

# UN Global Compact Communication on Progress (COP)

Hill and Knowlton Finland Oy  
October 2, 2015

This document includes:

- a CEO statement of continued support for the UN Global Compact and its ten principles
- Description of actions or relevant policies related to Human Rights
- Description of actions or relevant policies related to Labour
- Description of actions or relevant policies related to Environment
- Description of actions or relevant policies related to Anti-Corruption
- a measurement of outcomes

## **Statement of continued support by the Chief Executive Officer**

October 2, 2015

To our stakeholders,

Hill and Knowlton Finland Oy is a management consulting company that specialises on communications. One of our core service areas is sustainability and corporate responsibility communications. We advise, support and encourage company management and public decision-makers to invest in sustainability and corporate responsibility. Sustainability and CR are also in the core of our own business conduct.

As a communications consultancy, we are closely concerned with marketing ethics. All work conducted by us should present products and information fairly and accurately, comply with relevant laws and marketing codes, and reflect changing public attitudes to questions of taste and decency or marketing of sensitive products. We recognise the challenges involved in distilling complex sustainability issues into simple marketing messages and we are strongly against “greenwashing” the environmental performance of our clients – and our own performance too.

As part of the global marketing communications group WPP, we are subject to the Group’s policies, objectives, implementation and measurement concerning sustainability and CR performance.

I am pleased to confirm that Hill and Knowlton Finland Oy reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Tarja Jussila

Managing Director

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## **HUMAN RIGHTS**

### **Assessment, policy and goals**

In the Finnish business environment, it is very rare that basic human rights become an issue in the national or local context. Respecting human rights is an absolute precondition for companies to be able to operate in this market. In a democratic welfare state such as Finland, human rights violations by companies would not go unnoticed. However, we need to take human rights into consideration in our business as respecting human rights is an integral part of our Code of Conduct.

As a Nordic welfare state, Finland has advanced legislation in terms of human rights. Human rights are safeguarded by the Finnish constitution. As a company, Hill and Knowlton Finland Oy is subject to the Finnish legislation. Finland has signed and ratified, among others, the following covenants

- Universal Declaration of Human Rights
- United Nations International Covenant on Civil and Political Rights
- United Nations International Covenant on Economic, Social and Cultural Rights
- ILO Convention (nr 182) concerning child labour and immediate actions in banning eliminating child labour

According to WPP Policy Book, WPP companies will uphold the principles contained in the United Nations Universal Declaration of Human Rights and the International Labour Organisation's fundamental conventions on core labour standards.

We support the right of our people and their families to basic human rights including the right to organise, the right to fair conditions of work, freedom of opinion and expression and freedom from forced labour and child labour.

Hill and Knowlton Finland Oy is part of WPP Group. Companies that are part of WPP Group need to comply with the Group's policies, e.g. WPP's Code of Conduct and WPP Corporate Responsibility Policy. According to WPP Policy Book:

- We will continue to strive to make a positive contribution to society and the environment by respecting human rights.
- We will not undertake work which is intended or designed to mislead, including in relation to social, environmental and human rights issues.
- We will consider the potential for clients or work to damage the Group's reputation prior to taking them on. This includes reputational damage from association with clients that participate in activities that contribute to the abuse of human rights.
- Staff should consider whether a supplier represents a significant risk due to poor human rights, employment, ethical or environmental performance.
- We will not undertake work designed to mislead in any respect, including social, environmental and human rights issues.

Hill and Knowlton Finland Oy is committed to respecting human rights in its own business, and requires that our clients and suppliers also adhere to human rights too. We will not participate in activities that contribute to the abuse of human rights.

### **Implementation**

Hill and Knowlton Finland Oy will not participate in activities that contribute to the abuse of human rights. In the WPP Group, we have a procedure and related training for our employees to support them in assessing the ethical, including human rights, issues with client cases.

