

# LEAVING A MARK, NOT A FOOTPRINT

SUSTAINABILITY REPORT 2014

## **ABOUT THIS REPORT**

We have commenced our journey to become a pioneering sustainable marketing servicing group. As an organisation we have embraced sustainability as a business-wide process by which Omnicom Media Group MENA manages its financial, social and environmental risks, obligations and opportunities. Last year, we published our 2013 CSR Report which outlined the group's performance in terms of Corporate Social Responsibility initiatives between 2009 and 2013.

In 2014, we focused on enhancing the transparency of our reporting efforts and expanding our disclosure practices. For the first time, we adhered to the Global Reporting Initiative (GRI) G4 guidelines in compiling the report and included an index of standard disclosures at the end.

For this report, we chose to prepare "in accordance" with the Core option of the GRI G4 Sustainability Reporting Guidelines (GRI G4 Guidelines). We have adopted an extensive stakeholder engagement approach, taking into account their perspectives regarding key aspects of sustainability for the business. The process has also helped us in ensuring reliability, transparency and value of reporting.

We have chosen to add a section to our table of contents supporting the UN's Global Compact (UNGC) initiative. Accordingly, Omnicom Media Group MENA promotes human rights, labour rights, environmental work and anticorruption measures. This report is a first step on our journey to officially join the UNGC and start producing an annual Communication on Progress (COP).

This report contains data and information on the various aspects of our operations and our performance for the 12-month period from January to December 2014. Since it is our first GRI report, we have decided that it is premature to obtain independent assurance for non-financial disclosures although we might consider it for our next report.

We trust this inaugural GRI sustainability report demonstrates our commitment to building a long-term sustainable business that delivers lasting value for our shareholders, customers, suppliers, employees and communities. We plan to publish a sustainability report on a yearly basis. We value any comments and suggestions which would help us improve future reports.

For feedback, questions and comments please contact:

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# MENA CEO'S MESSAGE



#### Dear stakeholders,

Welcome to the first annual Omnicom Media Group MENA's Sustainability Report. The perenniality of a company is deeply rooted in its long-term vision and ability to consider all the factors contributing to, or impeding, its future viability. The media market is changing rapidly, altering the way we do business and how brands communicate with consumers. Instead of planning future marketing investments on the back on historical media data, we are now increasingly operating in real time. This has profound implications in terms of our mission, our operations, our staff and our relationships.

One thing remains though; our focus on adding value to our stakeholders, be they clients, staff, suppliers or the wider society. We accept that, as a pioneering operator in our industry, we have a responsibility towards all of them and continuously strive to meet these goals.

Our role is to ensure the continued success of our clients and their brands, across time and space, by helping them manage their resources wisely. To achieve this, we ensure our employees are given every opportunity to be the best they can be. This approach, rooted in a long-term vision, transcends our immediate business operations.

Hence we have set ourselves three priorities that guide our thinking and action for the coming years:

- Upholding and sharing our values, nurturing the minds and growth of employees, advancing our environmental practices and building sustainable relationships with our community
- Building stronger business relationships by adding value through innovation and thought-leadership
- Maintaining the highest standards in governance and ethics, promoting transparency and combating corruption

Operating in the marketing sector, we realize we can have a positive social impact. Starting from within, we aim to spread a culture of fairness, ethics and equal opportunities through education. We already share and uphold a set of values, principles and goals. While we are also in the service industry, with a reasonably limited impact on natural resources, we still have an environmental footprint, of which we are very conscious. Our goal is to enhance our environmental performance, including energy consumption and waste reduction, recycling and other carbon footprint initiatives, by 20% by 2018.

We respect the UN Guiding Principles on Business and Human Rights, abide by our framework for fair compensation and promote well-being among our staff, while stimulating their professional growth through tailored development plans. Our goal is to attract and retain the best industry talent, limiting churn to below 3% by 2018. Our gender policies have already been recognized by the Great Place to Work Institute and we aim to achieve parity by 2018. Externally, we support education and arts programs to improve opportunities for disadvantaged children and have recently developed a partnership to provide micro-finance to regional micro-entrepreneurs.

This approach has served us well and we have noticed an increase in the level of staff engagement in our programs. Our business performance has been validated by a number of industry and other awards, including the Great Place to Work as well as Campaign Middle East's title of Media Network of the Year in 2014 for OMD.

The transformation of our industry, while presenting a number of challenges, also entails many opportunities to differentiate ourselves from our competitors while leading the change for the benefit of all our stakeholders. We have often been pioneers and innovators, something that has served us well. We have every intention to keep leading from the front and keep pushing ourselves and others to the highest levels of integrity and sustainable practices.



Elie Khouri
Omnicom Media Group
MENA CEO

# ABOUT OMNICOM MEDIA GROUP MENA

At a glance
Organisational profile
Monitored billings for the group
Economic value generated
Risk management strategy

# OMNICOM MEDIA GROUP AT A GLANCE

Gross billings of US\$848 million	12% business growth	Clients' retention rate: OMD 99%, PHD 95%	42% of females in the workforce
3rd Best Company to Work for in the Middle East	400 full time employees	92% employee retention rate	CSR Arabia award 2013 - 4th
OMD & PHD UAE scored the highest employees satisfaction rate across all global offices at 84% & 83%	31 Awards won OMD: 27 including Media Network of the Year PHD: 4	Average yearly training hours is <b>34h</b> for staff, <b>23h</b> for managers and <b>14h</b> for Directors	99% of our employees received regular performance and career development reviews
Average employees' age is <b>31</b> .	31% increase in CSR expenditures	840% increase in CSR fund raised by employees	26.2% increase in number of employees volunteers
88% increase in number of employees initiating CSR activities	5% reduction in water and electricity bills	12.6% decrease in recycled and an increase of 414% in reused waste.	First LEED certified 'green' building in Dubai Media City

# **ABOUT OMNICOM MEDIA GROUP MENA**

Omnicom Media Group is the media services division of Omnicom Group Inc., a leading global advertising and marketing communications services holding headquartered in New York and listed on the NYSE.

Omnicom's branded networks and numerous specialty firms provide advertising, strategic media planning and buying, digital and interactive marketing, direct and promotional marketing, public relations and other specialty communications services to over 5,000 clients in more than 100 countries. In addition to its three

global advertising agency networks, BBDO, DDB and TBWA, Omnicom Group owns and operates more than 175 marketing services companies.

Omnicom Media Group has its MENA headquarters in Dubai. Today, the group counts more than 400 staff in the UAE, Saudi Arabia, Qatar, Egypt, Lebanon and Morocco, with affiliates and partners in seven more countries. With the regional operations of our three networks, OMD, PHD and Resolution, and several specialist units, we manage our clients' media investments in terms of planning, buying and performance marketing, as well as providing strategic communication consultancy services.

The role of the holding group is to overlook and support its network operations and regional centers of excellence. If OMD and PHD compete for business, with a degree of healthy internal competition, both networks are supported in the same manner. Resolution and the regional centers

OMNICOM MEDIA GROUP MENA Network operations Regional centers of excellence Content OMD PHD RESOLUTION FUSE investments Creative UAE UAE UAE ANNALECT services Mobile Saudi Arabia Saudi Arabia Egypt marketing marketing Lebanon Egypt Morocco Qatar

of excellence work with the clients of both networks in the same fashion

Omnicom Media Group provides its networks with the support, resources, thought leadership and centralized units they require to help their clients meet their business objectives and grow in the region. Besides the MENA headquarters in the Dubai Media City, it also has an office in Jeddah

Our product is communications strategies and investment plans that provide the market impact required by our clients, be it an increase in awareness or affinity, buying preference or market share. To arrive at these, we rely on market information from consumer and media research, syndicated or proprietary data, client and media data. Our marketing and communications specialists compute that information using a suite of planning tools and analyze the results to make effective recommendations. When approved by clients, they then become communications plans and media activities, which are bought using our clients' budgets. These can be simple, such as a TV spot or an ad page in a newspaper, or complex, such as a brand integration operation in a TV program. Our last step is the analysis of the performance of these media investments and the impact on the key metrics selected by our clients using the above mentioned data sources.

#### HUMAN CAPITAL

Another measure of scale is in our headcount. Our staffing level in MENA also increased from 418 to 448 (42% females) in the past year.

Over 97% of the positions in our group are full time (FT: 255 males, 183 females) and only a handful of part-time/ contract employees such as interns, who are eventually recruited full-time (3 males, 7 females)

Our management is actively involved in a number of organizations, largely NGOs and social causes; Omnicom Media Group MENA'S CEO sits on both boards of INJAZ and APEAL. Our Group Sustainability Director sits on the START Board of Directors.

#### REPUTATION MANAGEMENT

Before we can help our clients with their business performance and brand reputation, we must start with our own. Both the group and its agencies have clear brand communications guidelines and strategies, which are focused on clear, honest and accurate expressions of the companies' position, difference, performance and culture. These are designed and approved annually, and reviewed on a regular basis against performance metrics.

## **OUR SERVICES INCLUDE:**



BUSINESS CONSULTING (ALL UNITS)



CONSUMER AND MEDIA INTELLIGENCE (HALL & PARTNERS)



STRATEGIC MEDIA PLANNING AND INVESTMENT MANAGEMENT (OMD/PHD/ RESOLUTION)



DATA ANALYTICS (ANNALECT)



DIGITAL & MOBILE MARKETING (RESOLUTION)



PERFORMANCE MARKETING (RESOLUTION)



SOCIAL MEDIA/CONTENT MARKETING (RESOLUTION)



BRANDED CONTENT MANAGEMENT AND DEVELOPMENT (FUSE)



DIGITAL CREATIVE SERVICES

#### OmnicomMediaGroup MENA -

#### Leadership organizational chart

#### REGIONAL-HQ







RFD-Marketing



RFD-Talent & Org



UAE-HQ



Nadim Samara MD, OMD UAE &

Deputy MD, OMD

Elda Choucair MD, PHD UAE



Elie Khouri **CEO MENA** 

OTHER MENA



Samra, CEO Arabia



GM, OMD Qatar

Wissam Najjar GM, OMD Lebanon

MONITORED BILLING FOR THE GROUP

With gross billings of US \$848 million (RECMA 2013), we are one of the largest communications group in the MENA region. In 2014, we recorded a double digit growth of 12% and we are expecting a cumulative growth in excess of 20% over the next three years.

Last year, there were no significant changes to our organization, market condition or supply chain. We have, however, confirmed our expansion plans into new markets in the region, with new offices opening in 2015. Our work in 2014 has received the independent validation of peer judging at industry awards festivals.

#### **ECONOMIC VALUE GENERATED**

The GDP growth in MENA is forecasted to be as high as 4.5% in 2015 (IMF data). Inflation is around 8% and interest rates are expected to remain flat. The region has some of the highest levels of unemployment, up to 29% in North Africa (MENA average at 11.5%).

Despite these challenges, with political leadership liberalizing economies and slowly but steadily investing in diversification into non-oil related industries, a high level of consumer confidence and a rising, educated, youth population, brands stand to benefit hugely by investing in the region. Advertiser confidence in MENA is amongst the highest in the world (source: GMI by WARC) and general business sentiment in the GCC remains positive, though the Levant is understandably on shaky ground.

We estimate our industry growth to be at 5%, just a little over the estimated GDP growth. Our current estimate of the net advertising investments in the region is US \$4.5 billion.

During 2014, the group met all its financial KPIs in terms of both revenue growth and EBIT, primarily fuelled by new revenue streams and new market expansions. Net billings are close to the US \$500 million mark and headcount of over 400 people regionally. Financial ratios like payroll to revenue, EBIT margins and others remain in line with forecasts. Operating primarily in the GCC, there is limited tax liability. The company has more than doubled its CSR budget over 2013. The growth in 2015 is expected to be in double digits and the company's primary focus is to consolidate its position in existing markets and set up operations in new ones.

#### **RISK MANAGEMENT STRATEGY**

#### **BUSINESS RISK**

We operate in a highly dynamic industry with technology at the forefront of everything we do. A critical success factor to meeting and exceeding all stakeholder expectations is constant evolution of the business model, always keeping the 'client first' philosophy. As such, there is a high element of 'business risk' and only by keeping in touch with global developments can we keep our clients and ourselves ahead of the competition.

This is addressed by working very closely with our global network offices, in particular for our "Global Account Management Clients", a set of key clients which are managed centrally out of New York. For these clients, similar processes are applied consistently across all markets. This ensures that any learnings/new technologies that evolve globally are immediately fed into our region. Local innovations are also shared with the global team for global adoption. Global learnings are percolated and applied across local clients, as applicable.

Apart from the above, there is a stringent budgeting and forecasting process with annual budgets being set at the beginning of the year and 'rolling forecasts' prepared every month to track YTD actuals and update the annual forecast. This is continuously reviewed by senior management to help take business decisions, especially in terms of new investments, expansion etc. and decisions are thus based on "always current" market and financial information. Thus we minimize the business risk by ensuring that our business model is relevant to current times and geared to adapt to change.

#### FINANCIAL RISK

Whilst financial risks cover a large spectrum of risks, the key ones applicable to us are liquidity risk and credit risk. Other financial risks like exchange rate or interest rise are minimal and do not particularly apply to our business.

Handling over half a billion dollars of client investments annually, we have set up a robust system of internal controls to manage the financial risks applicable to us. Every new opportunity is thoroughly scrutinized prior to being accepted as a client through a formal 'client acceptance process' before being listed as a client in our systems. In addition to internal scrutiny, we also avail of the services of our global credit insurers "Euler Hermes" who do a full credit evaluation and advise us on the credit worthiness of the client. This helps us set up an internal credit limit and

keep credit risk to an acceptable level. Internal reporting is rigorous with weekly reports on clients' outstanding and collections fed into a central global system, thus enabling us and Euler to track client payment performance at a global level. For example, if a global client is delaying payments in Italy, we have this information in real time and are able to act accordingly to protect ours and our supplier partner interests vis a vis that client locally (by seeking pre-payments etc.). Credit limits are thus continuously evaluated both internally and by Euler. Liquidity risk management follows a similar process and for any client delays, appropriate action is immediately taken in terms of escalation to senior client management, global teams and in extreme cases, cessation of business with that client, thus limiting our exposure to acceptable levels.

#### **COMPLIANCE RISK**

Managing compliance risk is a critical part of our internal control set up. Stringent compliance requirements exists on all stakeholder fronts - right from clients, supplier-partners, employees, shareholders and governmental bodies.

Our system of internal controls is designed to ensure full compliance with all of the above. Client contractual compliance is led by the CFO's office. The CFO and his team ensure, in conjunction with the account director team, that all aspects of client contracts - whether commercial, financial or any other commitments are fully delivered. This is also monitored via regular audits, both local internally as well as by a Global Internal Audit team

Though supplier-partner relationships are led by the trading team, the compliance function on all supplier related contractual obligations is led by the CFO and his team, who ensure that we comply with every aspect of all contracts.

Our people are our most important assets and we invest heavily in their development in terms of training, continuous coaching, mentorship programmes and giving them exposure to a variety of functions and clients. Integrity is a key characteristic that we look for and we have a 'zero tolerance' policy on non-compliance with internal policies and procedures. In addition to continuous training on 'anti-bribery' guidelines and constant re-enforcement of policies, every employee is required to sign a contract committing to abide by the company's ethical standards.

# MANAGING SUSTAINABILITY

Sustainability context
Sustainability governance
Sustainability strategy
Stakeholder engagement
Materiality analysis

# A NOTE FROM OUR

# GROUP SUSTAINABILITY DIRECTOR



#### Dear stakeholders,

Our ambition is build a more sustainable and comprehensive corporate sustainability and responsibility (CSR) programme that will put Omnicom Media Group MENA on an international platform and recognise our efforts in a more credible and quantifiable manner. As a responsible company, we feel a strong desire to make an important contribution to the sustainability discussion in the region.

Our mission statement 'We are a pioneering marketing services group that fosters innovation, promotes shared values and upholds the highest standards of ethics and governance' indicates our deeply held commitment

The GRI Sustainability Reporting Framework enables us to measure our impact and performance. It will allow us to integrate sustainability more firmly into our business strategy, positively engage our staff and set a roadmap in all the spheres in which we operate, including our people, clients, suppliers, environment and communities.

Our role is to ensure the success of our clients and their brands, across time and space. To achieve this, we ensure our employees are given every opportunity to be the best they can be. This approach, rooted in a long-term vision, transcends our immediate business operations.

