



Ogilvy & Mather South Africa

Sustainability Report 2014

OUR COMMITMENT

With financial success comes greater focus on sustainable, ethical and environmental responsibility and our prominent role in the local community.

Ogilvy & Mather South Africa's second annual sustainability report has again been developed in accordance with the Global Reporting Initiative (GRI) – G3 principles, which provides a generally accepted structure for reporting on an organisation's economic, environmental and social performance. It represents the core elements of Ogilvy & Mather South Africa's sustainability framework and demonstrates the link between its business strategy and its commitment to a sustainable economy.

The report is O&M SA's method of internalising and improving its commitment to sustainable development in a way that can be demonstrated publically and transparently to both internal and external stakeholders.

The executives of the company, making up the O&M SA Ethical and Sustainability Board, represent the governing of this report.

The O&M SA Ethics and Sustainability Committee for 2014 consisted of the following individuals:

- Moss Mashishi

Non-Executive Director of O&M SA and Chairman of the Ethics & Sustainability Committee

- Nunu Ntshingila-Njeke

Chairman, O&M SA

- Abey Mokgwatsane

CEO, O&M SA

- Mike Walsh

Non-Executive Director, O&M SA

- Duma Ndlovu

Non-Executive Director, O&M SA

2014 REPORT IN BRIEF



784
STAFF

61.7% of O&M SA employees as of end December 2014 were female staff.



3 O&M SA
OFFICES



BBBEE
LEVEL 3

15 O&M SA
COMPANIES



3.7M
DONATIONS

Made up of cash donations, pro-bono work and resources towards charities (a 37.2% increase from 2013).

2,275.52

TONNES CO2 EMISSIONS



All figures above are valid as of the end of December 2014.

INTRO

Note from the Chairman of the Ethics & Sustainability Committee and the Chairman of Ogilvy & Mather South Africa.

Ogilvy & Mather South Africa does business in three cities around the country. As the largest communications agency, we accept our responsibility for economic, social and environmental sustainability and believe that every effort counts.

We are proud of our second annual sustainability report. Last year's report established important baseline guides and values for us. Using this, our progress will continue to be measurable as well as transparent.

Our commitment to creating a sustainable future based on balanced performance is both a South African trade requirement and a corporate initiative – a shared vision of how, working together, all of us at O&M SA can effect change.

The O&M SA Group of companies have always led the way with innovative ideas and the group's approach to sustainability is no different – from separation and recycling of office waste, to decreasing flights to reduce carbon emissions, to ensuring that we are responding to the needs of our communities. We have a track record of effecting change.

Launched in 2013, our 'SPEECH™' framework underpins our sustainability programme. It makes us accountable, it sets out the four important focused areas and ensures we are contributing to each of them to help make a difference to economies, communities and the environment in order to develop the country we operate in.

**SMALL CHANGES,
BIG DIFFERENCES**

It also sets out the way in which we communicate our sustainability initiatives, both internally and externally.

As we are a service business, our most significant impact on the environment is the emissions from our buildings. The steps O&M SA is taking to lessen effects of these are deliberately driven and focused.

Our leading initiatives are to decrease waste, water and power and to increase community efforts.

At O&M SA there are no limits to improving our sustainable performance and maintaining ethical business behaviour throughout our business. There will always be new challenges ahead. But, as we know, sustainability efforts have to be continuous and long-term for it to make a truly meaningful impact.

With the ongoing enthusiasm and support of our employees, we will continue to work towards implementing small changes to make big differences.



A stylized, handwritten signature in black ink.

NUNU NTSHINGILA-NJEKE
Chairman of O&M South Africa

A handwritten signature in black ink.

MOSS MASHISHI
Non-executive director of O&M SA and
Chairman of the Ethics & Sustainability
Committee

WHAT WE REPORT ON

SCOPE, CORPORATE STRUCTURE & FRAMEWORK

This report covers the same period as Ogilvy & Mather South Africa Group's financial reporting year, from January 1, 2014 to December 31, 2014. Throughout the reporting period, Ogilvy & Mather South Africa operated in three cities, with a total of 962 casual and full-time employees (as of December 31, 2014).

The report covers the following activities within the Group:

- Overview of O&M SA's activities across all commercial buildings in South Africa (Johannesburg, Cape Town, Durban).
- Effects on the environment due to corporate operations aligned with water and electricity usage, waste recycling and CO2 emissions.
- O&M SA owned vehicles for transportation and delivery services.
- Charitable contributions, both financial and non financial, towards pro-bono work, charities and programmes.