WPP has established a review and referral process to help us identify cases involving possible human rights or other moral concerns, to manage any risks to WPP or our clients to make sure our decisions reflect the standards in our Code of Conduct and Sustainability Policy.

All WPP employees are obliged to personally sign the Group's Code of Conduct, which defines the Group's ethical conduct. All employees are encouraged to notify their supervisor, the Managing Director or other relevant person about any possible human rights issues.

WPP also has a "Right to Speak" hotline, to which our employees can confidentially and anonymously report ethical issues, unusual accounting, transactions or circumstances or unacceptable treatment of employees that give them cause for concern, without fear of reprisals. "Right to Speak" is an external party, which will pass on complaints in an appropriate manner.

Hill and Knowlton Finland Oy is a member of Finnish Business & Society (FiBS) organisation, which is a network for responsible business, a non-profit societal actor whose purpose is to promote economically, socially and ecologically responsible business in Finland.

### **Measurement of outcomes**

Human rights principles are inherent in our way of conducting business and treating each other. Human rights performance is monitored by WPP's review and referral process that help us identify cases involving possible human rights or other moral concerns. Our own reputation is one way to measure our success in human rights performance: in our business environment, human rights violations would be fatal for our business. Therefore, ethical performance by e.g. respecting human rights is vital for our success.

Hill and Knowlton Finland Oy has not been involved in any investigations, legal cases or other relevant events related to the contravention of the Global Compact Human Rights Principles.

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## **LABOUR**

### **Assessment, policy and goals**

Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

As a democratic welfare state, labour conditions are usually good in Finland. Violations of labour principles are usually minor nationally and locally, and they do not easily go unnoticed. Finland has advanced legislation in terms of labour principles. As a company, Hill and Knowlton Finland Oy is regulated by the Finnish legislation. Finland has signed and ratified, among others, the following covenants:

- Universal Declaration of Human Rights
- United Nations International Covenant on Civil and Political Rights
- United Nations International Covenant on Economic, Social and Cultural Rights
- ILO Convention (nr 182) concerning child labour and immediate actions in banning eliminating child labour

Freedom of association and collective bargaining are constitutional civil rights in Finland.

In addition to labour rights, employee well-being is crucial for us. Human capital is our most important asset, and we are committed to promoting the well-being of our employees.

According to the WPP Policy Book, we as a company 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.

According to WPP Policy Book, WPP companies also:

- 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.

Hill and Knowlton Finland Oy is committed to taking care of its employees by guaranteeing a safe and fair workplace, with training opportunities, free of discrimination and offensive behaviour.

### **Implementation**

All WPP employees are obliged to personally sign the Group's Code of Conduct, which defines the Group's labour principles. All employees are encouraged to notify their supervisor, the Managing Director or other relevant person about any possible labour principles violations.

WPP also has a "Right to Speak" hotline, to which our employees can confidentially and anonymously report ethical issues, unusual accounting, transactions or circumstances or unacceptable treatment of employees that give them cause for concern, without fear of reprisals. "Right to Speak" is an external party, which will pass on complaints in an appropriate manner.

WPP Group has a procedure and related training for our employees to support them in assessing the ethical issues, including labour practices.

Human capital is our most important asset. We are committed to the well-being of our employees. Hill and Knowlton Finland Oy supports its employee well-being by e.g.:

- Two Development Reviews per year, supporting the development of the employee , taking possible concerns into consideration
- Arranging recreational activities for employees on a regular basis
- Offering financial support for employees' physical exercise
- Offering free health care for employees
- Taking care of workplace ergonomics, facilitated by a physiotherapist
- Offering a pre-set amount of training for each employee annually
- Offering a possibility to remote work for a better work-life balance

Hill and Knowlton Finland Oy supports employees' freedom of association by e.g.:

- Being an active member of Markkinointiviestinnän Toimistojen Liitto MTL, The Finnish Association of Marketing Communication Agencies

Hill and Knowlton Finland Oy is a member of Finnish Business & Society (FiBS) organisation, which is a network for responsible business, a non-profit societal actor whose purpose is to promote economically, socially and ecologically responsible business in Finland.