We hope that you feel inspired, excited and engaged by our GRI Sustainability Report and look forward to partnering with you in the near future.

Tanaz Dizadii

Omnicom Media Group MENA Group Sustainability Director Sustainability Report 2014

#### SUSTAINABILITY CONTEXT

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After adopting our new sustainability framework and long-term business sustainability strategy, we will focus our efforts into systematically instituting policies, measurement methods, process controls, data systems, targets, reporting and assurance throughout the group to embed sustainability into infrastructure planning, project management, operations, supply chain management and risk management.

#### SUSTAINABILITY GOVERNANCE

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With the adoption of the Business Sustainability Framework in 2015/2018, a group-wide CSR committee was established, comprising representatives from the group units and companies. The committee meets quarterly to assess and monitor the implementation of our strategy to contribute ideas and feedback on behalf of their respective business units. The committee blends staff from different cultures, backgrounds and seniority to stimulate a creative, fair and collaborative approach. In addition to these quarterly meetings, the Group Sustainability Director produces a monthly board report on sustainability.

In the future, the committee will also be tasked with developing sustainability Key Performance Indicators (KPIs) for the implementation of initiatives. It will also focus on analysing sustainability performance, structuring and providing inputs to the sustainability report, while facilitating sustainability learning and training. It will ultimately drive group-wide sustainability initiatives.

#### GOVERNANCE AND ACCOUNTABILITY

The management board is regularly informed about progress on relevant sustainability issues, opportunities and programs. Every quarter, the board meets with our Group Sustainability Director to assess and monitor our sustainability strategy, approve related investments and ensure our approach is fully integrated into our business objectives and core operations. In addition, the Board conducts a review of internal controls to identify, evaluate and manage any significant sustainability and ethical risks. We have established policies and practices to help our company uphold the highest standards of integrity, ethics and personal responsibility.

We also give feedback to other organizations, for example by completing Dubai Chamber's Survey on Corporate Social Responsibility Management and Impact on Business.

#### SUSTAINABILITY STRATEGY

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We are now in the midst of a real revolution in media planning and buying. It has a far-reaching impact and is affecting all media suppliers, leading brands and the community at large. In order to sustain our operation, we have to redefine the way we are conducting our business, reinforcing our core ethics and playing an important role in the creation of shared values.

In 2014, we undertook a systematic review and thorough stakeholder engagement of the issues that are most material to our ability to execute our business strategy and those that have the greatest social, environmental and economic impact on our stakeholders. We have concluded that upholding ethical standards and reinforcing responsible practices is an important and critical part of Omnicom Media Group MENA's future business sustainability. Our services are focused on adding value and our business model is founded on strategic partnerships. It is therefore essential that we invest in innovation, build partnerships based on shared values and uphold the highest standards of ethics and governance.

#### OUR BUSINESS SUSTAINABILITY VISION AND MISSION

As a pioneering marketing services group, we were founded on a principle that always aimed to add value to all our stakeholders. We aim to balance the interests of our clients, suppliers, shareholders, employees, and wider society, and fulfill our responsibilities towards them, aiming to exceed their expectations.

Today, this founding value has blossomed into our long-term sustainability vision and strategy. A comprehensive, group-wide sustainability vision and strategy is highly critical to ensure that Omnicom Media Group MENA's definition, commitment and approach to sustainability are clearly articulated.

## "We are a pioneering responsible marketing services group"

To underpin our vision of Sustainability we have set three strategic commitments:

"We are a pioneering responsible marketing services group that fosters innovation and thought leadership, promotes shared values and upholds the highest standards of governance and ethics"

#### OUR SUSTAINABILITY FRAMEWORK 2015- 2018

Being a responsible and sustainable pioneering marketing services group is not a stand-alone strategic priority for Omnicom Media Group MENA, it is part of who we are and how we do things.

Being a responsible and sustainable business leader remains at the heart of our strategy and underpins our purpose. It supports our aim to deliver pioneering marketing services, whilst promoting shared values and upholding the highest standards of governance and ethics. Recognizing the importance of an organized, forward-looking approach to sustainability, we have put in place a comprehensive sustainability strategy that will be implemented across the different divisions and direct investments of the group during the 2015–2018 period.





#### We are committed to three main priorities:



Activating our Governance and Ethical Standards, enhancing transparency and preventing bribery and corruption.



Fostering Innovation and Thought Leadership through strengthening business partnerships and ensuring differentiation and value adding.



Promoting Shared Values by nurturing our employees' minds, advancing our environmental practices and building sustainable business and community relationships.



#### PRIORITY 1:

Activating our governance and ethical standards, enhancing transparency and preventing bribery and corruption

	Activating governance	Preventing bribery and corruption	Enhancing transparency
Approach	High standards of corporate governance are key to ensuring that our group and subsidiaries are fully exploiting opportunities and managing risks in an evolving market. It is a contributor to the long-term success of a company, creating trust and engagement between the group and its shareholders.  Striving to deliver exemplary governance is a core aspect of our strategic intent.	We operate in an industry where ethical practices are critical material issues to the sustainability of the business.  Investing in preventing bribery and all types of corruption has always been on top of our agenda and will always remain there.	Transparency is essential for sound and effective governance and business relations. It helps to build trust in the brand and supports the creation of long-term sustainability relationships with our stakeholders.
Commitments	We are committed to continuing the implementation of strict governance and compliance in all aspects of our operations.     We are committed to advancing the internal governance of our sustainability practices.	We are committed to continuing to play a primary role in promoting ethical practices in the market and upholding the highest standards internally.      We are committed to zero tolerance in dealing with bribery and corruption cases.      We are committed to promoting ethical practices and preventing corruption within our value chain.	We are committed to shareholder reporting on business information, risk management and performance.  We are committed to activating our sustainability disclosure and reporting practices.  We are committed to advancing internal transparency through activating information share between staff members.
Targets	Conduct an internal audit across every office within two years. Conduct regular reminders of ethics policy and training on anti-bribery. Regular review of internal controls, segregation of duties and compliance SBOX. CSR Committee will support the strategy through leading and communicating programs amongst their respective businesses and encouraging the integration of senior and junior employee ideas and feedback. Deploy and develop sustainability programs in Cairo and Beirut offices and select designated representatives. Develop creative and effective communication channels with our stakeholders on our sustainability efforts. Internal reporting on sustainability metrics will be published in management meetings and inter-company meetings.	100% annual compliance with zero bribery and corruption cases.     100% staff training on anti-corruption procedures through our global-governance test.     Investigating and reporting 100% of allegations of corruption. Without exception if 100% then without exception.     Return 100% of gifts and promo items with value >100\$ to senders within 24 Hours.     Expand ethics, social and environmental and human rights assessment into our supply chain.	Annual commitment to reporting on sustainability performance based on the GRI guidelines.     Annual business reports will be shared to parent group once per year.

#### **PRIORITY** 2

Fostering innovation and thought leadership through strengthening business partnerships and ensuring differentiation and value adding

	Pioneering thought leadership	Differentiating and adding value	Strengthening business partnerships
Approach	We realize that the market expects a lot from us. We believe that we have developed a true expertise in the marketing and media industry that is currently adding value to the stakeholders with whom we partner. Now we want to go further.	Being a pioneering player in a very competitive market is the result of continuous investment and dedication to innovation, development of value adding services and cutting edge solutions.  In order to maintain and reinforce this position, we will have to shift from the conventional media practices and gear our investments towards a new culture focused on business, rather than just media, thinking.	We believe that we can only grow if we work together with our business partners to create synergies, exchange ideas and market trends.  We realize that in our industry clarity and effective measures are essential to build trustworthy business partnerships and sustain collaboration.
Commitments	We are committed to continuing to bring the best knowledge, expertise and speakers to the market, reinforcing our leadership role within the industry.     We are committed to continuing to invest in producing industry white papers and research, sharing trends and delivering digital insights.	We are committed to developing better planning products in order to offer clear ROI for our clients.  We are committed to advancing our evaluation systems in order to create a focused culture on business thinking.  We are committed to advancing and diversify our USPs on research, analytics, content and innovations in order to maintain our pioneering role in the market.	We are committed to continuing with leading edge technology and media providers (i.e. e-commerce) in order to find synergies and boost business performance. We are committed to engaging and providing training opportunities to our media suppliers in order to align efforts and exchange ideas on market trends. We are committed to advancing our scientific approach to budget allocation through effective measures.
Targets	Four white papers produced per year.     Six speaking opportunities and interventions per year.     Four academic studies assisted per year.	Investing into growing the role of VISION and SOURCE in 2015. Training and developing courses to enhance marketing and business skills. Recruiting talent with business degrees and experience across different industries. Applying systems and tools to help our planners think holistically about the business.	Develop three Omnicom Media Group MENA/supplier training opportunities per year.     Develop 10 Omnicom Media Group MENA/supplier engagement opportunities per year.     Develop two Omnicom Media Group MENA/supplier joint research opportunities per year.



#### PRIORITY 3

**Promoting shared values** through investing in nurturing our employees' minds, advancing our environmental practices and building sustainable business and community relationships

	Nurturing minds	Advancing environmental practice	Building sustainable relationships
Approach	Nurturing our employees' minds and developing our talent in particular is, and will remain, a primary focus of the Group. As we continue to hire, train and develop highly capable media professionals, we are committed to nurturing them for leadership roles across our operations.  We are pleased to note that Omnicom Media Group MENA's talent development engine is on track to deliver a pool of strong and well-equipped leaders with the appropriate skills to ensure they perform. This is how they contribute positively to the development and economic progress in their communities.	Implementing a thorough environmental agenda is as important to us as it is to our clients and business partners.  With an increasing demand to mitigate environmental impact and conduct a resource efficient operation in our value chain, the group is committed to investing seriously in this area.	As we operate in an industry with a far-reaching impact, it is important for us to reach out to our community and contribute to its long-term development.  We have created strong ties and we will continue to introduce and develop long-term sustainable partnership with key social players, NGOs and pressure groups.
Commitments	We are committed to maintaining and building on our health and wellness NRG program.  We are committed to increasing our training hours for our employees.  We are committed to maintaining a culture of performance-based progression based on merit and measurable KPIs.	We are committed to reducing our energy consumption, gas discharges and paper usage in our amenities. We are committed to increasing environmental awareness in the work place and staff engagement in related initiatives.  We are committed to continuing to recycle all kinds of materials and waste in our workplace.  We are committed to continuing to prioritize the supply of green and healthy lifestyle products in order to mitigate potential environmental risks.	We are committed to developing deeper and more sustainable relationships with our partners.     We are committed to enhancing communication and engagement among our employees and partners.
Targets	Minimum of 150 hours of training a year for the entire company (both internal and external).     100% transparency of all job specification sheets, performance appraisal forms and policies and procedures.     Structuring a transparent bonus remuneration model across entities by end of 2016.     Ensuring a minimum of 25% of training hours cover marketing educational content every year by 2016.     Hold two one-day workshops every year to which all clients are invited to attend.     100% review of applied positions by committee of peers and seniors.	15% reduction of energy consumption by January 2016. 10% reduction of AC consumption by January 2016. 10% reduction of GHG emission by January 2016. 10% reduction in printing volume by January 2016. 10% increase in the volume of recycled materials by January 2016. Increase volume of recycled materials purchased. Introduce re-usage and donation opportunities for office electronics and IT materials. 20% usage of non-toxic cleaning materials by January 2016. 100% usage of environmentally friendly office products by January 2016. Five hours of environmental management training per year per employee.	Develop a robust model for assessing and monitoring partnerships. Conduct annual feedback assessment from partners and related stakeholders on programs. Increase employee participation in sustainability activities by 10% per annum. Increase the amount of internal funds raised for NGOs and partners by 10% per annum. Increase the number of employee-driven programs each year.

#### STAKEHOLDER ENGAGEMENT

create positive or negative value for society.

At Omnicom Media Group MENA, we recognize that

Learning from those who are engaged with our company is the most valuable way to gain a comprehensive understanding of our impact. Our stakeholders in today's digital world are smart and expect not just more, but better information to understand how our world is evolving. With this growth in expectations comes the need for enhanced transparency and accountability. Corporations need not just to report, but to report meaningfully in ways that matter to their stakeholders. This means looking at what impacts they have on their employees, their clients and suppliers, their environment, technology, ideas and whether these impacts

effective stakeholder engagement is a powerful tool for improving the way that we do business. Stakeholder engagement and media sector alignment are all critical components for determining what is most important to us from a sustainability perspective.

In 2014, we put in place a robust program through which we identified our key stakeholders, obtained feedback on material issues and responded appropriately. We have undergone a formal stakeholder engagement process for the first time to find out which sustainability issues are most important to our stakeholders. Our stakeholders represent a variety of groups and perspectives including our employees, clients, suppliers, authorities, and shareholders. The internal workshop conducted with the CSR team has pinpointed the following seven stakeholder groups (see below and right).



Our clients appoint us to help them meet heir business goals. We usually operate on he basis of multi-year contracts. We also enrich the relationships with intelligence and best practice sharing so that we all operate at he highest possible level.

Media owners and sellers, from whom we acquire the media space to run and place our clients' advertisements. The relationship is based on transactions, trust and respect. Hence we invite them to our stakeholder events, where we share best practice.

Being an Omnicom majority company, here is 100% consolidation of all results into Omnicom following the line by line methodology. Whilst primary reporting is into Omnicom Media Group EMEA, we engage closely with our Board of Directors who are the shareholder representatives.

We have taken our role with our community very seriously. We have built several programs that contribute to the betterment of the conditions for disadvantaged children, the promotion of the arts, environmental causes and the future prospects of UAE nationals.

We aim to develop meaningful and rewarding careers for our employees, stimulating their success and development. This is why being the employer of choice is so important to us.

We are a Free Zone Limited Liability Company based in Dubai Media City and it would be fair to say that TECOM has played a very important role in our success. They are always open to new ideas, be it CSR related, doing projects together to enhance the skill base or specific environmental projects.

We seek and select suppliers who are most in line with our values and Sustainability vision. We treat our suppliers with respect and keep them abreast of our priorities so that they can align their operations accordingly.

The effective management of the issues raised is essential as we build a more sustainable media servicing company and work towards our purpose to serve customers well. Our objectives from the program were to understand:

- Who are the primary stakeholders to whom we are accountable?
- How do we affect them and what are their priorities?
- How can we collaborate with them in order to create shared values?
- What are the primary mechanisms at our disposal for stakeholder engagement?

Knowing that quality engagement with our stakeholders helps us to address and respond to their changing expectations and needs, the Omnicom Media Group MENA leadership team, guided by the functional and business expertise in the sustainability field and in line with the requirements of the GRI G4 Reporting Principles, conducted a holistic overall stakeholder engagement for the group in August 2014. We sat down as a group and listed our stakeholders, which included all Omnicom Media Group MENA employees, our main clients, media suppliers and facilities suppliers and community partners, local authorities (TECOM) and our shareholders.

We identified business sustainability issues based on benchmarks and the nature of our industry. We asked this group to rate those issues on a sliding scale based on their importance to them and our business. This helped us determine our long-term sustainability strategy and approach.

The table overleaf presents the output of our stakeholder engagement conducted in August 2014. This map is a key element of our sustainability approach, as it lays down the expectations of our stakeholders, how we engage our stakeholders and our commitments to each stakeholder group, as well as our response to their expectations.