Unlike the 2014 Financial Report, the 2014 Sustainability Report does not include data from Gloo Digital Design, which only became part of the O&M SA Group in November 2014.

CORPORATE STRUCTURE

The Chairman of O&M SA is Nunu Ntshingila-Njeke and the Chief Executive of the Group is Abey Mokgwatsane. Senior management teams effectively manage

the business units that make up O&M SA. They continue to provide a solid support structure to the agency.

BUSINESS OVERVIEW

O&M SA is part of one of the largest marketing communication networks in the world. O&M SA's origins lie with a small hot shop in Cape Town. Three highly recognised individuals namely Bob Rightford, Brian Searle-Tripp and Roger Makin founded it in 1976. After merging with Ogilvy in 1985, Ogilvy & Mather RS-TM dominated the local creative scene during the first decade and over the next twenty years it became recognised as a brand-focused agency that acted with integrity.

Today, Ogilvy & Mather is an industry leader that focuses on building and transforming brands. True to David's vision, we still see ourselves as a company that does more than ads and have proven that by maintaining our humility and an almost divine discontent at our past successes, we can do more than stay relevant.

CORPORATE STRATEGY

O&M SA provides a full range of integrated services to its clients with the convenience of being in one central location. O&M SA offers service solutions in the areas of:

- Advertising
- Branded Entertainment
- Brand Identity

CORPORATE STRUCTURE

SCOPE, CORPORATE STRUCTURE & FRAMEWORK

- Crisis & Issues Management
- Creative Design
- Customer Analytics
- Cause Related Marketing
- CRM
- Digital Media & Search Marketing
- Direct Marketing
- Digital Production
- Digital Marketing
- Experiential Marketing
- Healthcare Advertising
- Internal/Employee Communications
- Loyalty Marketing
- Media Relations
- Mobile Marketing
- Public Affairs
- Promotional Marketing
- Public Relations
- Retail Design
- Relationship Marketing
- Shopper Marketing
- Social Media & Marketing
- Strategic Planning
- Sustainability
- Sales Promotion
- Sales Acceleration
- Trade Marketing
- Viral Marketing

As South Africa's leading creative communication agency our purpose is to provide excellent service in creativity, innovation to add value to all our clients.

OUR COMPANIES

At the end of December 2014, O&M SA consisted of 15 companies/subsidiaries,

each with their own function and role within the organisation:

Advertising

- Ogilvy & Mather Advertising (JHB, CPT, DBN)
- GO Advertising (JHB)
- Zoom Advertising (CPT)

Consumer Insight

- Associate: Added Value*

Public Relations & Public Affairs

- Ogilvy Public Relations (JHB, CPT, DBN)
- Social@Ogilvy (JHB, CPT)

Healthcare Communications

- Ogilvy Healthworld

Direct, Mobile, Digital, Promotion, Retail, Activation & Relationship Marketing

- Geometry Global (JHB, CPT)*
- Gloo@Ogilvy (JHB)**
- OgilvyOne Worldwide (CPT)
- Gloo Digital Design (CPT)**
- Neo@Ogilvy (JHB, CPT)
- Strike Media (CPT)

Specialist Communications

- OgilvyEarth (CPT)
- H&O (JHB, CPT)

Training

- Joint Venture: ODMA

*A WPP company.

**Data from these companies is not included in this report.

HOW WE REPORT

SCOPE, CORPORATE STRUCTURE & FRAMEWORK

The SPEECH™ Framework

Ogilvy & Mather South Africa utilises the SPEECH™ Framework & Programme to guide its various initiatives covered in this sustainability report. This framework was launched in November 2013 and has since formed the basis of how we 1) report in areas in which the company monitors its progress, and 2) communicate to employees and external stakeholders.

It signifies Ogilvy & Mather South Africa's role in the areas of *Sustainability, People, Environment, Ethics, Community and Humanity* and covers various areas in each sector.