### **Measurement of outcomes**

Hill and Knowlton Finland Oy regularly conducts employee surveys to find out possible topics of concern in terms of, for example, employee rights and well-being.

In year 2015, Hill and Knowlton Finland Oy decided to pay extra attention on employee well-being and a small group of the employees was dedicated to run mutual discussions and idea gatherings for improving every day well-being.

Hill and Knowlton Finland Oy reports its employment related performance to the Group on a quarterly basis; For example number of days lost to sickness, gender diversity, age diversity and number of leavers.

Hill and Knowlton Finland Oy has not been involved in any investigations, legal cases or other relevant events related to the contravention of the Global Compact Labour Principles.

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## **ENVIRONMENT**

### **Assessment, policy and goals**

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

Hill and Knowlton Finland Oy is a management consulting company that specialises on communications. We produce insight, information and intelligence. In relative terms, we do not use considerable amounts of natural resources. However, our company still uses resources such as electricity and heat, paper and other office items, and we also travel. Therefore, environmental aspects are important for us too.

Hill+Knowlton Strategies, part of which chain Hill and Knowlton Finland Oy is too, has made an Environmental Sustainability Commitment, according to which we will use resources sustainably in all our operations around the world. Our commitment includes:

- We will identify and consider sustainable choices throughout the supply chain of products and services used and provided by Hill+Knowlton Strategies through responsible procurement practices.
- Hill+Knowlton Strategies offices will look for opportunities to reduce energy use and more efficiently manage energy consumption. As part of WPP, Hill+Knowlton Strategies has committed to a global target for the reduction of carbon emissions.
- We will reduce the amount of waste generated in our operations by using less new materials, optimizing the recovery of materials for re-use and recycling, and exploring ways to more efficiently use existing resources. We will ensure the proper disposal of any electronic waste generated by our operations.
- At the corporate, country and office levels, we will raise awareness about environmental sustainability among our employees and other stakeholders through regular communication and engagement. We will elicit and share best practices for continued progress and improvement.
- We will measure and monitor our commitments and their implementation in our offices around the world. We will share our progress with our colleagues and other stakeholders as we continue to improve, inspire and implement more environmentally sustainable practices in our operations.

In addition to Hill+Knowlton Strategies' own Environmental Sustainability Commitment, we also need to comply with WPP's objective of being a low-carbon and resource efficient Group.

Based on our Environmental Sustainability Commitment and the Group strategy, the objective of Hill and Knowlton Finland Oy is to take environmental sustainability into consideration in all its activities.

### **Implementation**

To implement its sustainability strategy, WPP has established Environmental Action Teams in, among others, Europe. Teams work closely with WPP companies, identifying environmental best practices through pilot projects and providing support and technical guidance.

Hill and Knowlton Finland Oy pays special attention to:

- Recycling batteries, glass, paper, toner cartridges
- Efficient paper use in photocopying
- Saving energy by switching off lights and using stand-by mode for electronic devices
- Using green energy
- Using eco-friendly detergents in cleaning

- Avoiding the use of single-use products
- Avoiding unnecessary travel by preferring e.g. phone or videoconferencing
- Taking part in environmental projects with stakeholders, where appropriate

Hill and Knowlton Finland Oy employees have been informed about our environmental programme, and employees are given environmental training on needs basis.

Hill and Knowlton Finland Oy is a member of Finnish Business & Society (FiBS) organisation, which is a network for responsible business, a non-profit societal actor whose purpose is to promote economically, socially and ecologically responsible business in Finland.

### **Measurement of outcomes**

WPP measures the Group-wide carbon accounts (emissions breakdown, carbon intensity, carbon footprint), office energy use, green electricity sourcing, worldwide videoconferencing, paper sourcing, waste recycling, and water usage.

