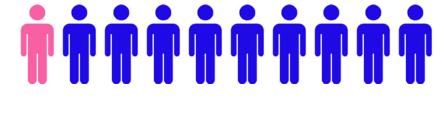
disabled employee

DISABILITY

7% with a declared disability.
Below the industry average of 9%. Mental health conditions and learning disabilities are most common.

DIVERSITY BENCHMARKING

To help establish strong foundations, we started by listening to our people. In the UK we undertook a Diversity Benchmarking Survey in Q4 2020 covering a broad range of demographic measures including social background, sexuality and race. We will be applying this methodology globally



SEXUAL ORIENTATION

10% identify as LGBTQ+.
In line with the industry average.



SOCIAL CLASS

Largely university educated and 6x more employees are privately educated than the national average. **62**% Below 35

years of age

38% Over 35

years of age

AGE

A young organisation with 62% below 35. Broadly in line with industry average age of 34.4.

GENDER PAY GAP

We continue to voluntarily report gender pay gap data for all our UK companies combined. Results include:

- A meaningful reduction in our mean gender pay gap from (which indicates the difference between the average hourly rates of all men and all women in the organisation) 31.1% in 2020 to 25.5% in 2021
- A meaningful reduction in our median gender pay gap from (which indicates the difference between the midpoints in the range of male and female hourly pay) 24.1% in 2020 to 20.2% in 2021
- This year we saw an increase in the proportion of women in the upper pay quartile from 34% to 41%, highlighting an increase in the proportion of women occupying senior positions

We acknowledge that this isn't good enough and we have significant work to do to address the lack of progression of women into senior roles within the Group, which is the underlying cause of the remaining gap. Our full gender pay gap report (including a more detailed analysis of our gender pay data and our action plan) can be accessed here:

https://mcsaatchi.london/gender-pay-gap/