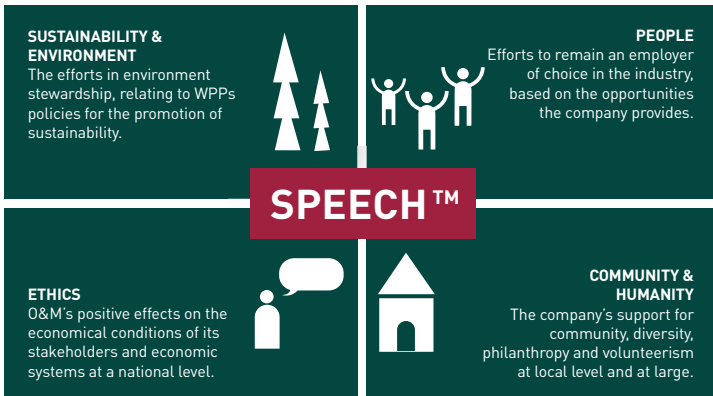
For abbreviations, methodology and metrics, see the back inside cover of this report.

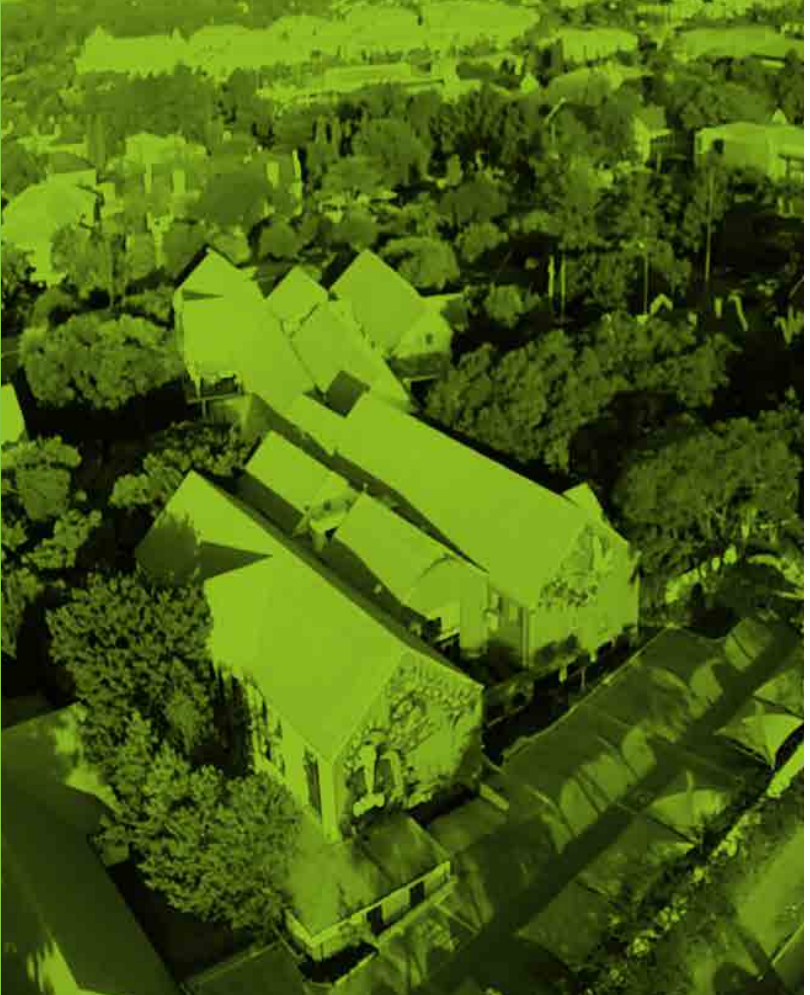
SPEECH™ Framework external communications activities:

- A dedicated 'SPEECH™' page on www.ogilvy.co.za
- Press releases on O&M SA's environmental and ethical achievements.
- Publication of an O&M SA Sustainability & Ethical Report (SPEECH™ Report) and presentation of the report on the O&M SA website.

Internal communications activities:

- A dedicated 'SPEECH™' page on O&M's global intranet for South Africa employees.
- Regular updates on internal newsletters and agency updates.
- Events to celebrate various environmental and cultural date, such as Earth Hour, Mandela Day, and Heritage Day.





ENVIRONMENT.

As part of an emerging economy, there is high pressure on bio-capacity in South Africa.

SUSTAINABILITY & ENVIRONMENT

It has become significantly important for organisations to help the country reduce impact on the environment. Ogilvy & Mather South Africa is an active participant in this movement and as a company we have put a great deal of effort into helping our country's sustainable efforts by reducing our impact on the environments in which we operate. In 2013-14, total O&M SA emissions considered within the scope of this report reached 2,275.522 tonnes of carbon dioxide equivalent emissions, with the largest portion coming from the consumption of electricity.