#### Clients Questionnaires Sustainability direction and how it impacts the media industry as a whole Pages 4, 5, 10 Face-to-face • Investment into advancing ethical and transparency practices in the Pages 29-32 interviews Business meetings • Plans to join efforts with clients to advance sustainability practices Pages 18-19 Omnicom Media Group MENA's future vision, how they intend to be Annual pitches • Pages 4, 5, 13, 16 the agency of tomorrow, the team of tomorrow, the media partner of Media suppliers Questionnaires Market positioning and statistics • Pages 4, 5, 40, 41 Face-to-face • Reporting on volume of spending on outdoors and print. Reporting on Confidential interviews the size of the data Business meetings Contribution to monitoring/regulation of the industry and contribution to Pages 40, 41 advance fair practices in the market • News practices related to helping develop the TV offering • Pages 35-39 Contribution to R&D and advancement of practices in the media industry Future plans of the group. Long-term strategy in order to maintain its Pages 13-19 Questionnaires Employees leadership position in the market Team meetings How is the relationship being managed between the different entities Page 28 Future plans for employees' development and empowerment Pages 44, 45 • Equality within the group. Diversification of the staff – dominant Pages 47, 48 Pages 4, 5, 10 Adaptation to the dynamic changes of the media industry · Investment made to the workplace environment Omnicom Media Group MENA's growth strategy in the GCC and how to Page 10 Facilities suppliers Questionnaires Face-to-face • Process to select suppliers – outlining criteria and policies for fair selection • Pages 40, 41 Impact of sustainable products on employees' productivity in the Business meetings Questionnaires Ascertain the mandate on sustainability. Ascertain the integration • Pages 14-19 Community Face-to-face and embedding of sustainability. Ascertain impact and outcomes of partners Business meetings • Detailed reporting of stakeholder engagement and materiality processes, • Pages 20-26 Community events compliance with the requirements of the selected in accordance to criteria and third-party verification Case studies showcasing the community partners and what projects they Pages 51-54 are working on Assessment of Omnicom Media Group MENA in areas that are considered Page 28 Shareholders Questionnaires Annual meetings important and relevant to shareholders Others. • Risk management assessment Sustainability mission and comprehensive reporting • Pages 13-19 How is Omnicom Media Group MENA supporting its clients' sustainability This is part of our long-term plan Compliance with TECOM regulations and laws Page 31 Public authority Licensing renewal · Health and safety Page 48 TECOM

#### OmnicomMediaGroup MENA -

The outcomes of the holistic engagement were reviewed by the group's top management and taken into account in preparing this report, as well as defining our long-term sustainability strategy. Stakeholders' perception from each of these engagements has been discussed and acted upon internally. In addition to the specific consultation with stakeholders that we conducted for the purpose of preparing this report, we maintain other channels of engagement with a host of interaction and engagement with a host of stakeholder individuals and groups.

This helps us to keep our finger on the pulse in the media industry in the region, as well as sticking to what matters the most to stakeholders throughout the year, not only at reporting time.

Since we are at the stage of defining the future of the media industry in the region and shaping it towards future developments, these stakeholder comments are extremely valuable to the group, especially as all these groups are within our evolving ecosystem.

#### IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

[G4-18]

Material issues are those issues that matter the most to us, as a business and to our stakeholders, and are the areas on which we focus our reporting and strategy commitments.

The aim is to find out what expectations stakeholders have of us as a pioneering media group and what demands we place on ourselves in order to be successful on a sustained basis. In this process we concentrate our sustainability management on fields of action that are significant to our stakeholders and for the business. During August 2014, we undertook a comprehensive stakeholder consultation exercise with the aim of establishing a list of material issues to help shape our 2014 Sustainability Report.

Our process to identify key material issues is based on the Reporting Principle and Guidance for Defining Content in the GRI G4 Sustainability Reporting Framework as follows:

1) Identification of relevant topics, 2) Prioritization of topics against stakeholder and company influence and impacts, 3) Validation of prioritization and identification through review and evaluation and 4) Review of context on an annual basis.

Initial assessments included the 56 business sustainability issues to be tested. We ran surveys, held meetings and interviews and engaged with all our stakeholders, in order to determine their perceptions, expectations and concerns for our performance and, in particular, to rate their interest to the proposed business sustainability issues.

Feedback from engagement with stakeholders helped us to identify 31 material issues that are most significant – or

'material' – to Omnicom Media Group MENA. The 31 issues were found to be 'highly material' with scores 3.75 or above on a scale from one to five. Therefore, they are considered 'highly material' to Omnicom Media Group MENA's operation.

For all of the 31 material issues identified, we have identified 18 GRI Aspects which will provide the most complete, accurate, relevant and reliable response to stakeholders' concerns. This assessment was based on a judgment about what information would be available for the report period, as well as which information would create a clear picture of Omnicom Media Group MENA's significant positive and negative economic, environmental and social impacts in a broad sustainability context.

We recognize that priorities can change over time and will continue to refine this materiality process to best capture the evolving concerns of diverse stakeholders.

#### Omnicom Media Group MENA materiality analysis



#### OmnicomMediaGroup MENA .

# [G4-20] [G4-21]

	Material Issues	GRI Aspects	Aspect Boundary	Location
1	Financial performance	Economic performance	Omnicom Media Group MENA and subsidiaries	Page 10
2	Healthy work environment	Occupational health and safety	Omnicom Media Group MENA and subsidiaries, employees	Page 48
3	Anti-bribery and corruption	Anti-corruption	Omnicom Media Group MENA and subsidiaries, clients, media suppliers, employees	Page 29
4	Customer privacy	Customer privacy	Omnicom Media Group MENA and subsidiaries, clients	Page 31
5	Ethical practices	Ethics and integrity	Omnicom Media Group MENA and subsidiaries, clients, employees	Pages 29-31
6	Effective account management	Customer privacy	Omnicom Media Group MENA and subsidiaries, clients	Pages 35-39
7	Advancing environmental practices	• Environment	Omnicom Media Group MENA and subsidiaries	Pages 55, 56
8	Knowledge sharing	Training and education	Omnicom Media Group MENA and subsidiaries, clients, employees	Page 46
9	Diversity	Diversity and equal opportunity	Omnicom Media Group MENA and subsidiaries, employees	Pages 47, 48
10	Performance-based progression	Labor/management relations	Omnicom Media Group MENA and subsidiaries, employees	Pages 44, 45
11	Compliance	Compliance	Omnicom Media Group MENA and subsidiaries, government authority	Page 31
12	Awards recognition of work	Labor/management relations	Omnicom Media Group MENA and subsidiaries, employees	Page 46
13	Empowerment and ownership	Training and education	Omnicom Media Group MENA and subsidiaries, employees	Page 44
14	R&D and innovation	Economic performance	Omnicom Media Group MENA and subsidiaries, clients, media suppliers	Page 34
15	Fair selection of suppliers	Product and service labeling	Omnicom Media Group MENA and subsidiaries, media suppliers	Pages 41, 42
16	Transparency	Governance	Omnicom Media Group MENA and subsidiaries, shareholders	Page 32
17	Intellectual property	Product and service labeling	Omnicom Media Group MENA and subsidiaries, clients	Pages 35-39
18	Governance	Governance	Omnicom Media Group MENA and subsidiaries, shareholders	Page 28
19	Career development	Labor/management relations	Omnicom Media Group MENA and subsidiaries, employees	Page 46
20	Corporate culture	Labor/management relations	Omnicom Media Group MENA and subsidiaries, employees	Page 46
21	Reputation management	Economic performance	Omnicom Media Group MENA and subsidiaries	Page 9
22	Media industry development	Economic performance	Omnicom Media Group MENA and subsidiaries	Page 10
23	Human rights	Human rights	Omnicom Media Group MENA and subsidiaries	Pages 48, 49
24	Commoditization	Economic performance	Omnicom Media Group MENA and subsidiaries	Pages 29, 30
25	Job security	Labor/management relations	Omnicom Media Group MENA and subsidiaries	Page 46
26	Tech entrepreneurship	Local communities	Omnicom Media Group MENA and subsidiaries, employees	Pages 29-31
27	Investment and trading	Economic performance	Omnicom Media Group MENA and subsidiaries	Pages 10, 40
28	Competitive salaries and benefits	Equal remuneration for women and men	Omnicom Media Group MENA and subsidiaries	Pages 44-47
29	Risk management	Risk assessment	Omnicom Media Group MENA and subsidiaries	Page 11
30	Energy consumption	• Energy	Omnicom Media Group MENA and subsidiaries	Page 56
31	Recycling	Materials	Omnicom Media Group MENA and subsidiaries	Page 56

#### ASPECT BOUNDARIES

In the G4 guideline, the prime consideration for boundary setting is where impacts related to a material aspect occur: within or outside of the organization, or both, regardless of whether the organization exerts control or significant influence over a particular entity.

Each topic was evaluated for boundaries (where its impact occurred). Impacts were determined both inside and outside the organization, and by business unit, region and stakeholder group. Since this is the first time we are using the GRI G4 principles, we have made the decision to only report on activities performed within the Omnicom Media Group MENA. Therefore, this GRI sustainability report covers the primary operations owned and managed by the Omnicom Media Group MENA, namely OMD, PHD, Resolution, Fuse and Annalect.

We are committed to extending our reporting scope to include further information on stakeholders, suppliers, clients and facilities suppliers in the future based on availability and relevance of data. Further engagement with our stakeholders, both external and internal will influence how we define report content and boundaries in the future.



# GOVERNANCE AND ETHICS

#### **ACTIVATING GOVERNANCE**

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High standards of corporate governance are key to ensuring that our group and its subsidiaries are fully exploiting opportunities and managing risks in an evolving market.

Effective corporate governance contributes to the long-term success of a company, creating trust and engagement between the group and its shareholders.

Striving to deliver exemplary governance is a core aspect of our strategic intent. For us to achieve our ambitious goals, we require major efforts and outstanding performance from all employees in the completion of their duties and responsibilities. As part of a publicly listed company, we are committed to the highest standards of legal and ethical conduct in our business dealings, locally, regionally and globally. We comply with all applicable governmental laws, regulations and codes wherever we conduct our business.

#### SHAREHOLDING STRUCTURE

Being an Omnicom Group majority company, there is 100% consolidation of all results into Omnicom following the line by line methodology. Whilst primary reporting is into Omnicom Media Group EMEA, we engage closely with our Board of Directors who are the shareholder representatives. The Board comprises stalwarts of the industry in the region and we rely heavily on their knowledge, experience and guidance. The Board meets formally every quarter to review performance, discuss future plans and new offerings and talk business in general. Though we remain accountable to the Board on delivery of results, the relationship between the Company and the Board is one of 'camaraderie' and we all work together in the best interest of Omnicom Media Group MENA, our partners and clients...

#### SUSTAINABILITY GOVERNANCE STRUCTURE

Our governance is deeply rooted into our corporate sustainability strategy. We have set policies and practices to help our company uphold the highest standards of integrity, ethics and personal responsibility. Below are some of the key aspects.

Our Executive Board develops, monitors and implements our policies and strategy. On a semi-annual basis, the Executive Board meets with our Group Sustainability Director to assess and monitor our sustainability strategy, approve related investments and ensure our approach is fully integrated into our business objectives and core operations. In addition, the Board conducts a review of internal controls to identify, evaluate and manage any significant sustainability risk. Our CSR Committee meets quarterly to assess and monitor the implementation of our strategy and contribute ideas and feedback on behalf of their respective business units. Our committee blends staff from different cultures, backgrounds and seniority to stimulate a creative, fair and collaborative approach.

We run yearly internal and external audits, which are reported to our global head office. Our group takes anti-corruption auditing extremely seriously and, as such, engages external auditors through our global anti-corruption team. Monthly accounts are prepared and reviewed by management. The external auditor then reviews the accounts in their entirety annually.

Omnicom Media Group MENA continually survey and seek opinion on its operations. A recent survey of media agencies identified the key criteria used in the selection of a media agency, the factors that play a role in forming an opinion about media agencies and the skills/capabilities agencies need. We take this feedback into account when formulating our business plans and yearly strategy.

## PREVENTING BRIBERY AND CORRUPTION

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We operate in an industry where ethical practices are material issues of critical importance to the sustainability of the business. Investing in the prevention of bribery and all types of corruption has always been on top of our agenda and will always remain there.

#### ANTI-BRIBERY

It is the company's policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to acting ethically, fairly and with integrity in all business transactions and relationships. All our employees must adhere to our policy, which states they shall not directly or indirectly receive, pay, offer, promise or give authorization to anything of value to any company employee, client (existing or intended), employee of competitor companies, or to any other person whilst being aware of or having a belief that such money or item of value will wrongly influence any act or decision by such person or self for the purpose of obtaining an improper advantage or personal gain. If an employee is found to have engaged in any unlawful activities as deemed by management, the matter will be treated as gross misconduct and may result in dismissal from the company.

#### EXCHANGING GIFTS

We expect our employees to build strong, professional working relationships with clients and suppliers. This means they are to decline any gifts or services from a client or supplier or associated party to avoid these clouding their judgment or impacting on their decisions. We are strongly committed to undertaking business in an ethical manner. This has been demonstrated via robust policies and the manner in which all tiers of the company adhere to the established processes. A senior management panel, comprising the Chief Executive Officer, Chief Financial Office and Regional Executive Director-Talent & Organizational Development, manages all matters relating to the ethics of the company and every employee.

#### FAIR PLAY

We are committed to outperforming our competitors through our innovation, execution and plain effort, rather than through unethical or illegal business practices.

These include theft of competitively sensitive information, giving or receiving inappropriate gifts, or other improper



We believe that implementing governance and ethics in the way a company operates goes beyond merely setting policies, training and processes. We aim higher than simply complying with the relevant laws.

To us, it needs to be deeply rooted in our culture and be a natural way to behave and act rather than having it as something that's forced upon us. We value our ethical culture and healthy work environment because to us they are the foundation on which we're building our people and our business.

We exist to stimulate the growth of our stakeholders, be they internal or external, in a harmonious and therefore sustainable way. As we expect the best from our employees, we provide them with the necessary resources to achieve or exceed the goals to which they'vagreed, while mitigating all forms of risk.

training, external audits, policies to combat bribery and corruption, including a whistleblowing procedure, we operate in a transparent and ethical way, something our employees value and support.

#### VINEET SARAF

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OMNICOM MEDIA GROUP MENA



inducements that are not consistent with exemplary business practice. During 2014, we have not had any legal cases of anti-competitive behavior, anti-trust or monopoly practices.

We remain committed to not taking an unfair advantage through manipulation, concealment, misrepresentation of material facts or any other unfair practice. We require honest and accurate recording and reporting of information in order to make responsible business decisions and accurately calculate our financial results. We also aim to document and record our business expenses accurately. Unrecorded, 'off the books' funds or other assets, charges or obligations are strictly prohibited, as are special billing or payment procedures that lead to tax evasion.

#### NO INSIDER TRADING

We do not trade in any securities of any company on the basis of material, non-public information. We do not provide "tips" or confidential information to others who could reasonably be expected to trade in any securities of any company. Confidential information is not to be shared with others, even with other employees, unless of course they have a reasonable business reason for having access to it.

#### CONFIDENTIALITY

In our role, we are privy to some confidential and sensitive information shared by our clients in the course of our business dealings with them. To fulfill their expectations and business, it is crucial that we operate with integrity and protect such information, internally and externally. Confidentiality is so crucial to us that anyone found passing on confidential information about our company's and our clients' activities or employees, whether deliberately or through carelessness, will be liable to disciplinary action. This obligation is stipulated in the employee contract and applies even after exiting our group.

Every employee is required to follow certain principles and procedures relating to data protection, including compliance documentation, and we offer training to prevent the publication, disclosure or unauthorized use of any confidential information relating to any of our group's companies or any of their clients, except that which comes into the public domain. As a company, all personal of labor practices through formal grievance mechanisms. data collected from the employees is treated with the upmost sensitivity with the appropriate security physical and digital safeguards.

During 2014, we have reported zero substantiated complaints regarding breaches of customer privacy and confidentiality and/or losses of customer data.

#### COMPLIANCE WITH LAWS, RULES AND REGULATIONS

We comply with all laws of the places where we do business and, as an international company, Omnicom Media Group MENA is subject to many legal systems. In 2014, we have not identified any non-compliance with laws and regulations fines or non-monetary sanctions. We do not contribute to any political parties.

We comply with all anti-corruption and anti-bribery laws, including the U.S. Foreign Corrupt Practices Act, the UK Bribery Act of 2010 and any other local anti-corruption and anti-bribery laws in the countries in which we operate. We strictly prohibit directly or indirectly promising, giving or receiving any type of bribe, kickback, payoff or inappropriate advantage to any person with the intention of influencing that person to assist us in obtaining or retaining business or any other unfair advantage in the conduct of business for the Company. All our employees are trained and assessed to ensure they understand all the facets of this issue.

We are subjected to internal and external audits. Our group takes anti-corruption auditing extremely seriously and, as such, engages external auditors through our global anticorruption team. We run yearly internal and external audits, which are reported to our worldwide headquarters. Monthly accounts are prepared and reviewed by management. Our external auditor, KPMG, then reviews the accounts in their entirety annually. Omnicom Media Group MENA is 100% assessed as part of quarterly SOX testing and other regular audits and no significant risks have been noted.