Hill and Knowlton Finland Oy reports its environmental performance to the Group on a quarterly basis. The reporting obligation includes e.g. total electricity purchased, total energy use, total miles travelled, total paper purchased, paper purchased with recycled content, recycling and waste.

Hill and Knowlton Finland Oy has not been involved in any investigations, legal cases or other relevant events related to the contravention of the Global Compact Environmental Principles.

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## **ANTI-CORRUPTION**

### **Assessment, policy and goals**

Description of the relevance of anti-corruption for the company (i.e. anti-corruption risk-assessment).  
Description of policies, public commitments and company goals on anti-corruption.

In our business, receiving gifts of considerable value or other business courtesies is not commonplace. WPP Group has strict rules about the value of gifts and complimentary services that we may offer or receive.

In Finland, bidding processes, especially public ones are closely monitored, which gives little room for corruption and bribery.

Anti-corruption laws in Finland are advanced and we have a culture of transparency. At times, Hill and Knowlton Finland Oy also deals with foreign companies, foreign authorities or Finnish companies



operating in foreign countries. Therefore, we need to be careful of both respecting local manners and traditions but also avoiding any forms of bribery.

It is WPP's policy to comply with the local anti-bribery laws and regulations (and any other laws with an international reach, such as the Foreign Corrupt Practices Act of 1977 or the FCPA and the UK Bribery Act 2010) of all jurisdictions in which the Group carries on business, and all WPP people are required to obey those laws in carrying out their duties. Facilitation payments may not be made by or on behalf of any WPP Group companies.

Because WPP's ADRs are traded on a US exchange, WPP and its subsidiaries (regardless of where they are located) must comply with the FCPA. WPP's business operations in the UK give rise to potential liability under the UK Bribery Act to all of its subsidiaries. It also applies to other parties carrying out a service on our behalf (such as associates). No WPP company, employee or agent may give, or promise to give, money or anything of value to an executive, official, or employee of any (a) government or its agency, (b) political party (including candidates for political office), (c) customer, (d) other organisation (in some cases charitable organisations), or (e) any other company or person if it could reasonably be construed as being intended to influence the company's business relationship with them. This may also include meals, gifts, gratuities, entertainment and other business courtesies.

Moreover, WPP companies should be mindful of the FCPA and Bribery Act in all dealings with third parties or business partners, as well as in the context of doing due diligence for a new acquisition or joint venture. Suppliers should be asked to sign up to our Code of Conduct – a version for use by third parties.

Because WPP is listed in the New York stock exchange, Hill and Knowlton Finland is also subject to the Sarbanes-Oxley Act (SOX).

Hill and Knowlton Finland Oy is committed to anti-corruption and anti-bribery principles.

## **Implementation**

All WPP Group companies must adhere to the relevant guidance and policies and compulsory training issued by WPP, such as the advisor payment policy, the gifts and entertaining guidance and the detailed guidance in the "ABC Booklet" ("ABC" is short for Anti Bribery and Corruption).

All WPP employees are obliged to personally sign the Group's Code of Conduct, which defines the Group's Anti-Corruption principles. All employees are encouraged to notify their supervisor, the Managing Director or other relevant person about any possible Anti-Corruption principles violations.

WPP has a "Right to Speak" hotline, to which our employees can confidentially and anonymously report ethical issues, unusual accounting, transactions or circumstances or unacceptable treatment of employees that give them cause for concern, without fear of reprisals. "Right to Speak" is an external party, which will pass on complaints in an appropriate manner.

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### **Measurement of outcomes**

Hill and Knowlton Finland Oy is subject to normal external auditing conducted by Deloitte on an annual basis. Internal auditing by WPP is done on a regular basis. Because WPP is listed in the New York stock exchange, Hill and Knowlton Finland Oy is also subject to the Sarbanes-Oxley Act (SOX), which also means fulfilling the requirements of annual SOX audits.

Hill and Knowlton Finland Oy has not been involved in any investigations, legal cases or other relevant events related to the contravention of the Global Compact Anti-Corruption Principles.