ELECTRICITY & WATER

O&M SA is primarily based in urban areas and as a result we source our water from municipal water suppliers and electricity from grid supply (supplied by the local municipalities). We are major consumers of water and only utilise this resource in the running of the O&M SA premises and office facilities. Despite this, we

continuously strive to reduce the amount of water and electricity we consume on a yearly basis.

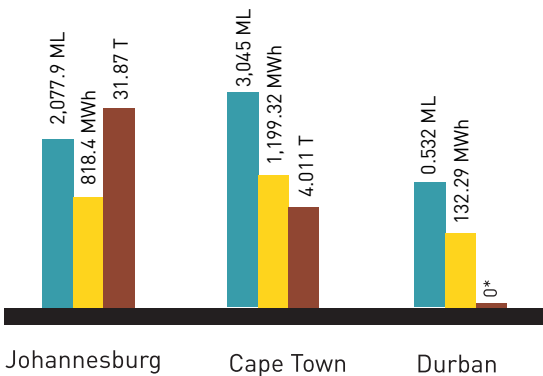
The buildings covered in this report can be classified as commercial which includes buildings in the forms of offices, storage space, workshops, storage warehouses, and printing facilities. The report only provides reference to the locations identified above, as they are the primary commercial buildings in South Africa.

Total energy usage for all offices: 2,150.01 MWh (producing 2,141.41 tonnes of CO₂e).

In addition to the national grid, 1,265 litres of diesel (3.376 tonnes of CO₂e) was used to power generators during electrical outages.

PAPER USAGE

As an office-based company, our resource use and waste consumption is relatively



ELECTRICITY, WATER CONSUMPTION & WASTE GENERATION

* O&M Durban do not currently use a waste sorting company to manage their waste.

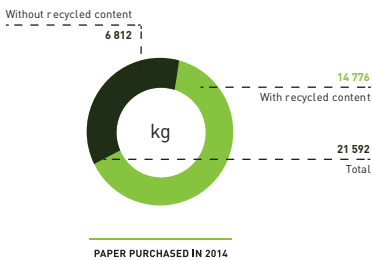
high. However, we aim to reduce this by applying the following:

- Using resources more efficiently with the aim of reducing unnecessary consumption.
- Promoting the utilisation of renewable resources.
- Reducing the amount of waste sent to landfill by recycling waste through effective waste management.

WASTE RECYCLING

Our waste recycling activities focus on office consumables including paper, plastic, glass, toner cartridges and steel/metal. We have placed recyclable bins on all the O&M SA premises (Johannesburg, Cape Town) which encourages the sorting of solid waste by employees and visitors and we ensure that all hazardous materials are disposed of and recycled in a safe and sustainable manner.

A total of 25.335 tonnes of recyclable materials were recorded by O&M SA in 2014. This waste included cans, glass, paper, cardboard and plastic. The rest of the general waste weighing 10.546 tonnes was sent to landfill (10.546 tonnes of CO₂e). O&M SA continuously investigates new ways of minimising the waste going

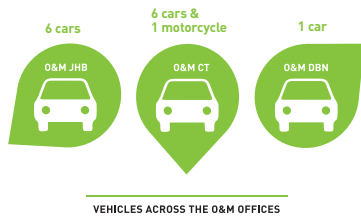


to landfills, and to reduce operational costs.

VEHICLES, TRANSPORT & TRAVEL

Transport makes up a vital component of O&M SA's logistics system. O&M SA currently owns and manages a total of 13 vehicles and one motorcycle that consume either petrol or diesel.

During the 2014 reporting period, these vehicles consumed 16,581 litres of petrol and 1,863 litres of diesel, producing a combined 43.037 tonnes of CO₂e.



A crucial component of O&M SA's business operations is travel both locally and internationally.

O&M SA continued to invest into technology that minimises travel and reduces non-essential flights by encouraging employees to use video conferencing where possible. These investments have seen a reduction in air travel by an incredible 88% in travelled kilometres.

In 2014, O&M SA employees travelled 921,780.74 kilometres / 572,768 miles (2013: 8,122,871.026 kilometres) by air (short and long haul), equating to an estimated 77.153 tonnes of CO₂e.



PEOPLE.