#### WHISTLEBLOWING

We have a dedicated whistleblowing policy and procedure so that our employees can confidentially raise concerns without fear of repercussion. There is also an escalation process all the way to the Regional Executive Director-Talent & Organizational Development, to whom there is also direct access. In addition we have an employee assistance program that provides employees with another way that they can confidentially communicate their concerns or seek assistance. Our normal channels of engagement provide our business partners with a route to seek advice and to share feedback. We have not filed, addressed or resolved any cases

As part of the Omnicom Media Group Code of Business Conduct, we provide our business partners (clients and suppliers) a communication channel to confidentially report their concerns. This is done via a dedicated business partner whistleblowing line known as "Know Your Customer (KYC)". The KYC assessments are conducted for all stakeholders including clients and suppliers, to ensure compliance of corporate governance, ethics and values.

#### **ENHANCING TRANSPARENCY**

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Transparency is essential for sound and effective governance and business relations. It helps build trust in our brands and support the development of long-term sustainability relationships with our stakeholders.

The board formally reviews our performance against Omnicom Media Group MENA sustainability goals and indicators on a quarterly basis. If we are underperforming, the CSR Committee is asked to focus on weaker areas.

Our goals are published in the public domain and these inform our discussions with stakeholders. Our specific indicators are discussed with stakeholders and built into our dialogue, however we do not publish these in the public domain as they contain management performance data.

We are strongly committed to undertaking business in an ethical manner. This has been demonstrated through robust policies and the manner in which all tiers of the company adhere to the established processes. A senior management panel, comprising the Chief Executive Officer, Chief Financial Office and Regional Executive Director-Talent & Organizational Development, manages all matters relating to the ethics of the company and every employee. This is cascaded down the organization via line management and we also ensure every employee is aware and actively signs up to our Code of Business Conduct.

#### HUMAN RIGHTS

Omnicom Media Group MENA is committed to business practices that do not infringe on human rights and aligned with various international standards of responsible business conduct, including the Universal Declaration of Human Rights and the International Labor Organization's Declaration on the Fundamental Principles and Rights at Work.

Our Business Code of Conduct sets out standards, expectations and commitments in relation to our responsibility to respect human rights in our own operations and to avoid contributing, even unknowingly, to the violations of human rights by other parties. Our Staff Handbook includes the Business Code of Conduct, which is signed by all staff members and clearly outlines our policy and commitments to human rights. All our employees are required to undertake mandatory Human Rights training as part of their induction phase. In 2014, 100 % of our newly recruited employees undertook training courses included in our Code of Conduct, covering human and labor rights and anti-corruption policies.

Respect, dignity and fair treatment are core values and the group has adopted a policy of zero tolerance to any form of discrimination or unfair treatment. We believe that everyone, regardless of race, color, nationality, ethnicity, gender, sexual orientation, marital status, religious beliefs, disability or age, should be treated with respect. In 2014, no incidents of discrimination were reported through our whistleblowing channels or other means.

There have been no cases of human rights, child labor or compulsory and forced labor violations within our operation and supply chain and we did not have any human rights, forced or child labor grievances or concerns related to our operations. Our "Know your Customer" assessments ensure we only work with suppliers who follow our policy against discrimination and the use of child labor. Furthermore, we are not aware of any concerns of human rights, forced or child labor violations related to our suppliers and we did not receive any through our formal grievance channels. We didn't identify nor receive any complaints of negative social impacts due to our operations or in our supply chain either.

The Business Code of Conduct is based on and aligned with the UN Global Compact Fundamental Conventions and the UN Guiding Principles on Business and Human Rights. We are committed to providing a stimulating and positive environment for our people, where ethics and integrity always rule. This explains why we have been and continue to be voted one of the 'Great Places to Work' in the UAE.

# INNOVATION AND THOUGHT LEADERSHIP

Omnicom Media Group MENA .

Pioneering thought leadership Differentiating and adding value Building strong partnerships

# INNOVATION AND THOUGHT LEADERSHIP

#### PIONEERING THOUGHT LEADERSHIP

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At Omnicom Media Group MENA, we realize that the market expects a lot from us. We believe that we have developed a true expertise in the marketing and media industry that is currently adding value to our stakeholders but we now want to go further.

We do realize that leadership is about being a magnet - attracting bright people to an organization and spreading an energetic culture across every level of seniority. We strongly believe in assisted empowerment; we expect our teams to act decisively with the help of tools, training and support structures. This is not the traditional way of managing a business in the Middle East, yet we already see benefits, with clients report high levels of satisfaction. We thrive on doing things first in the Middle East region. In addition to the OMD Academy, we were first to act on television audience measurement, to create a marketing function in a media agency or to create a branded entertainment division and a with a "thought-starter" unit, for example.

We aim to actively share our knowledge and insights with our peers and stakeholders through our thought leadership program, producing collateral, conferences and executive briefings, which are distributed to all stakeholders. This includes our 'Food for Thought' monthly breakfast briefings, annual conferences such as OMD Predicts and PHD Brainscape and white papers. Twelve have been published to date on various subjects, such as the social audience in MENA, including behaviors and attitudes, for example.

Each year, we aim to produce four white papers, engage in six speaking opportunities and assist with at least four academic research papers.

#### OMD PREDICTS

This is the annual conference for OMD and its stakeholders. Designed to future-proof marketing strategies, it shares thought leadership and advance knowledge of emerging trends. Over 300 advertisers, media and advertising professionals take part in this event, now running for over seven years. The quality of its program not only elevates the brand in the eyes of its stakeholders but also sets the agenda for the years to come, focusing the attention of all parties on what is at stake.

#### **EXECUTIVE ROUND TABLE**

In order to help its clients' senior executives plan forward more effectively, OMD organizes an annual roundtable with economists so that its business partners work with the most accurate forecasts and trends. The event is highly interactive and a three-way debate, between participants and the economists but also between the participants themselves who share their experience and solutions. The event is highly sought after and participation is increasing every year.

#### FOOD FOR THOUGHT

This is a series of monthly events, staged in our offices, on a Thursday morning, during which PHD not only serves breakfast but also insightful speakers speaking on an issue or sharing their learnings or intelligence. The audience, comprising employees and clients, leaves replenished and enriched from what was served. From a brand perspective, PHD benefits from providing its clients with more than they expect and the certainty that the agency aims to stimulate the most powerful relationships possible.

#### PHD BRAINSCAPE

Every year, PHD brings a world-class speaker to discuss the future trends that will define the way we work in the next decade. As part of a broader speaker line-up, scientists and TV celebrities Dr. Michio Kaku and Jason Silva are two of the highest profiles we brought to Dubai, attracting more than 200 eager delegates to PHD's annual conference. BrainScape is a defining, must-attend event that positively impacts the agency's brand as well as the relationships with its stakeholders

#### WHITE PAPERS

As a group, we invest significant amounts into research, including proprietary surveys. To capitalize on this investment, we have been publishing white papers since 2011, starting with the evaluation of the impact of the wave of popular uprising in the Middle East on the media landscape. Publishing and distributing four white papers a year to our business partners, our group is now well-known for its thought-leadership, the quality of its insights and the depth of its analysis. The more we all know, the more effective and impactful we can all be.

## DIFFERENTIATING AND ADDING VALUE

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Being a pioneering player in a very competitive market is the result of a continuous investment and dedication to innovation, development of value adding services and cutting edge solutions. In order to maintain and reinforce this position, we will have to shift from conventional media practices and gear our investments towards to a new culture focused on business thinking.

#### OMD'S VALUE ADDING APPROACH

With our clients' needs constantly evolving, our role is also changing in order to address their requirements adequately and make sure we're speaking the same language. This is reflected in the type of services we are planning on offering in the future and the structural changes we are adopting internally to ensure our work is more impactful and essential. With our ethos of never ending sophistication, we are not standing still but adding value by being ahead of the curve and addressing unformulated clients' needs. Ultimately, we aim to over-deliver on their expectations.

Our ambition is to create a point of difference and step away from uniformity by embracing sophisticated marketing technology, business intelligence and thinking to go beyond media. This helps us empower our talent and arm them with tools and techniques to not only help grow our clients' businesses, but also make sure all brand performances are planned and measured. This is done through advanced analytics and proprietary tools, such as Prospector - a system that relies on a combined pool of media, consumer, sales, actual digital behavioral and and bespoke research - to define the most profitable consumers and prioritize brand investments in their relevant media.

We also have access to syndicated tools such as Aggregate Knowledge, a market-leading provider with top publisher acceptance, including social, mobile, and CRM platforms.



Our organic approach to talent development has been paying off year after year. From the very beginning, OMD's talent has constantly been growing across markets and disciplines, resulting in the multi-faceted company we've become today. In 2015, OMD, as part of Omnicom Media Group MENA, was named the third best employer in the UAE for a second year in a row, reflecting our belief that people come before product and profits. Our staff is our biggest asset and we have numerous programs to nurture them. One of these is our sustainability program, which adds a deeper meaning to the role and work of our team. We have achieved a 98% retention rate in recent years, thanks to our simple yet effective approach to managing people: good people, proud of doing great work, while having fun.

Ever since our inception, OMD has never stopped innovating and raising the bar. Whether it be developing new consumer and media studies or deploying the first analytics solution in the region, we stop at nothing to provide our clients with best-in-class resources to help them stay ahead of their game.

Today, standing still means going backwards. In order to perform at the highest possible level, we regularly upgrade our human and technical capabilities, combining global best practice with the latest local intelligence. This is how we provide our clients with the most relevant and effective solutions to their challenges starting with our focus on the individual.

#### NADIM SAMARA

MANAGING DIRECTOR

#### OMD VISION

In a world of economic, consumer and media change, how to best use communications to improve business performance is a complex, high stakes challenge. It is easy to get lost in the detail.

Frequently asked questions include: Are we spending too much on TV advertising? Should we be doing more advocacy in social media? How are we using all this data we're gathering? What KPIs should we be using to measure performance?

All of these questions are addressed through Vision, OMD's new global operating system. Developed over the last year, it helps clients buy business growth, not just media space. Vision is designed to ensure OMD consistently delivers excellence when addressing this challenge, on every brief, every time, across all regions and markets. This is at the core of our promise, ensuring that our clients have state-of-theart resources and systems to expertly collaborate between local markets and the regional hub.

Vision is based on a modular design, with an inclusive nature to incorporate our partners' own processes. This builds on Vision's core goal to drive business demand and brand desire. The diverse ecosystem generated from the inclusion of various entities ensures that no information is left behind when we go to market. Leaning on the "open source" model, this approach maximizes risk mitigation and minimizes erroneous strategic decisions.

#### VISION'S PHILOSOPHY IS DEMAND AND DESIRE

Our purpose is to drive our clients' business growth by driving demand for their brand, products and services, and not just 'claimed demand' but demand that can be measured via value of sales potential generated. We believe this demand is built by appealing to people and igniting desire. For us, desire is shorthand for the aspirations, inspirations and motivations that drive people's actions and choices, and why they place a greater value on the brands they select. The combination of demand and desire gives us a clear focus on the revenue return we expect, and better articulates our belief that media expenditure is an investment and not a cost.

#### VISION'S KEY OUTPUTS

Vision is built around a number of key outputs that compel us to summarize and plan around key learning and insights. We use these outputs to craft brand storytelling, wrapped around a robust business case.

#### THE VISION APPLICATION

Vision is a desktop workflow system that ensures all key outputs are consistent. Rather than being a 'car that drives itself', reducing planners to button pushers, it allows them to access data, find and share inspiration, and give support and guidance throughout. The ambition to simplify and accelerate real-time collaboration across all teams - with all our knowledge, be it insight, strategy, or plan performance - is available to everyone in every market 24/7.

#### CLIENT: BEIERSDORF MIDDLE EAST BRAND: NIVEA MEN CAMPAIGN: SURVIVE THE NIGHT

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#### CONTEXT, CHALLENGE AND AUDIENCE:

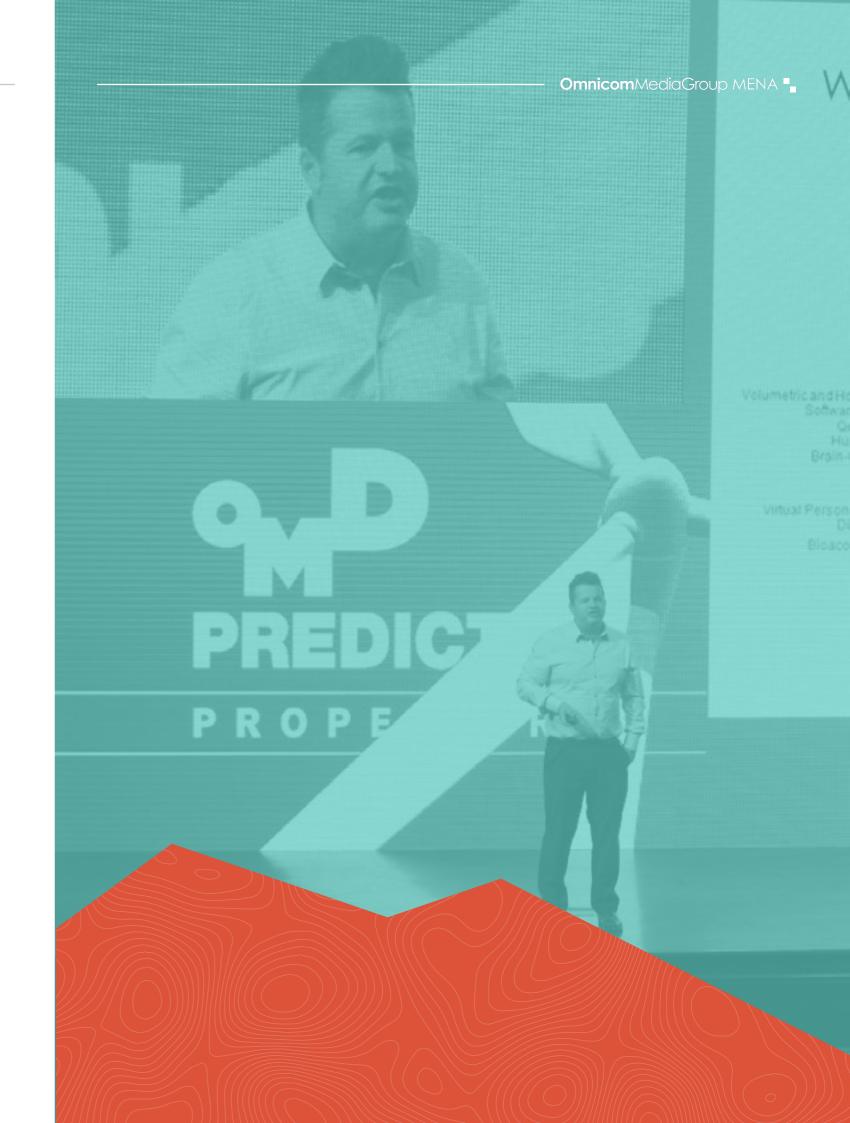
Nivea Men had never engaged men with any football content in the GCC. In 2014, we had a great opportunity to do so, but every other brand was going to jump and clutter the game. We decided to do what Nivea Men does best, to keep caring for men while the men care about their football. As a matter of fact, the 2014 FIFA World Cup was tough. The games were shown late into the night and the tournament coincided with the Holy month of Ramadan, during which men fast all day. We wanted to help men cheer all night, yet look refreshed on the morrow of a night spent tearing vocal chords and wrecking nerves.

#### STRATEGY AND EXECUTION:

After survival nights, we brought men the NIVEA Men Survival Kit, which included shaving gels, invisible deodorants, rehydrating moisturizers and shower gels. On an engagement level and to drive Survival Kit sales, a Facebook App allowed each survivor to enter a code hidden in his kit for a chance to win a grand prize. The Code Conversion on the Facebook app reached 30%, a 100% higher than the industry average. It also featured a football trivia quiz that challenged their football knowledge. Finally, we took over a space for them to spend Ramadan evenings watching the games and get refreshed by Nivea Men product samples offered to them.

#### **EFFICIENCY**:

Nivea sold all its survival kits by the semi-finals and achieved a record 20% above target while men in the region survived the Brazil FIFA World Cup 2014.



#### PHD'S VALUE ADDING APPROACH

The most challenging problem for any organization today is how to create a competitive differentiation. For PHD. it is about creating a unique positioning that can only be associated with us. PHD was created with a unique difference and retaining this pioneering spirit is crucial.

Our single most important asset is people. Being in a service industry, our focus was on creating a culture that attract the best talent who can gain client's confident and trust. If you meet anyone at PHD and ask them "what values does PHD stand for?" or "what's the vision of PHD?", it is fascinating

how clear and consistent the answers are. This is the sort of culture that finally delivers the best product and service and creates an image about PHD that every person who interacts with it can sense.

#### PHD SOURCE

PHD has gamified the way it works when it launched its new global operating system that encourages participation and collaboration across its network. Source offers clients a robust and consistent approach to their media planning and buying, with clients like Unilever paying the ultimate compliment by integrating key components of Source into their own planning process.

**CLIENT: UNILEVER BRAND: LUX** 

**CAMPAIGN: HOUSE OF LUX** 

#### **CONTEXT, CHALLENGE AND AUDIENCE:**

PHD Dubai was awarded Gold at the Festival of Media Global Awards 2015 for 'Best Use of Video' for House of Lux Fashion Show, Unilever. Our client's objective was to expand the reach of the 'House of Lux Fashion Show'. In 2014, the dilemma faced by Unilever brand Lux was to expand the Lux brand into the Beauty category and break down perceptions that the brand only makes soap. To help this transition, three years earlier, Lux created a platform called 'House of Lux' which empowers aspiring fashion designers in the Middle East region. The platform is used to recruitment, mentor and showcase the best up and coming fashion designers from the region.

We knew that Lux consumers followed the recruitment and shortlisting phases online. However the Grand Final (where a winner was selected) was a live event, tickets to attend were restricted to bloggers, media and other 'trade' professionals. To help Lux, PHD needed to build Lux's credibility in beauty, using the House of Lux event, reaching a scalable audience.

Saudi women of target age, PHD needed a platform that would deliver mass reach. The platform also had to deliver launch style impact. PHD knew that Saudi Arabia was the world's largest per capita market for YouTube video consumption and has the third highest global levels of smartphone penetration respectively.

#### STRATEGY AND EXECUTION:

PHD's idea was to turn digital banner formats into live TVs! Partnerning with Google they undertook a 'Google Blast' and turned banners into TV Screens. In a media first, PHD used the YouTube masthead to broadcast the event live across the entire Middle East. A 'Cross Screen Masthead' made accessing the event simple on all devices and a live Q&A was hosted on Facebook.

#### EFFICIENCY:

The impact was widely felt. Most impressively the brand saw a 800 bps (basis points) increase in top of mind awareness during the activity period, and a massive 8% more consumers claimed to use this brand as part of their beauty regime following this campaign. Earned media worth a massive \$1,234,886 was secured and nearly 70 key opinion leaders and media attended the live event in person. This spread Lux's status as a beauty brand wide and far. Our Facebook organic page reach grew by 104% on the day before/ day of the event. We also saw a huge uplift in the number of subscribers on our YouTube channel during the event period – from a base of 500 pre activity 3,250 subscribers 24 hours later (+552%). The average time spent viewing the live stream masthead that had to be clicked to expand was three minutes, demonstrating the appeal of the content being streamed.

Unilever considered this one of the standout campaigns of the year for performance and strategy. With a potential audience of nearly 8m fashion conscious Live-streaming on YouTube in this way was a first for the region and has set the bar high. The innovative and strategic work that comes out of the Unilever and PHD partnership evidences that, with great collaboration, we will achieve our ambition of being the best digital marketers in the region.

Source has been constructed using game mechanics with the objective of fostering high-levels of collaboration. The system functions as a strategy framework and, at the same time, a live-collaboration engine that allows for everyone within PHD to work together in real-time, effectively functioning as what's known as an MMO (Massive Multiplayer Online) game. The thousands of people within PHD's global network will be able to see how they are performing on a global leaderboard in real-time.

The system has been built based on cutting edge marketing theory drawn from three key areas:

- The latest insights that have emerged from the social sciences – particularly the recent studies into Behavioral Economics and, with this, Choice Architecture
- The most commercially applicable insights that have emerged from cognitive neuroscience – particularly studies into Neuro-marketing and insights from PHD's own fMRI research
- The paradigm-shifting learnings that have emerged from marketing meta-analysis – particularly the insights uncovered by the Ehrenberg Bass Institute.

Mark Holden, worldwide strategy and planning director of PHD and chief architect of the system, said: "Source has been in development for close to two years. It is our attempt to allow everyone within PHD to be able to tap into the PHD mind. We have so many brilliant thinkers across the world, now they can innovate across many other briefs and be celebrated for this. This intelligence has enabled PHD to create a strategy and idea generation system that fosters incredibly powerful thinking".

Mike Cooper, worldwide CEO of PHD, added: "Anyone who joins PHD today is also joining an MMO - a 'massively multiplayer online game'. Implementing a gamified system is of huge benefit to our clients, with the best thinking rising to the top. It also fosters strategic planning and promotes the function by implementing it into daily activity".



#### ELDA CHOUCAIR

Sustainability Report 2014

#### **BUILDING STRONG PARTNERSHIPS**

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We believe that we can only grow if we join hands with our business partners and work towards creating synergies, exchanging ideas and shaping market trends. We do realize that, in our industry, clarity and effective measures are essential in order to create business partnerships and sustain collaborations that are built on trust.

## PROMOTION OF CLARITY AND

Omnicom Media Group MENA's approach is straightforward with the partners. Unlike our competition,
Omnicom Media Group MENA aims to be clear in its
communication of numbers and commitments. Our teams
are trained to respect any commitments or promises given
to the partners and their obligation is to deliver on them. We
have also integrated this in their performance appraisal to
avoid any mishaps.

This system has proved successful, as we have managed to meet most of our promises to our partners and delivered on their expected volumes despite the market challenges. We even went as far as informing them of potential issues with clients that might eventually cause them damage and offered ideas to prevent those damages.

We have created opportunities together to make sure that their business is also protected. Templates, reports and plans are in place to make sure all of the above is happening flawlessly, so this is taken very seriously in the group. All of our offices in the region follow them rigorously. These are all recipes for a great partnership.

We are continuously joining hands together with media suppliers to ensure we provide the best results to the business. A key factor that strongly contributes to that success is the trust level that Omnicom Media Group MENA always strives to protect by making sure the business relationship is fully transparent. We have put a system in place to enforce transparency:

- Top executives access: all media suppliers have a direct access to the top executives of the group to make sure that the team is operating as per the guidelines/agreements with the suppliers and to exchange any kinds of comments that might surface on the way.
- Ethics: Omnicom Media Group MENA strictly prohibits unethical business practices such as bribes, kickbacks, or any other form of improper payment that aims to obtain or retain business or influence a business

decision. This rule applies to all our operations, regardless of the country in which we conduct business. We expect our employees to build strong, professional working relationships with clients and suppliers. This means they are to decline any gifts or services from any business partner to avoid these clouding their judgment or influencing their decisions. This information was already shared with all the stakeholders of the business specifically the media suppliers to avoid any non-transparency in the relationships

 Omnicom Global Training: we have a system in place to always remind employees of our codes of conducts and how they are supposed to build relationships with suppliers and clients based on transparency

#### EFFECTIVE MEASURES

Our group operates on the basis of data and research. We invest significant resources into data analysis and research to make sure we are making the best decisions in terms of media allocations. Most of the KPIs with which we operate are based on media performances hence making the selection of media a scientific/academic one rather than a biased decision. We have invested in systems and software that measure the efficiencies of media campaigns to answer the KPI/objectives set together by clients and their agency.



#### TV AUDIENCE MEASUREMENT

For years, the accurate evaluation of TV audiences in the Gulf has been a thorn on the industry's side. In 2002, when our agency OMD opened its doors, advertisers were largely in the dark about the amount of people in front of their screens and therefore their commercials. Within six months of opening, OMD launched its own continuous TV audience measurement survey in Saudi Arabia, the largest market in the region. Every day, we asked people about their TV consumption the previous day and in doing so were able to better understand the performance of TV programs and time slots. We therefore improved the quality of our planning and the value of our TV buying decisions. This study, C.TV, has since become an industry standard as we wait for peoplemeter technology to replace it.

Innovation means reaching beyond the status quo. It's about being brave enough to act differently — even if it may mean risking failure. It is also very much about seeing someone's potential beyond their current role, even if they can't yet see it themselves. This is particularly true for brands, as well as people.

#### TRAINING AND DEVELOPMENT WITH PARTNERS

It is to everyone's benefit that our teams stay up-to-date with media developments. Joint training initiatives are becoming more and more frequent, especially with key digital platforms with whom we conduct joint trainings to understand the dynamics of each other's business and to be more technically savvy. We also organize official visits to our partners' offices to get introduced to their teams and be exposed to their set-ups. This has also added value to our relationships. We have also run joint brainstorming sessions to come up with solutions to challenges faced by clients.

#### INTEGRATED APPROACH TO CLIENTS' INVESTMENTS

We have introduced new processes and working models to increase the effectiveness of the function. By reinforcing the collaboration with all offices, business units and divisions, we enhanced the group's holistic and integrated approach to clients' investments.

#### SUPPLIER ASSESSMENT FOR LABOR PRACTICES

In the long term, we will look to introduce a dedicated human rights policy that specifically covers International best practice. We will share this with our suppliers. We will also look to conduct a human rights due diligence process, in accordance with the UN Guiding Principles on Business and Human Rights to understand where potential human rights bottlenecks could exist in our business.



Meeting our business objectives cannot be achieved without the support of our key partners in the industry. To build partnerships, we believe that transparency and honesty in the communication and operation with the partners are the most paramount factors.

For that, Omnicom Media Group MENA always strives to maintain an open-book policy with our partners in the region. This has resulted in mutual trust, respect and credibility and has had extremely positive implications on our clients' business as well as on our partners.

Relationships can only exist and thrive if they are balanced Although some of our competitors believe that beating media owners down will give them the upper hand, this potential benefit is often short-lived and usually offset by the long-term damage to their relationships.

The balance of power between clients, agencies, media and consumers is a delicate one, which also evolves over time. We operate in an ecosystem, where all parties are inter-dependent. Ignoring this simple, yet crucial, fact can have a deep impact on our ability to collectively function as an industry.

Hence we have a duty to ourselves and to our partners to make sure we never lose sight of the big picture. This is why we have long acted with the industry's best interests in mind, as our interests are tightly connected.

This approach truly sets us apart and plays a critical role in our ability to develop win-win-win deals, not just for today but also for the long-run. Sustainability is also a goal here.

#### CHADI FARHAT

REGIONAL EXECUTIVE DIRECTOR - INVESTMEN
OMNICOM MEDIA GROUP MENA

# CREATING SHARED VALUES

Nurturing minds
Building sustainable partnerships
Advancing environmental practices

#### 44

# CREATING SHARED VALUES

#### **NURTURING MINDS**

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Our people are our most important stakeholder and our biggest asset. In order to hire and retain a diverse and talented group of marketing and media professionals, we are committed to providing an excellent work environment that helps team members thrive through personal growth. Day in and day out, we build close-knit relationships while providing opportunities for everyone to grow and to become their best. We nurture our team members and strive to promote from within. Nurturing our employees' minds and developing our talent in particular is, and will always be, a key focus of the group. Hence, we continue to hire, train and develop highly capable media professionals, nurturing them for leadership roles across our operations.

We are pleased to note that Omnicom Media Group MENA's talent development engine is on track to deliver a pool of strong and well-equipped leaders with the appropriate skills to ensure they deliver performance and, in turn, actively contribute to the development and economic progress in their communities.

We have a number of HR policies that ensure that we promote equality and diversity, develop our talent, provide a safe working environment, create better worker welfare and reward and recognize our people.

#### GREAT PLACE TO WORK

Being a great place to work is an important driver of employee engagement. We make Omnicom Media Group MENA a great place to work through our commitment to understanding our employees' needs, honoring and respecting their rights, providing them with opportunities to serve in a caring, nurturing workplace and investing in their health, safety, well-being, professional development and personal growth.

Our people are our biggest asset. So we look after them, providing them with careers instead of jobs, stimulating

and rewarding their creativity, media expertise and team spirit. We work hard to recruit and retain a team that reflects our global aspirations, to nurture and develop talent and to support diversity initiatives that inspire greatness in our industry and the community.

We are committed to providing a stimulating and positive environment for our people, where ethics and integrity always rule. This explains why we have been and continue to be voted one of the 'Great Places to Work' in the UAE. To celebrate our Great Place to Work status, Omnicom Media Group MENA created a video, which featured all our staff and showcased their happiness.

#### LISTENING TO OUR PEOPLE

As we operate in a highly collaborative and open environment, we promote the sharing of information. Our HR roadshows play a significant role in breaking down any barriers between employees and management in order to bring key issues to the fore, in both directions. They allow us to outline the role of the company, its goals, mission and values, and discuss how HR can assist in solving any issues. This is how we introduce and discuss planned activities or new company programs.

Our networks also conduct an annual employee satisfaction survey to assess our employees' perception of our activities and the resulting level of endorsement. The anonymous process ensures total honesty and delivers absolute clarity. This helps us to react accordingly to meet our goals and maintain a stimulating, rewarding and fulfilling environment. The UAE offices of both OMD and PHD recorded the highest satisfaction levels across the globe with 84% and 83% respectively.

We have designated communication channels and follow-up mechanisms for all employees to ensure all concerns are addressed and to provide support or advice. Company policies and processes covering grievance, disciplinary and appeals procedures are in place to protect the welfare of our people and provide confidential channels of communication. In 2014, we had zero grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms.

Indicator	Data
The total number of grievances about labor practices filed through formal grievance mechanisms during the reporting period.	0
Number of the identified grievances addressed and resolved during the reporting period.	0
The total number of grievances about labor practices filed prior to the reporting period that were resolved during the reporting period.	0

We have a significant HR presence in every company. Our employees are made aware that there is a clear and established approach if they are feeling unfairly challenged or targeted about their work beliefs, practices or interests. There is also an escalation process all the way to the Regional Executive Director-Talent & Organizational Development to whom there is also direct access.

#### LEADERSHIP DEVELOPMENT AND TALENT MANAGEMENT

We ensure everyone is given an equal chance to grow. Personal training needs are evaluated annually to develop a comprehensive career development program with the employee. We believe in promoting from within, especially team members who have achieved the next levels in terms of skills and are ready for the next stage based on our criteria.

Through the OMD Academy and the PHD Academy, we address the training and development needs of employees at every level of seniority through a formal calendar of sessions. They include technical training and seminars, as well as annual network training conferences.

Besides the Academy program, our teams also have access to:

- On-the-job training provided by supervisors (day to day coaching and skill sharing)
- A knowledge-sharing program comprising case studies, job rotation scheme, leadership and a training program
- The Leadership Development Program, which provides our most senior executives with the opportunity to enhance their skills further through external training from academic institutions as well as internal training with their peers
- A mentoring program that enhances staff performance by fostering personal and professional growth by the sharing of skills, attitudes and behaviors. With the support of human resources, mentees and mentors work together to assess future goals and identify actions needed to achieve them
- An internship program that procures intensive training and a real feel for what it would really be like to work within the group
- An Employee Assistance Program, which offers private and professional counseling when faced with personal or professional difficulties



We are at the leading edge of talent management thanks to fully integrated programs that produce high performing employees. This covers employee engagement, retention, performance management and a robust learning and development curriculum. We are extremely supportive of the UAE's Emiratisation policy and have incorporated a formal review of this into our 2014 activities.

We have several GCC nationals working within the company. Our mandate is to recruit the best candidates with a focus on diversification regarding gender, ethnicity and age. Our NRG Program was introduced to encourage a healthier lifestyle, however it was also created with the intention to promote equality through team focused activities, created for everyone's benefit. Each team has a leader and the leader is voted in by all team members. Furthermore, each team has been designed with the criteria of comprising one member from each classification, cross section of ages, gender, nationality etc.

Communication channels and follow-up mechanisms ensure all concerns are addressed confidentially and employees are provided with support. We have a dedicated whistleblowing procedure and an escalation process all the way to the Regional Executive Director-Talent  $\vartheta$  Organizational Development. In addition, we also have an employee assistance program.