People are the lifeblood of our business.

OUR PEOPLE = OUR PRIORITY

The heart of Ogilvy & Mather South Africa lies in its people. To ensure the best interest of all employees, O&M SA strictly adheres to all the legal and legislative requirements both locally and internationally through the WPP Group.

O&M globally follows a unique framework based on three pillars, each of which consists of its own programmes and structure.

These pillars are:

FIND YOU

There is intense competition for talent in our industry and as a result O&M SA has implemented numerous programmes to attract new talent while simultaneously retaining the talent we currently possess with the correct skills for future growth. Through these programmes we are able to ensure that we acquire the finest people.

Programmes include:

Ogilvy Graduate Programme (OGP):

The Ogilvy Graduate Programme (OGP) was launched in 2012, making 2013 the first year where graduates were integrated into the company.

The purpose of the programme is to find the best talent among the final year of creative and marketing students at five carefully selected tertiary institutions. The individuals that we believe best suit our needs are approached with a job opportunity at either O&M Johannesburg or Cape Town. Their Ogilvy experience starts off with a full bursary for their final year of study and a six-month training and rotation programme.

From a total of 98 applications only four highly talented individuals were selected for the 2014 year and each have been given permanent positions within the Group.

Internship Programme:

The Ogilvy Internship Programme offers students the opportunity to learn and understand how an agency works. From this programme they are able to gain experience and have an opportunity to learn from some of the most talented people. The official Internship Programme was launched in 2013 and continued its success throughout 2014.

Cape Town plans its first hosting of an internship cycle in 2015.



My Future First (MFF):

The My Future First Programme aims to attract young high school students from previously disadvantaged backgrounds, to foster them for careers in creativity. The programme educates youth about the advertising, marketing, media and communications industry using an accredited qualification. The students' essential skills, social competence and workplace readiness are developed and they leave the programme with an NQF (National Qualification Framework) Level 5 as well as a thorough understanding of a practical approach to growing their careers.

O&M SA partnered with the founding organisation, The Ntshulisa Foundation, and The Vega School of Brand Leadership, in 2013, and it continued a successful year in 2014, with 10 students graduating with the qualification (NQF 5).

GROW YOU

While ensuring a solid pipeline of incoming talent through the previously mentioned programmes, the company also ensures it is developing and growing current staff. O&M SA values all its talented employees and recognises their significant role in its success. We encourage employees to seek additional training throughout their career by offering training and development programmes that help improve their skills and capabilities, allowing our employees to remain knowledgeable and to continue meeting client demands. This enables O&M SA to grow employees into industry leaders that are up to date with

market trends.

In 2014 O&M SA invested a total of ZAR2,898,619 into training, with a total of 1,785 attendees (on average ZAR1,623.88 per head) across the company's various training programmes. By 2016, the company envisions to increase the total investment in training up to ZAR16 million.

Training & Development programmes across the Group include:

The Ogilvy Development Academy (ODA)

The Ogilvy Development Academy (ODA) continues to flourish after its launch in 2013. This group-wide training programme offers employees support with their development needs in order for them to advance in the business environment.

Tuition Support Programme

All O&M SA employees are eligible to receive up to 50% in tuition assistance through the company's tuition support programme.

Performance Management Process

Employees at all organisational levels of O&M SA receive regular performance reviews through the company's PMP (Performance Management Process).

Other training and development programmes address the following:

- Presentation Skills
- Negotiation Skills
- Client Service (Basic & Advanced)
- Online Training (Digital U, Social Media Training, Lynda.com)

- Creative Inspiration
- Agency Wise

KEEP YOU

O&M SA goes through a considerable amount of effort and expense to identify, employ and grow great employees for our organisation and retaining these employees is a top priority. To ensure O&M SA retains its talented people, we have taken numerous steps to ensure all employees feel valued.

Appraisals:

Appraisals are conducted annually with mid-year reviews. It involves the review of an employee's performance according to his or her duties and responsibilities within the company.

Employment Equity Forums:

O&M SA appointed Employment Equity Forums in Johannesburg and Cape Town. These platforms allow employees at all levels to voice their open and honest opinions. Representative of the forums are made up of individuals from various business units and seniority levels.

Competitive Benefits:

When it comes to our benefits, we offer all employees everything they would expect from a large company. This includes cover in areas like health insurance, and retirement benefits.