There is a significant HR presence in every company and a clear and established approach if employees are feeling unfairly targeted about their work beliefs, practices or interests. For the past two years, we have been ranked in the top ten of the Best Companies to Work for in the UAE. This is an independent validation of our initiatives to promote well-being and happiness at work. Our HR roadshows allow us to outline Omnicom Media Group MENA's goals, mission and values, and discuss how HR can assist staff. They play a significant role in breaking down barriers between employees and management bringing key issues to the fore, in both directions. Labor rights/standards forms part of our induction and our group training that takes place twice a year.

#### FADI CHAMAT

REGIONAL EXECUTIVE DIRECTOR – TALENT 8
ORGANIZATIONAL DEVELOPMENT
OMNICOM MEDIA GROUP MENA

_	Average hours of training per year per employee, and by employee category:	
Staff		34
Managers		23
Top Management	& £ & £	14

Percentage o regular perfo development by employee	Total	
Staff	\$	97%
Managers	<u> </u>	100%
Top Management	22222222 22222222222222222222222222222	100%

#### ASSESSMENTS AND RECOGNITION

Our performance review process is centered on a fair and consistent appraisal system to scope each individual's goals and development. This performance evaluation program is designed to ensure each individual performs to the best of their ability and is motivated to do and learn more. While recognizing and rewarding performance happens on a regular basis, exceptional results during the year require a specific acknowledgement, which we deliver though our annual awards program. Each group company names its awarded members of staff in the following categories: Employee of the Year, Extra Mile, Sustained performance, Corporate Citizen and CSR contribution. Our agencies encourage and reward creativity, out of the box thinking and technical excellence with specific award schemes, public recognition and other gifts.

Each year, Omnicom Media Group MENA recognises employees for their CSR commitment and gives an award to the staff member who demonstrates the most commitment and innovation in establishing a CSR Initiative. The 2014 CSR Award was given to Rachel Maher, PHD's Marketing Director. Rachel is a consistent contributor to CSR initiatives actively leading PHD's Big Hug as well as participating in the children's

charity START workshops. She is a dedicated CSR Committee member, regularly presenting and communicating sustainability initiatives amongst her peers.

#### RECRUITMENT AND RETENTION

Omnicom Media Group MENA's view is that people are all different. Each of us has different emotions, needs, ambitions and thought patterns. Based on this knowledge, we identify and attract the 'right' potential candidates to the 'right' job and complement individual personalities and skills combined. We apply cultural diversity principles, ethical and non-discriminatory approaches in our recruitment and selection practices.

We conduct a range of employee engagement activities as they join the company, as we believe effective recruitment reflects the organization's business objectives and culture. Most importantly, it makes a new employee feel wanted and accepted from the start. Our approach focuses on the collective responsibility of all departments and people to provide a smooth orientation of a new joiner's physical, professional and social environment.

## Total number of new employee hires in 2014 by age group and gender:

Age group	Female	Male	Grand total
<20	0	0	0
20-30	21	18	39
30-40	4	8	12
>40	2	2	4
Grand total	27	28	55

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Age group	Female	Male	Grand total
<20	0	1	1
20-30	15	7	22
30-40	4	15	19
>40	0	3	3
Grand total	19	26	45



#### **EQUAL OPPORTUNITIES AND DIVERSITY**

As we strive to maintain an environment of mutual respect and cooperation among our employees, we do not tolerate any action or behavior that is considered demeaning to others.

- We believe that everyone, regardless of ethnicity, nationality, gender, sexual orientation, marital status, religious beliefs, disability or age, should be treated with respect
- We consider any unwanted conduct or behavior, with the purpose or effect of violating a person's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for him or her, as harassment. It includes physical, verbal and non-verbal conduct and one single incident can constitute harassment if it is sufficiently serious. Any complaint of harassment will be treated seriously, confidentially and sympathetically. We have processes in place to deal with problems informally or formally, using the Grievance Procedure
- We provide new employees with a cross-cultural awareness program, particularly for expatriate recruits. Through this program we provide cultural awareness training and relocation preparation and transition assistance
- As our goal is to employ the best talent possible, we recruit irrespective of physical impairment. As such, we make any reasonable adjustment to the employees' environment and the role to ensure that they are not placed at a disadvantage.

#### OUR WORKFORCE PROFILE REFLECTS OUR DIVERSITY

About half (51%) of Omnicom Media Group MENA employees are in the 30 to 40 age group, with 40% under 30 and 9% over 40. The average age is relatively low at 31, which is due partly to the nature of the industry and requirement of the business.

## Percentage of staff per employee category and diversity categories in 2014:

Age group	Female	Male	Grand total
<20	0	0	0
20-30	45%	55%	40%
30-40	35%	65%	51%
>40	25%	75%	9%
Grand total	37%	63%	100%

Percentage of and gender in	staff per employee category 2014:	Total
Staff	& & & & & & & & & & & & & & & & & & &	50%
Managers	&&&&&&& &&&&&&	45%
Top management	&&&&&&&& &&&&&&&&&&&&&&&&&&&&&&&&&&&&&	5%
Total		100%

Our female employees are well represented at the managers and top management level. For the past three years, almost 30% of the managerial employees were female.

1:1

The ratio of the basic salary and remuneration of women to men for each employee category in the UAE

#### WELLBEING AT WORK

The health and safety of all employees and visitors to our premises are an important consideration that we take seriously. We provide everyone with the information, instruction, training and supervision they need to work safely and efficiently. We maintain a safe and healthy working environment with adequate facilities and arrangements for everyone's welfare.

5%

Percentage of the total workforce represented in formal joint management (wellbeing) 2/yr

Frequency of

In 2014, we recorded no incidents of injury, occupational disease or fatalities within our operation from occupational incidents in the reporting.

NO

Employees fatalities and work-related Injuries at Omnicom

#### PHYSICAL WELLBEING

We recognize our employees give a lot to their role so we want to give back just as much. Although the nature of our business doesn't expose our employees to high incidence or risk of diseases related their occupation, we take our role to provide our employees with the tools to increase their wellness levels. We have implemented an NRG (Nurture to Reach your Goals) health and wellness program that offers the following opportunities and benefits:

- Company gym onsite
- Fitness assessments by experts and the supply of pedometers
- Company-wide wellness competitions
- Fresh supply of fruits and healthy snacks daily
- Discounted healthy meal options in the company canteen
- Weekly exercise classes provided by fitness experts, including Circuit, Box-Fit, Yoga-Fit and Body Pump classes
- Educational lectures from specialists on topics such as nutrition, ergonomics, smoking cessation or weight loss

In addition to the group's NRG wellness at work program and some of the activities undertaken by our agencies, we take action in order to improve health levels around us and support our community. Omnicom Media Group MENA built a marathon team to take part in the Dubai event, involving staff and clients.

#### SOCIAL WELLBEING

Mental and emotional wellbeing is just as important as the physical one. We are aware that while working abroad, many of us are replacing our biological families with a network of friends, including our work colleagues. We are proud of the family spirit we have created within our companies. Some of the credit goes to our Social Committee, whose role is to create opportunities for our employees to connect and interact through social activities. The Committee manages the celebration of special days, events and personal milestones, as well as organizing our participation to public events and sporting competitions. It is also involved in our social responsibility policies, practices and progress.

#### INVESTMENT IN HEALTH AND WELLNESS

Investment in employee health and wellness adds value for our people, our business, our guests, our environment and our communities. Our commitment to the health and wellness of our employees goes beyond compliance with occupational health and safety legislation. We reach out to employees in ways that energize and motivate them to invest in their own wellness. When employees are energized to look after their own health, they are more

engaged in the business and are more committed to client satisfaction. This investment in health and wellness has meant impressive reductions in medical claims, reduced our operating costs and enabled us to share the financial benefits with our employees.

Fewer instances of employee illness have also lowered the risk of business disruption. Equally as important, when employees are healthy, they are able to contribute to creating vibrant communities.

#### BENEFITS

Our employees receive a comprehensive health and wellness benefits, according to applicable national laws. Where required by law and in other selected markets, we also provide full time employees with additional benefits such as life insurance, disability and retirement savings programs and promote flexibility for parents. For example, flexibility is provided to both mothers and fathers to help support their children's welfare and family life.

Indicator	Male	Female
Total number of employees that were entitled to parental leave, by gender.	All	All
Total number of employees that took parental leave, by gender.	4	5
Total number of employees who returned to work after parental leave ended, by gender.	4	4
Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work, by gender.	4	4
Return to work and retention rates of employees who took parental leave, by gender.	100%	75%

#### **BUILDING SUSTAINABLE PARTNERSHIPS**

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As we operate in an industry with a far-reaching impact, it is important for us to reach out to our community and contribute to its long-term development. We have created strong ties and we will continue to introduce and develop long-term sustainable partnership with key social players, NGOs and pressure groups.

Our role as marketing and media professionals is to help make a change in people's perception of a brand or an issue, a change for the better. This is a skill we aim to put to even better use by focusing our action on the community around us.

Performance indicators	2011	2012	2013	2014
Amount raised by staff (AED)	20,000	7,000	55,000	516, 821
Amount invested by Omnicom Media Group MENA (AED)	0	490,000	350,000	458,000
Volunteers - no repeat name	26	33	84	106
Number of employees who have initiated their own CSR activities	2	2	9	17

#### SOCIAL PERFORMANCE

Our performance indicators show that the Omnicom Media Group MENA CSR initiatives have gained traction we have seen a significant increase in the amount raised by staff, number of volunteers and employees who have started their own initiatives. The amount raised and volunteer numbers increased in 2013 and 2014 as a result of Omnicom Media Group MENA taking part in fundraising activities during Movember and the Kilimanjaro Challenge partnering with Gulf for Good.

Employees have become more engaged and aware of CSR activities through regular communications by email, presentations at town hall meetings and through training and as a result they have started to initiate their own CSR activities under the guidance of the Group Sustainability Director.

Omnicom Media Group MENA's commitment to investing in CSR has remained steady with 2012 being the year of highest investment in programs such as Cancer Centre of Lebanon, INJAZ, Al Noor's classroom and IT lab renovation and the START Annual Gala Sponsorship.

In 2014, the funds raised by staff were donated to charities operating in the Environmental, Youth and Education and Emergency/Disaster Relief sectors. The split was approximately: 30% education, 40% environmental, 30% emergency/disaster relief (Syria and Palestine) and finally, 10% for education and health programs, specifically for women and children. Of the funds donated, the majority went to charities operating in the UAE with an even spread between charities operating in Palestine, Syria, Africa and two charities operating across MENA and India.

We engage in due diligence collecting feedback on our CSR programs both from staff members and from the charity or CSR partners we engage in and monitor volunteer numbers.

#### OmnicomMediaGroup MENA -

We have identified three main areas of action that mean a lot to us. All have a common trait: they work for the long-term improvement and stimulate growth around us. Youth, through action on education, is a key factor to improve a situation and create opportunities for change.

We regard the arts as a beacon of hope, stimulating giving students real life insights into the media workplace, creativity and spreading beauty around us. This is deeply connected to our DNA as communicators and advertising professionals. Lastly, health, be it immediate relief or long-term wellbeing, is a critical aspect of sustainable action towards a positive change. giving students real life insights into the media workplace, helping them understand their career opportunities and teaching them vocational skills not traditionally developed at educational institutions. We prepare them to a better working life. For example, Omnicom Media Group MENA's content marketing unit offered an internship opportunity

To enhance encourage and retain our people's engagement in CSR we will be launching a dedicated app to increase engagement in CSR activities and increase contributions to charity. The app will be downloadable and available for all staff to use.



#### YOUTH AND EDUCATION

#### INJAZ

Omnicom Media Group MENA has partnered with INJAZ UAE, a member of Junior Achievement Worldwide, since 2012 to help it run key entrepreneurial and work-readiness programs. INJAZ UAE has already reached over 15,000 Emirati students since 2005 but aims higher still.

Omnicom Media Group MENA has supported INJAZ UAE's laudable initiative with our volunteers who share their experience and knowledge with local students through INJAZ's work shadow days and innovation camps (iCamps). The sessions allow Emirati students to engage with volunteer mentors from several of our companies.

Demonstrating the significance of this program to our mission, our senior management team, led by our CEO, Elie Khouri, took part in INJAZ's iCamp, as mentors and judges.

Omnicom Media Group MENA also provides its support to the organization itself, with pro-bono marketing expertise and, since 2013, our CEO sits on the Board of Directors.

As a corporate partner, Omnicom Media Group MENA provides internship opportunities to local students. By giving students real life insights into the media workplace, helping them understand their career opportunities and teaching them vocational skills not traditionally developed at educational institutions. We prepare them to a better working life. For example, Omnicom Media Group MENA's content marketing unit offered an internship opportunity for an INJAZ student to learn about social media and planning. Omnicom Media Group MENA is committed to Emiratisation and keen to support Emirati youth to gain valuable experience in the workplace.

#### ARTS

#### START

At the crossroads of education and art, our support of the charity START, an initiative of the Al Madad Foundation and Art Dubai that applies the universal language of art to heal, educate and enrich the lives of underprivileged children, sees us sponsoring vocational and academic scholarships across the Middle East and India.

In 2011, Omnicom Media Group MENA offered a five-year scholarship to a START Jordan student. Through this support, Narmeen Abu-Shashieh will be able to complete her BA in Architecture at the University of Jordan. An enthusiastic, dedicated and talented student, excelling in all areas of the academic curriculum, Narmeen is a Palestinian refugee who has a real appreciation for all forms of art and has been participating in the START Program in Al Hussain Camp since its inception. During this time, she will volunteer in START workshops, mentor younger students and teach the skills she is learning at university. In addition to the donation, more than 40 staff have already volunteered in START workshops for children with special needs.



#### APEAL

Our support for the arts also includes the backing of APEAL's Lebanese pavilion at the 55th Venice Biennale art exhibition.

The Association for the Promotion and Exhibition of the Arts in Lebanon (APEAL) staged an exhibition at London's Royal College of Art in 2011. APEAL is a non-profit organization dedicated to showcasing and encouraging contemporary Lebanese artists by projecting their artwork beyond conventional borders and onto a larger screen.

Our interest in the arts extends to the silver screen.

Omnicom Media Group MENA host a monthly film nights showing art house and interesting movies. Staff are asked to donate to attend and all proceeds will go towards Save the Children's work in Syria.



#### COMMUNITY HEALTH

In addition to the group's NRG wellness at work program and some of the activities undertaken by our agencies, we take action in order to improve health levels around us and support our community. Our activities in this field include:

#### **DUBAI MARATHON**

For the last few years, Omnicom Media Group MENA has built a marathon team to take part in the Dubai event, involving staff and clients. In the preceding months, they trained together through our weekly running clinics with the support of an external coach. In 2014, three participants completed the full 42K while a further six ran the 10K race. One of our marathon runners personally raised over \$2,500 for the Al Noor Training Centre for Children with Special Needs.

#### KILIMANJARO CHALLENGE

With company support, training and encouragement, 25 employees climbed Mt Kilimanjaro in late September 2014. Gulf for Good helped organise the challenge and the sponsorship money raised was donated to the Amani Children's home at the foot of Kilimanjaro and The Palestinian Children's Relief Fund programs in Syria. This initiative is another sign of Omnicom Media Group MENA's commitment to the health and wellbeing of its staff, encouraging an active lifestyle. In addition, Omnicom Media Group MENA made a donation to another staff member who climbed Mt Kilimanjaro in November 2013 in aid of Friends of Cancer Patients.

In November 2015, 30 staff will be cycling from Vietnam to Cambodia raising funds for a local Cambodia-based charity, Lotus Kids Club, which benefits children in both Vietnam and Cambodia. It will also continue to support the Palestinian Children's Relief Fund programs in MENA.

#### **EMERGENCY/DISASTER RELIEF**

Omnicom Media Group MENA is committed to emergency/ disaster relief in times of need. When typhoon Yolanda hit the Philippines, Omnicom Media Group MENA swiftly helped employees to make a personal donation and organized fundraising events such as a toy sale. Omnicom Media Group MENA supported Save the Children's emergency response, which reached more than 300,000 individuals affected by the typhoon. Omnicom Media Group MENA's contribution was pooled with other donors and used to establish mobile health units, provide food and shelter provisions and to create safe spaces for children in the Tacloban, Ormoc and Estancia areas.

#### PHD'S COMMUNITY PROGRAMS

Launched in 2011, PHD Big Hug has grown to become a global initiative, with all the PHD offices across the world partnering up with local charities and developing creative ways to give their surrounding community a "big hug". The causes that are supported relate to the three main pillars of the CSR program: the environment, corporate behavior and the community. PHD Big Hug allows the media network to contribute to the communities in which it operates, while also leveraging its skills and talent in the communications industry to provide pro-bono services for causes that improve society overall. Here is a deeper look at some of the causes that Big Hug has supported in the UAE.

#### DUBAI CENTRE FOR SPECIAL NEEDS

PHD UAE supported the Dubai Center for Special Needs. A non-profit organization that aims to provide high standards of education therapy for children in the community with various disabilities. Thanks to the generosity of its teams, clients and business partners, PHD helped by fundraising and volunteering at the Center, engaging with the students through various activities, such as art classes. Helping DCSN with their overall goal in creating an environment where each student can reach their full potential as equal members of society.



#### START UAE SCHOLARSHIP

With the aim of giving underprivileged students new opportunities, PHD provided a fully funded vocational scholarship to Safiea Ahmad Khalfan, an Emirati orphan from the Zayed orphanage in Abu Dhabi. This scholarship included mentorships, internships and financial support. Along with providing Safiea with accommodation, transportation, financial support, academic and computer courses, she received training and mentorship from PHD and other prestigious organizations from the UAE.



#### MAWAHEB

PHD partnered with Mawaheb from Beautiful People, an art studio in Dubai for adults with special needs. Mawaheb means 'Talented' in Arabic people and 'Beautiful People' is a charity to support those with disabilities. As part of the initiative, PHD welcomed the artists of Maweheb and created a painting masterpiece together, which is now on display at our offices in Dubai.

#### **EARTH HOUR**

Staff supported the World Wild Fund for Nature (WWF) and its environmental movement for action on climate change through Earth Hour. The campaign, "PHD's moment of

darkness" called on staff to encourage their family and friends to switch off their lights. The hour-long event was celebrated by sharing photos in candlelight, which were compiled and shared on our social media platforms. To mark this movement and create a deeper impact beyond just one hour, the staff also raised funds to support a garden of 100 trees in a national park in West Bengal, India.

#### PALESTINIAN CHILDREN'S RELIEF FUND

PHD provided pro-bono media support to help raise awareness of PCRF's fundraising programs. During Ramadan 2014, PHD also supported their yearly Iftar fundraiser. All funds raised go towards PCRF's Syrian Children's Relief Project helping children affected by the Syrian conflict (regardless of their nationality or religion) with the urgent medical care they need. Treatment will be provided locally in Jordan and Lebanon, but also in the USA, Europe and the UAE.

#### OMD'S COMMUNITY PROGRAM

With seven offices in 5 countries in the MENA region, OMD supports a range of initiatives in different countries. In 2014, as part of its community programs. OMD has focused on:

#### MEDIA SPACE

Playing to its strengths, OMD regularly extends its in-kind support to raise awareness through strategic marketing, branding advice and negotiating free media space for NGOs. Through this initiative, we have contributed creative and design support, as well as securing free media space for START, Dubai Autism Centre, Dubai Cares, CSR Arabia Network and radio spots for Road Safety UAE. OMD also helped Emirates Wildlife Society to negotiate media space for its campaign to thank their supporters. Multiple adverts were successfully placed by OMD in January 2014.

#### AL NOO!

OMD has chosen to support the children of the Al Noor Training Centre for Children with Special Needs. Its financial contribution helped with the funding of a classroom, server and wi-fi upgrade, CCTV installation and the library. In addition to the donation, in February 2014, over 20 staff volunteered at the centre at a sports day and 12 staff took part in the annual Al Noor Fun Fair Football Tournament. The Football Tournament raised a total of AED 134,000, which will go towards the centre's annual operating budget.

#### OMD ACADEMY

OMD is determined to foster a great culture of vibrant and energetic people who are well balanced in the art of both fun and professional proficiencies. As well as healthy staff, we want to ensure everyone at OMD can develop their skill sets and reach their full potential. The OMD Academy addresses the training and development needs of every staff



at every level of seniority with a formal calendar of sessions. These include technical training and seminars, as well as an annual training event known as the 'OMD Day Out'. To create a cohesive and strong environment OMD organises regular team activities including foosball, Xbox and PS3 competitions and have weekly football nights sponsored by the company. Furthermore, the management team realizes the importance of listening to the staff and conducts weekly Majlis meetings to monitor this.

#### MOVEMBER

OMD is a committed participant in the annual Movember global campaign holding both fundraising and awareness raising activities. In 2014, a best picture campaign was held on Facebook raising awareness of men's health issues and encouraging staff to have regular medical checkups.

Our focus has been on fundraising and 38 employees collectively raised \$10, 426, which was given to the Movember Foundation's cancer research program. This tremendous fundraising effort led to OMD being ranked first in the Rest of the World Individual Leaderboard and ranked 90th in the Global Individual Leaderboard.

#### RECETTES DE VIE

OMD supported Recettes de Vie, a unique book that brings together the Middle East region's heritage, values and food. Recettes de Vie is donating 100% of the book's profits to selected non-profit organizations supporting women empowerment and children in need in the UAE, Lebanon and the Levant region.

Youth, through action on education, is a commitment of the group. OMD is working with universities such as American University Dubai on a series of lectures to help university students learn about the media industry and manage their career paths.



#### RESOLUTION SUPPORTING ENTREPRENEURS

Resolution sponsored and presented at Astrolab's 'Scaling Online Startups' entrepreneur workshops in Dubai in March 2014. AstroLabs was launched in 2013 to develop the overall technology entrepreneurship ecosystem in MENA. The flagship program Scaling Online Startups is an intensive three-day acceleration workshop that focuses on delivering actionable content in digital marketing, conversion optimization, payments, operations, technology, and fundraising.

# ADVANCING ENVIRONMENTAL PRACTICES

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Implementing a thorough environmental agenda is as important to us as it is to our clients and business partners. With an increasing demand to mitigate environmental impact and conduct a resource-efficient operation in our value chain, the group is committed to investing significantly in issues related to energy consumption, recycling and engaging employees to champion environmental initiatives.

## RECYCLING PROGRAM AND ENERGY CONSERVATION ENVIRONMENTAL

Sustainability is a long-term strategic goal for Omnicom Media Group MENA, one we've been addressing by operating our business more efficiently and responsibly, reducing energy consumption and supporting important environmental initiatives in our communities.

Omnicom Media Group MENA is committed to the following environmental initiatives:

Building: Our building was the first 'green' building in Dubai Media City and received the Silver Green Building Councils' Leadership in Energy and Environmental Design (LEED) Certification in November 2009. This is based on the construction material used, electricity connection, ventilation and air conditioning, lighting, water connection and plumbing design facilities, which all optimize our energy and resource efficiency and considerably lower our environmental impact.



Energy conservation: Our electricity consumption and the resulting CO2 emissions have been reduced by 5% in the last three years. This was achieved through the optimized consumption of electricity, automatic light sensors activation and turning-off the consumption during non-working hours and weekends. The air-conditioning was regularly switched off after the working hours and played a key role in energy conservation.



Omnicom Media Group MENA is committed to adopting innovative solutions to reduce our operation's energy consumption, gas discharge and paper usage. We have launched environmentally friendly initiatives, which led us to receiving no fines or non-monetary sanctions for non-compliance with environmental laws and regulations.

Our intelligent electricity consumption control via the installation of sensors across the entire building and the manually switching off of all A/C's have contributed to a 5% reduction in our utility bills comparing to the previous year.

The use of recycled chlorine free has reduced our cost of print paper and is expected to achieve a 10% reduction in printing volume by 2016. We have also dedicated green trays to collect all papers that are to be reused as printing paper. It has directly reduced the consumption of resources, including the amount of paper plastic and ink cartridges used

As part of our sustainability drive, we encourage all our cleaning personnel to use non-toxic material to the tune of 20% of all cleaning material used in cleaning all areas of our building.

By 2016, we endeavor to use 50 % of environmentally friendly office products. In order to protect the environment, we ensure that all our outdated office electronics, PC's and IT materials are fully recycled, and/or reused through various charity donations, especially to the third world and poor countries.

We have set the target to offer a minimum of five hours of environmental management trainings per employee per year. This is to spread the right message and raise awareness by involving our staff and stakeholders in order to promote environmental practices within our value chain.

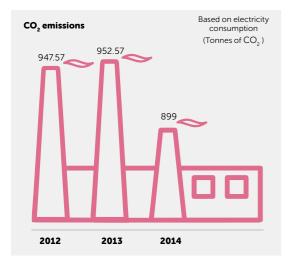
We commit, identify and monitor the opportunities to improve the environmental performance. Accordingly, we intervene and deliver targeted changes as we step up to the environmental challenges ahead.

#### MYRNA MALEK

ADMINISTRATION DIRECTOR
OMNICOM MEDIA GROUP MENA

Indicator	2012	2013	2014
Total electricity consumption (kilowatt)	1,579,292	1,587,628	1,498,336
Emissions intensity (Tonnes of CO <sub>2</sub> /employee)	2.36	2.38	2.24

In 2014, the floor space, employees and desks on the vacant areas in the building got occupied more than in 2013. The energy conservation initiatives have led to a far greater reduction in energy consumption, irrespective of the energy needs for 2014.



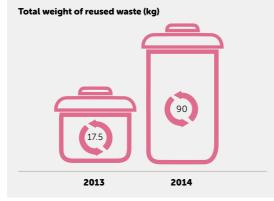
We educate and encourage our staff to adopt ways to conserve energy and have embedded responsible leadership into all of our training. We also have developed internal communication channels to raise awareness and emphasize that we need their support to create a sustainable change. This can be as simple as turning off all computers and devices at night, to printing less, car-pooling and using videoconferencing in lieu of travel.

#### RECYCLING

Recycling conserves natural resources, saves energy, reduces greenhouse gas emissions and keeps landfill space free for other types of trash that can't be recycled. At Omnicom Media Group MENA, we realise that we can play a role into reducing the amount of paper and plastic used at the workplace. Our recycled waste has been more than 28,000 kgs for the last two years and increased the reusing of waste by 400%. We encourage the recycling of plastic,

paper, ink cartridges and roll-up banners through dedicated collection points. Each month, between three and four tons of paper is recycled. Omnicom Media Group MENA is also spearheading a program to introduce environmentally friendly material for billboards and turn flex material into different props.





We introduced a green tray in all printers in September 2013. Employees can print their drafts on used, non-confidential papers. The drop in recycling rate by 12% percent tells a great story about our reduction of resource consumption through initiatives and employees' conscious behavior. The reductions in resource consumption were the amount of paper, plastic and ink cartridges usage. We are therefore confident we will reach our goal of 50% environment-friendly products by 2016. The overall waste generated was not only reduced but the experience offered encouraging ways to identify and launch future initiatives and commitments.

# SUPPORTING ENVIRONMENTAL INITIATIVES

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We realize that if our environmental action starts with ourselves, it also needs to go further. Hence we support the activities and initiatives of our selected partners:

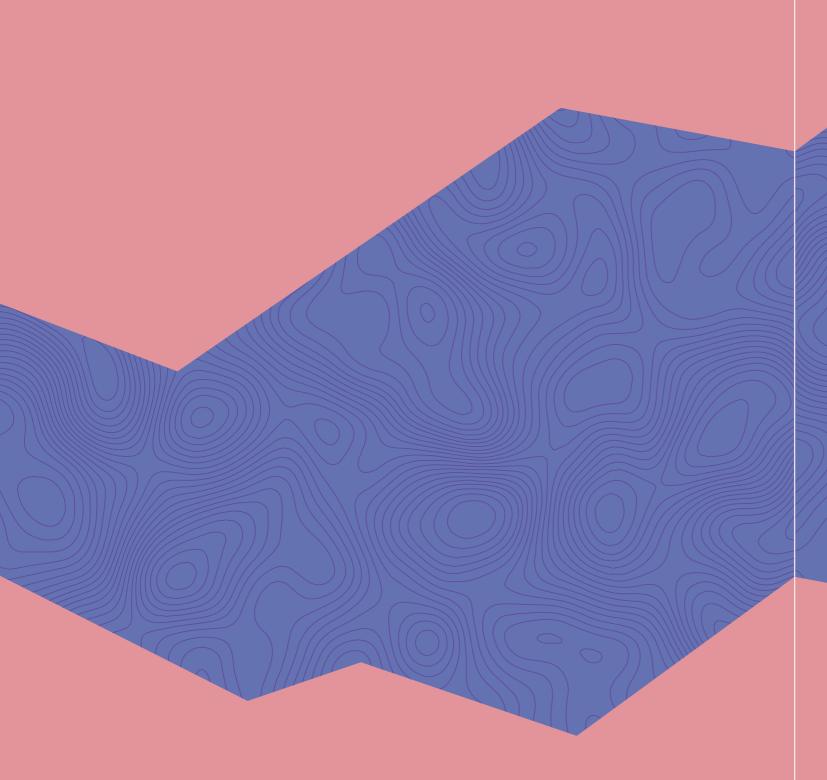
Emirates Wildlife Society (WWF): We provide pro-bono media support to help raise awareness of their key initiatives on conserving biodiversity, tackling climate change and reducing the UAE's ecological footprint with a wide variety of stakeholders. This year, our recycling efforts have been extended to include recycling mobile phones and computers. Money raised from the recycling program will be donated to Emirates Wildlife Society to help conserve the most fragile habitats and species across the UAE including the Marine Turtle Conservation Project and the Wadi Wurayah National Park in Fujairah.

We also take part in Earth Hour promoting our support by way of email signature flashes, switching off non-essential lights in the building and encouraging our employees to do the same at home.

In addition, we have also participated in Paperless Day, a global initiative organized by the Environment Agency-Abu Dhabi (EAD). We encourage our staff to use less paper, print wisely through the 'green' tray' and promote the long-term benefits of lowering paper consumption.

Re-usable water bottles were introduced to reduce the use of plastic bottles. Staff was asked to purchase the bottles and the funds raised will be given to Emirates Wildlife Society.





# **AWARDS AND** RECOGNITION

# AWARDS AND RECOGNITION

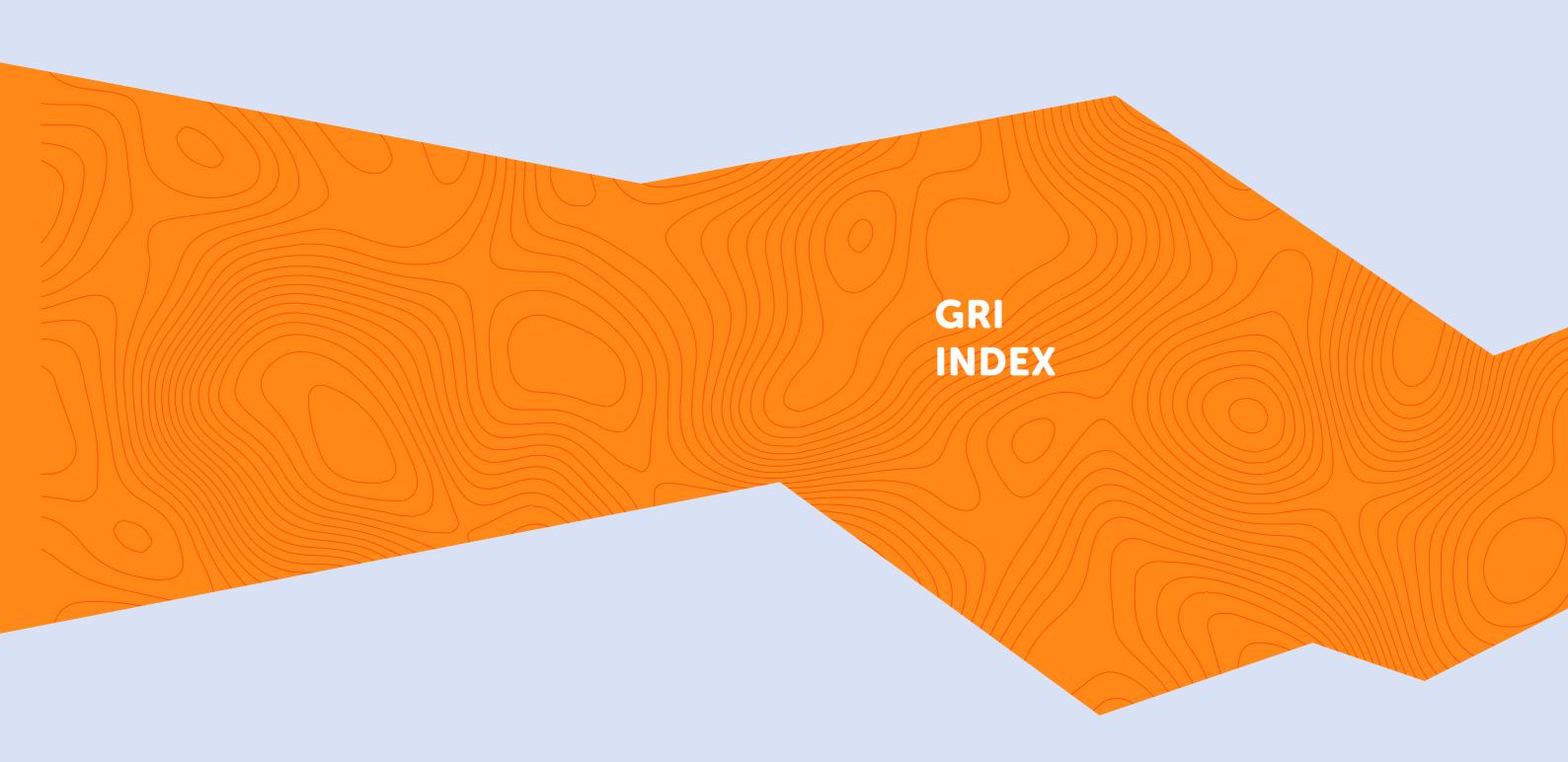
Omnicom Media Group MENA was shortlisted for 4 awards in the Daman Corporate Health Awards. The categories were: Daman Award for Corporate Health and Wellness (Organisation), Daman Award for Improved Corporate Health and Wellness Performance, CSR

Engagement Employee of the Year & Workplace of the Year. In November 2014, Omnicom Media Group MENA was awarded Workplace of the Year 2014 and 4th Great Place to Work in the Middle East region.