Aside from these benefits, O&M SA goes above and beyond to ensure that our employees are happy. We do this by providing additional benefits to make the lives of our employees better and easier.

DIVERSITY & INCLUSION

At O&M SA, we believe diversity inspires creativity. It is imperative to our success as it facilitates employee engagement, nurtures creativity and drives innovation.

By making diversity a competitive advantage, O&M SA is able to:

- Make O&M SA a better place to work
- Better understand the needs of our clients
- Deliver value to all our stakeholders

GENDER

At the end of 2014, O&M SA had 299 male and 485 female employees. During 2014, female employees increased by 3.6% from 2013, displaying the company's commitment on its drive to promote women in the workplace.



BROAD BASED BLACK

ECONOMIC EMPOWERMENT

Back in the 1990's, the former, and late, CEO of O&M SA, Robyn Putter pioneered the company's Black Economic Empowerment initiative. This step was taken to ensure that we responded to the

need for transformation in South Africa. O&M SA was one of the first advertising agencies in South Africa to acquire an A Empowerdex rating, and prides itself on producing work, hiring talent and working with shareholders and suppliers in a way that is truly representative of the people of this country. O&M SA maintained its BBBEE level 3 contribution in 2014.

BBBEE

Level 3 rating in 2014

EMPLOYEE CODE OF CONDUCT

The Employee Code of Conduct stipulates the organisation's expectations and principles for appropriate behaviour in the workplace. Ogilvy & Mather South Africa complies with the Basic Conditions of Employment Act. O&M SA also remunerates employees on the number of

years they have worked for our company.

COMMUNICATIONS

Internal communications across the O&M group is crucial to its success and competitive advantage. Employees are able to engage through a variety of channels including:

- O&M SA's public website (www.ogilvy.co.za).
- O&M SA's intranet.
- Social Ecosystem executed through social media platforms (Twitter, Facebook, LinkedIn, YouTube, Instagram, Pinterest).
- Regular communications from the office of the Chief Executive Officer.

To ensure transparency throughout the organisation O&M SA increased its internal communication by 58% in 2014 and continued to place important announcements onto the O&M SA Group on the global intranet.



SOCIAL ECOSYSTEM

ETHICAL BEHAVIOUR

Ogilvy & Mather South Africa is governed by the Code of Conduct as set out by the WPP which guides and motivates a culture of good ethical behaviour by employees.

ETHICS

From a hospitality and giving or receiving gifts perspective, the Code of Conduct and policy states the following:

- We will not offer any items of personal inducement to secure business.
- 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 give, offer or accept bribes, whether in cash or otherwise, to or from any third party, including but not restricted to government officials, clients and brokers or their representatives.

The policy continues to provide employees with practical examples, as well as implementation guidelines with regards to hospitality, gift giving and receiving.

The business Code of Conduct covers the areas of:

- Information about our business shall be communicated clearly and accurately in a non-discriminatory manner and in accordance with local regulations.
- We believe that a workplace should be safe and civilised; we will not tolerate sexual harassment, discrimination or offensive behaviour of any kind.
- 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 undertake work which is intended or designed to mislead, including in relation to social, environmental and human rights issues.
- We will continue to strive to make a positive contribution to society and the environment by: maintaining high standards of marketing ethics; respecting human rights; respecting the environment; supporting community organisations; supporting employee development; and managing significant corporate responsibility risks in our supply chain.



TRAINING

All O&M SA employees are required to complete the WPP's "How we behave" and "Bribery and Corruption" ethics training on an annual basis. This training covers the areas of diversity, privacy, bribery and corruption, as well as other ethical issues including gifts and hospitality.



ETHICS.

PRIVACY

Data and information is central to our business operations as we collect, process and store information on behalf of our clients. On an individual and company level, O&M SA takes action to ensure that consumer, employee and client information remains confidential.

All employees are encouraged to take privacy seriously, while all companies within the group are required to comply with the local and international privacy and data protection regulations as a part of how we do business.

2013 marked the year that O&M SA

introduced its online privacy policy (www.ogilvy.co.za/privacy-policy), which was developed in accordance with the Electronic Communications and Transactions Act (No 36 of 2005). In 2014 two updates were made to this policy. As stated previously, O&M SA has implemented a group-wide client information system that now allows us to continue to securely collect, process and store data in an easier and more appropriate manner. This system is accompanied by technical measures to effectively secure data.

COMMUNITY & HUMANITY

Ogilvy & Mather South Africa has always been guided by the credo "do the right thing". We strive to play a meaningful role in the communities that surround us, using innovation to communicate the cause of others.

The pro-bono work, donations and volunteering completed in 2014, has allowed O&M SA to give back to the community through our community and humanitarian projects. Annually, we offer our communication services to charities, NGOs and voluntary groups.

We acknowledge the challenges that these organisations are confronted with and as a result we offer the best services to help them increase their awareness and generate funds. Communication is often a difficult task for these organisations as their access to resources are limited.

O&M SA continues to extend our services for little to no fee and negotiates free media space to run their campaigns and/or provides the organisation with access to resources to execute their operations.

PRO-BONO WORK & DONATIONS

In 2014, O&M SA supported the following organisations through pro-bono work and donations:

- The Topsy Foundation
- NSRI (National Sea Rescue Institute)
- KFC Add Hope
- WFF
- Greenpeace
- Read Educational Trust

O&M SA donations, in terms of cash donations, pro-bono work and resources towards charities, came to a total of ZAR3.7 million for 2014 (a 34.3% increase over 2013). We also have an ongoing project to donate sanitary products to children around surrounding areas and continue to donate to SKY throughout the year.

We strive to play a meaningful role in the communities that surround us, using innovation to communicate the cause of others.

VOLUNTEERING

Volunteering is O&M SA's way of giving our time to a good cause. O&M SA encourages all its stakeholders from its employees to its suppliers and clients, to actively participate in the communities we are a part of. During 2014 O&M SA participated in various volunteering initiatives. For the second year in a row, O&M took part in the 67 minutes initiative in honour of Late Former President Nelson Mandela on Mandela Day – 18 July 2014.

**5hrs &
58min** spent helping
for Mandela Day.

In 2014, approximately 52 employees from O&M Johannesburg gave up 67 minutes of their time to volunteer during the week of the 14th to the 18th of July 2014.

O&M SA supported the following activities on Mandela Day in 2014:

- Painting of the canteen and kitchen at Resholime Primary School in Diepsloot, cleaned the grounds and donated stationery, cleaning products and paint.
- Cleaning of the garden and classroom, and played with kids with cerebral palsy at the Nkanyezi Stimulation Centre in Orlando Soweto. We donated furniture, food, clothing, toys and cleaning products.
- Volunteered at Barking Mad Dog where we cleaned the animal shelter and donated food.
- At the Soweto Youth Centre we helped clean the home, cooked for the kids and donated food and clothing.
- Painted the fence and donated food, toys and clothing to the Impilo Children's Village.
- Donated toys, food and clothing to the Topsy Foundation. We showed further support by painting a mural at the sanctuary.



COMMUNITY.

An O&M SA employee paints the kitchen at Resholime Primary School in Diepsloot.

Ogilvy & Mather

THE SCIENCE BEHIND IT

LIST OF ABBREVIATIONS

BBBEE	Black Economic Empowerment		
CO	carbon monoxide	mL	millilitres
CO2	carbon dioxide	ML	megalitres
GHG	greenhouse gas emissions	MWh	megawatt hours
kg	kilograms	NOx	nitrogen oxides
kWh	kilowatt hours	T	tonnes
L	litres	ZAR	South African rand

REFERENCES

- Global Reporting Initiative, G4 Reporting Standards, 2015.
<https://www.globalreporting.org/standards/g4/Pages/default.aspx>
- United Nations, The Ten Principles of the UN Global Compact, 2011.
- The World Bank, Data & Indicators on South Africa.
<http://data.worldbank.org/country/south-africa>

METHODOLOGY

TOTAL ELECTRICAL CONSUMPTION IN MEGAWATT HOURS (MWh)

Electricity consumption was based on information provided by municipalities in which offices are based. Usage was collected as kilowatt hours (kWh) and was then converted to megawatt hours (MWh) for reporting purposes.

TOTAL TONNES OF CO2 EMISSIONS DUE TO ELECTRICITY CONSUMPTION

The total tonnage of carbon dioxide emissions due to electricity consumption for the assets identified in the scope was calculated by multiplying the total megawatt hours by the carbon dioxide emissions factor assigned to the local method of power generation. The carbon dioxide emissions factor applied in South Africa, was 0.996 kg CO2/kWh (as per Eskom) for municipal supplied electricity less transmission, distribution, and transformation losses.