AWARD	CATEGORY	CLIENT/CAMPAIGN	AWARD	WINNER
	Cosmetics and Fragrance	The Voice of Sephora	Bronze	OMD UAE
Effie MENA	FMCG	Mirinda Moments	Silver	OMD Egypt
	Best use of social media	Barakat	Gold	OMD Egypt
	Best Use of social Media	McDonald's Precious Minute	Bronze	OMD UAE
	Retail	Flower Town Love moments	Silver	OMD Lebanon
	Personal Care services	Haircode 1 million campaign	Gold	OMD Egypt
	Media	LBCI	Bronze	OMD Lebanon
	Food/Drinks/Mass consumption products	McDonald's (Biggest thing since 1967)	Silver (Sapphire)	OMD UAE
	Best use of brand content	McDonald's (Hakawati)	Silver (Sapphire)	OMD UAE
	Media/Culture/Leisure	X Factor Arabia	Silver (Sapphire)	OMD UAE
	Best use of digital	X Factor Arabia	Silver (Sapphire)	OMD UAE
MENA Cristals	Best use of cultural campaign	Pepsi (Ramadan Power of One)	Silver (Sapphire)	OMD UAE
	Women target	Henkel (Persil Abaya World)	Bronze (Emerald)	OMD UAE
	Best use of outdoor	HP (Split X2)	Bronze (Emerald)	OMD UAE
	Women target	Arla Foods (Lurpak Baking Studio)	Silver (Sapphire)	PHD UAE

Dubai Lyny	Mass products	7 LID Squoozo	Bronze	OMD UAE
Dubai Lynx	Mass products	7 UP Squeeze		
	Best Use of Video	Pepsi (Ramadan)	Gold	OMD MENA
	Best Use of Video	Pepsi (Arabia TV)	Silver	OMD MENA
	Best Use of Social Media	Pepsi (Yala Na3ti)	Gold	OMD MENA
	Best Use of Social Media	Pepsi (Ramadan)	Bronze	OMD MENA
	Best Use of Social Media	7UP (Squeeze)	Silver	OMD MENA
	Best Use of Social Media	Creative Edge (Masterchef Arabia- Cooking up a storm across screens)	Bronze	Resolution MENA
	Best Integrated Digital Campaign	Pepsi (Yala Na3ti)	Gold	OMD MENA
	Best Integrated Digital Campaign	Freemantle Media (The X Factor Arabia launch)	Gold	Resolution MENA
MENA Digital Awards	Best Integrated Media Campaign	Persil (Arwa3 3Abaya)	Bronze	OMD MENA
	Social Brand of the Year	Pepsi (Live for now)	Silver	OMD MENA
	Best Search Marketing Campaign	Hyatt (Visibility first. Bookings next)	Bronze	Resolution MENA/PHD UAE
	Best Performance Campaign	Beln Sports (We targeted. We scored)	Bronze	Resolution MENA/OMD MENA
	Best Performance Campaign	Hyatt (Seek and ye shall find)	Bronze	Resolution MENA/PHD UAE
	Best Use of Mobile	HTC (A new mobile experience)	Gold	Resolution MENA/OMD MENA
	Best Use of Mobile	Sony (Xperia launch)	Gold	PHD UAE
	Best Application (Mobile/Tablet)	Freemantle Media (The X Factor Arabia-giving viewers the remote control)	Silver	Resolution MENA/OMD MENA
	Media Youth up to 18	Mirinda Moments	Emerald	OMD Egypt
	Media Men	Nivea Men Survive the Night	Emerald	OMD Dubai UAE
	Media Women	Persil Abaya Oud Launch	Cristal	OMD Dubai UAE
Global Cristals	Media Launch Campaign	Persil Abaya Oud Launch	Sapphire	OMD Dubai UAE
	Digital & Mobile Best Story Telling	McDonald's Ramadan	Emerald	OMD Dubai UAE
	Brand Entertainment & Content Best Online Non-Fiction	The Victorious Pepsi	Emerald	OMD Dubai UAE

OmnicomMediaGroup MENA .



# GRI INDEX



This report has been prepared "in accordance" with the Core level of the GRI G4 sustainability reporting Guidelines. The following table provides the discloser of GRI content for our report. Further explanation for each indicator is presented online at https://g4.globalreporting.org/Pages/default.aspx

Table key: ○ Reported ○ Partially reported ○ Not reported

GENE	RAL STANDARD DISCLOSURES			
General	Standard Disclosures	Page Number	UNGC Principles	External Assurance
STRATE	GY AND ANALYSIS			
G4-1	Statement from the CEO or Chairman	<b>4</b> , 5	Statement of continuing support	Not Assured
G4-2	Key impacts, risks, and opportunities	0 4, 9, 11		Not Assured
ORGANI	ZATIONAL PROFILE			
G4-3	Organisation's name	<b>8</b>		Not Assured
G4-4	Primary brands, products, and services	9		Not Assured
G4-5	Location of the organisation's headquarters	<ul><li>8</li></ul>		Not Assured
G4-6	Countries of major operation	<ul><li>8</li></ul>		Not Assured
G4-7	Nature of ownership and legal form	0 8,28		Not Assured
G4-8	Markets served	<ul><li>8</li></ul>		Not Assured
G4-9	Scale of the organisation	<ul><li>8</li></ul>		Not Assured
G4-10	Total number of employees	9	No specific	Not Assured
G4-11	Percentage of total employees covered by collective bargaining agreements	O Collective bargaining is prohibited by law in the UAE	COP requirement	Not Assured
G4-12	Organisation's supply chain	9,10		Not Assured
G4-13	Significant changes during the reporting period	1		Not Assured
G4-14	Implementation of the precautionary approach	1		Not Assured
G4-15	Endorsement of external economic, environmental and social charters and initiatives	<b>6</b> ,7		Not Assured
G4-16	Memberships in national/international associations	9		Not Assured
IDENTIF	IED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	Entities included in the organisation's consolidated financial statements	<b>O</b> 20		Not Assured
G4-18	Process for defining the report content and the aspect boundaries	O 23		Not Assured
G4-19	Material aspects identified in the process for defining report content	<b>O</b> 24		Not Assured
G4-20	Aspect boundary within the organisation	<b>O</b> 25	No specific	Not Assured
G4-21	Aspect boundary outside the organisation	O 25	COP requirement	Not Assured
G4-22	Effect and reasons of any restatements of information provided in previous reports	No restatements of information		Not Assured
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	<ul><li>No significant changes / first GRI report</li></ul>		Not Assured

CTAVELIC	DLDER ENGAGEMENT			
		0.20		Nat Assured
G4-24	Organisation's stakeholder groups	0 20		Not Assured
G4-25	Identification and selection of stakeholders	O 20	No specific	Not Assured
G4-26	Approach to stakeholder engagement, including frequency	O 22	COP requirement	Not Assured
G4-27	Key topics/concerns raised through stakeholder engagement, and organisational response	<b>O</b> 22	·	Not Assured
REPORT	PROFILE			
G4-28	Reporting period	0 1		Not Assured
G4-29	Date of most recent previous report	<b>0</b> 1		Not Assured
G4-30	Reporting cycle	<b>0</b> 1		Not Assured
G4-31	Contact point for questions regarding the report	<b>0</b> 1	Sphere of influence	Not Assured
G4-32	Chosen 'in accordance' option including reference to the GRI Content Index and the External Assurance Report	<b>O</b> 1	iriituerice	Not Assured
G4-33	Organisation's policy and practice with regard to seeking external assurance	<b>O</b> 1		Not Assured
GOVERN	ANCE			
G4-34	Organisation's governance structure	O 28		Not Assured
G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	<b>2</b> 8	Principles 1-10	Not Assured
G4-36	Executive-level position with responsibility for economic, environmental and social topics	<b>2</b> 8		Not Assured
ETHICS A	ND INTEGRITY			
G4-56	Organisation's codes of conduct and codes of ethics	O 29-31		Not Assured
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour	<b>O</b> 29-31	Principles 1-10	Assured
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour	O 29-31		Assured

DMA and I	Indicators definition	Page Number	UNGC Principles	Omissions	External Assurance
CATEGOR	Y: ECONOMIC				
MATERIAL	ASPECT: ECONOMIC PERFORMANCE				
G4-DMA	Generic Disclosures on Management Approach	<b>O</b> 10			Not Assured
G4-EC1	Direct economic value generated and distributed	<b>O</b> 10			Not Assured
G4-EC4	Financial assistance received from government	No financial assistance received from governments where we operation			Not Assured
MATERIAL	ASPECT: INDIRECT ECONOMIC IMPACTS				
G4-DMA	Generic Disclosures on Management Approach	<b>4</b> 9			Not Assured
G4-EC7	Development and impact of infrastructure investments and services supported	<b>4</b> 9			Not Assured
G4-EC8	Significant indirect economic impacts, including the extent of impacts $% \left( 1\right) =\left( 1\right) \left( $	<b>4</b> 9			Not Assured
CATEGOR	Y: ENVIRONMENTAL				
MATERIAL	ASPECT: MATERIALS				
G4-DMA	Generic Disclosures on Management Approach	<b>o</b> 56			Not Assured
G4-EN1	Materials used by weight or volume	<b>o</b> 56	Principles 7, 8, 9		Not Assured
G4-EN2	Percentage of materials used that are recycled input materials	<b>o</b> 56			Not Assured
MATERIAL	ASPECT: ENERGY				
G4-DMA	Generic Disclosures on Management Approach	<b>o</b> 56	5: : . 7.0.0		Not Assured
G4-FN3	Energy consumption within the organization	O 56	Principles 7, 8, 9		Not Assured

MATERIA	ASDECT: OVERALL				
	ASPECT: OVERALL	0.55			Not Assessed
G4-DMA G4-EN31	Generic Disclosures on Management Approach  Total environmental protection expenditures and	<ul><li>55</li></ul>	Principles 7, 8, 9	Information unavailable	Not Assured Not Assured
G4-LINSI	investments by type	O			NOT ASSURED
CATEGOR'	Y: SOCIAL				
SUB-CATE	GORY: LABOR PRACTICES AND DECENT WORK				
MATERIAL	ASPECT: EMPLOYMENT				
G4-DMA	Generic Disclosures on Management Approach	<b>O</b> 46			Not Assured
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	<b>o</b> 46, 47			Not Assured
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	<b>o</b> 46, 47	Principle 6		Not Assured
G4-LA3	Return to work and retention rates after parental leave, by gender	<b>4</b> 9			Not Assured
MATERIAL	ASPECT: LABOR/MANAGEMENT RELATIONS				
G4-DMA	Generic Disclosures on Management Approach	<b>46-48</b>			Not Assured
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	<b>46-48</b>	Principle 3, 6		Not Assured
MATERIAL	ASPECT: OCCUPATIONAL HEALTH AND SAFETY				
G4-DMA	Generic Disclosures on Management Approach	<b>4</b> 8			Not Assured
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	<b>4</b> 8			Not Assured
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	<b>4</b> 8	Principle 6		Not Assured
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	<b>4</b> 8			Not Assured
G4-LA8	Health and safety topics covered in formal agreements with trade unions	<b>4</b> 8			Not Assured
MATERIAL	ASPECT: TRAINING AND EDUCATION				
G4-DMA	Generic Disclosures on Management Approach	<b>4</b> 5, 46			Not Assured
G4-LA9	Average hours of training per year per employee by gender, and by employee category	<b>4</b> 5, 46			Not Assured
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	<b>45, 46</b>	Principle 6		Not Assured
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	<b>4</b> 5, 46			Not Assured
MATERIAL	ASPECT: DIVERSITY AND EQUAL OPPORTUNITY				
G4-DMA	Generic Disclosures on Management Approach	O 47, 48			Not Assured
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	<b>47, 48</b>	Principle 6		Not Assured
SUB-CATE	GORY: HUMAN RIGHTS				
MATERIAL	ASPECT: NON-DISCRIMINATION				
G4-DMA	Generic Disclosures on Management Approach	O 32			Not Assured
G4-HR3	The total number of incidents of discrimination and corrective actions taken	<b>o</b> 32	Principle 1, 2, 3, 6		Not Assured
MATERIAL	ASPECT: ASSESSMENT				
G4-DMA	Generic Disclosures on Management Approach	<b>3</b> 2			Not Assured
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	<ul><li>32</li></ul>	Principle 1, 2		Not Assured



	ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT			
G4-DMA	Generic Disclosures on Management Approach	O 41		Not Assured
G4-HR10	Percentage of new suppliers that were screened using human rights criteria	O 41	Principle 1, 2	Not Assured
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	<b>4</b> 1		Not Assured
MATERIAL	ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS			
G4-DMA	Generic Disclosures on Management Approach	O 32		Not Assured
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	<b>3</b> 2	Principle 1, 2	Not Assured
SUB-CATE	GORY: SOCIETY			
MATERIAL	ASPECT: LOCAL COMMUNITIES			
G4-DMA	Generic Disclosures on Management Approach	<b>0</b> 49		Not Assured
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	<b>4</b> 9	Principle 1	Not Assured
G4-SO2	Operations with significant actual and potential negative impacts on local communities	<b>4</b> 9		Not Assured
MATERIAL	ASPECT: ANTI-CORRUPTION			
G4-DMA	Generic Disclosures on Management Approach	<b>O</b> 29		Not Assured
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	<b>O</b> 29	Principle 10	Not Assured
G4-SO4	Communication and training on anti-corruption policies and procedures	<b>O</b> 29		Not Assured
G4-SO5	Confirmed incidents of corruption and actions taken	<b>O</b> 29		Not Assured
MATERIAL	ASPECT: COMPLIANCE			
G4-DMA	Generic Disclosures on Management Approach	<b>O</b> 29		Not Assured
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	<b>O</b> 29		Not Assured
SUB-CATE	GORY: PRODUCT RESPONSIBILITY			
MATERIAL	ASPECT: PRODUCT AND SERVICE LABELING			
G4-DMA	Generic Disclosures on Management Approach	<b>34-39</b>		Not Assured
G4-PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	<b>34-39</b>		Not Assured
G4-PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	<b>O</b> 29		Not Assured
G4-PR5	Results of surveys measuring customer satisfaction	<b>O</b> 7		Not Assured
MATERIAL	ASPECT: CUSTOMER PRIVACY			
G4-DMA	Generic Disclosures on Management Approach	<b>34-39</b>		Not Assured
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	<b>34-39</b>		Not Assured
MATERIAL	ASPECT: COMPLIANCE			
G4-DMA	Generic Disclosures on Management Approach	O 29		Not Assured



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