TOTAL WATER CONSUMPTION IN MEGALITRES (ML)

Water consumption was based on information provided by municipalities in which offices are based and converted from litres (L) to megalitres (ML).

TOTAL TONNES OF CO2 EMISSIONS DUE TO WATER CONSUMPTION

The total tonnage of carbon dioxide emissions from water consumption was calculated by multiplying the total volume of water consumed (in litres) by the carbon dioxide emissions factor (9 kg CO2/L).

TOTAL TONNES OF CO2 EMISSIONS DUE TO WASTE TO LANDFILL

The total CO2e emissions due to the Company's waste to landfill was calculated by multiplying the total tonnage of waste by a carbon dioxide emissions factor of 1.0 tonne of CO2e per tonne of municipal waste. Reference: Australian Government's Department of Climate Change and Energy Efficiency's National Greenhouse Accounts Factors Report (July, 2010).

TOTAL TONNES OF CO2 EMISSIONS DUE TO FUEL CONSUMPTION

Fuel consumption used for office based vehicles and equipment was collected from various records, in litres. CO2 emissions were calculated using US EPA methodology (<http://www.epa.gov/oms/climate/420f05001.htm>).

For this report, 2.300 kg CO2e per litre of petrol was used to calculate carbon dioxide emissions from petrol engines and 2.669 kg CO2e per litre of diesel to calculate carbon dioxide emissions from diesel engines.

EMISSION FACTORS

The calculation of CO2 emissions used the following emissions factors:

SOURCE	EMISSIONS FACTOR
Electricity Consumption in SA	0.996 kg CO2 per kWh (Eskom)
Vehicle Fuel Consumption - Petrol	2.300 kg CO2 per litre (EPA)
Vehicle Fuel Consumption - Diesel	2.669 kg CO2 per litre (EPA)
Vehicle Fuel Consumption - LPG	3.163 kg CO2 per litre (EPA)
Water Consumption in SA	9 kg CO2 per litre of municipal water (IPCC)
Waste to landfill	1 tonne CO2 per tonne of waste (DEFRA)
Flights (Short Haul < 3700 km)	0.0837 kg CO2 per p.km (DEFRA)
Flights (Long Haul >3700 km)	0.2308 kg CO2 per p.km (DEFRA)

METRICS

- Total electricity consumption in megawatt hours (MWh).
- Total tonnes of CO2e emissions due to electricity and water consumption.
- Total water consumption in megalitres (ML).
- Total waste disposed to landfill in tonnes.
- Total of all recycled materials in tonnes.
- Total quantity of diesel and petrol consumed by vehicles and equipment (in litres).
- Total tonnes of CO2e emissions due to fuel consumption.
- Total tonnes of CO2e emissions.

LAST, BUT NOT LEAST

Ogilvy & Mather South Africa's
Ethics & Sustainability Committee

Moss Mashishi

Non-Executive Director & Chairman of
the Ethics & Sustainability Committee

Nunu Ntshingila-Njeke

Chairman, O&M SA

Abey Mokgwatsane

Chief Executive Officer, O&M SA

Mike Walsh

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Duma Ndlovu

Non-Executive Director

About O&M SA's Ethics &
Sustainability Committee

O&M SA's Ethics and Sustainability Committee was established in 2013 to monitor and ensure the company complies with the The Companies Act, 71 of 2008 (the "New Act"), Section 72 (4) and is responsible for social and economic development, including the company's standing in terms of the goals and purposes of the ten principles set out in the UN Global Compact Principles, the Employment Equity Act and the BBBEE Act, environmental efforts, health and public safety, corporate citizenship and labour protection. The committee draws matters to the attention of the board and the company's shareholders as required at annual and general meetings.

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Project Management

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& Masego Motsoeneng

Special Thanks

O&M: Patrick Shamley, Jerry Rabotapi,
Louisa James, Samantha Fowlds, Ayesha
Shange, Mieke Bredenkamp, Marissa Wild

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Financial Auditors: PwC

Front Cover: Photograph of the 400sqm
David Ogilvy Mural, by street artist Sonny
at Ogilvy & Mather Johannesburg.

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OgilvyEarth is the sustainable communications practice of Ogilvy & Mather. It creates specialised sustainability communication based on a strategic model that enables brands to explore their positioning within the sustainability arena. To find out more, visit the website: ogilvyearth.com.



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