

RESPONSIBLE BUSINESS

We can reduce risks to our business and clients by establishing clear policies and procedures in areas such as data security, ethical conduct, supply chain management, and human rights, and by being transparent about our progress.

HOW ARE WE DOING?

100,000+

employees, freelancers and contractors completed ethics training in 2021.

ACCELERATOR

sponsored UK's first accelerator programme to help minority-owned businesses become supply-chain ready.

10,000

course enrolments through the WPP AI Academy.

IN THIS SECTION

TRANSPARENCY AND TRUST

Our standards, policies and procedures, including our Code of Conduct.

PUBLIC POLICY

Our approach, standards and policies for engaging in public policy activity.

OUR SUPPLY NETWORK

Setting and communicating clear supplier standards, and embedding sustainability criteria (including diversity, equity and inclusion) within our supplier selection and onboarding process.

HUMAN RIGHTS

Managing human rights and modern slavery risk, and promoting human rights.

DATA: PRIVACY, SECURITY AND ETHICS

Building on established foundations for data protection and data privacy.

TAX POLICY

Summary of our tax payments in 2021, as well as our approach to tax planning and transparency.

VACCINE READINESS MODEL

Helping to vaccinate the United States against Covid-19.

OFFER COMMUNICATIONS DATA

AGENCY MEDIACOM, CHICAGO

CLIENT WALGREENS BOOTS ALLIANCE

With misinformation running rampant, some people were hesitant about receiving the Covid-19 vaccine. And because the supply and geographical distribution of doses were unpredictable, reliable sources became paramount.

So, Walgreens asked MediaCom to help, focusing on three main goals: building brand trust with Walgreens for the vaccine; driving vaccine appointments; and delivering 30 million Covid-19 shots in arms.

To do this MediaCom had to identify and reach those who were most likely to want the shot, and meet fluctuating demand – based on changes to individual mindsets and changes in Covid cases by area.

First, the agency created a Vaccine Readiness Model, using a wide range of behavioural, cultural and mindset factors affecting vaccine uptake across the United States, to identify vaccine readiness in real-time, amid ever-changing attitudes and supply availability.

The next step was to include Walgreens store location information and pull in audiences within a five-mile radius, reaching those most likely to make an appointment with the right messages at the right time, and helping the 'vaccine-hesitant' to become the 'vaccine-ready'.

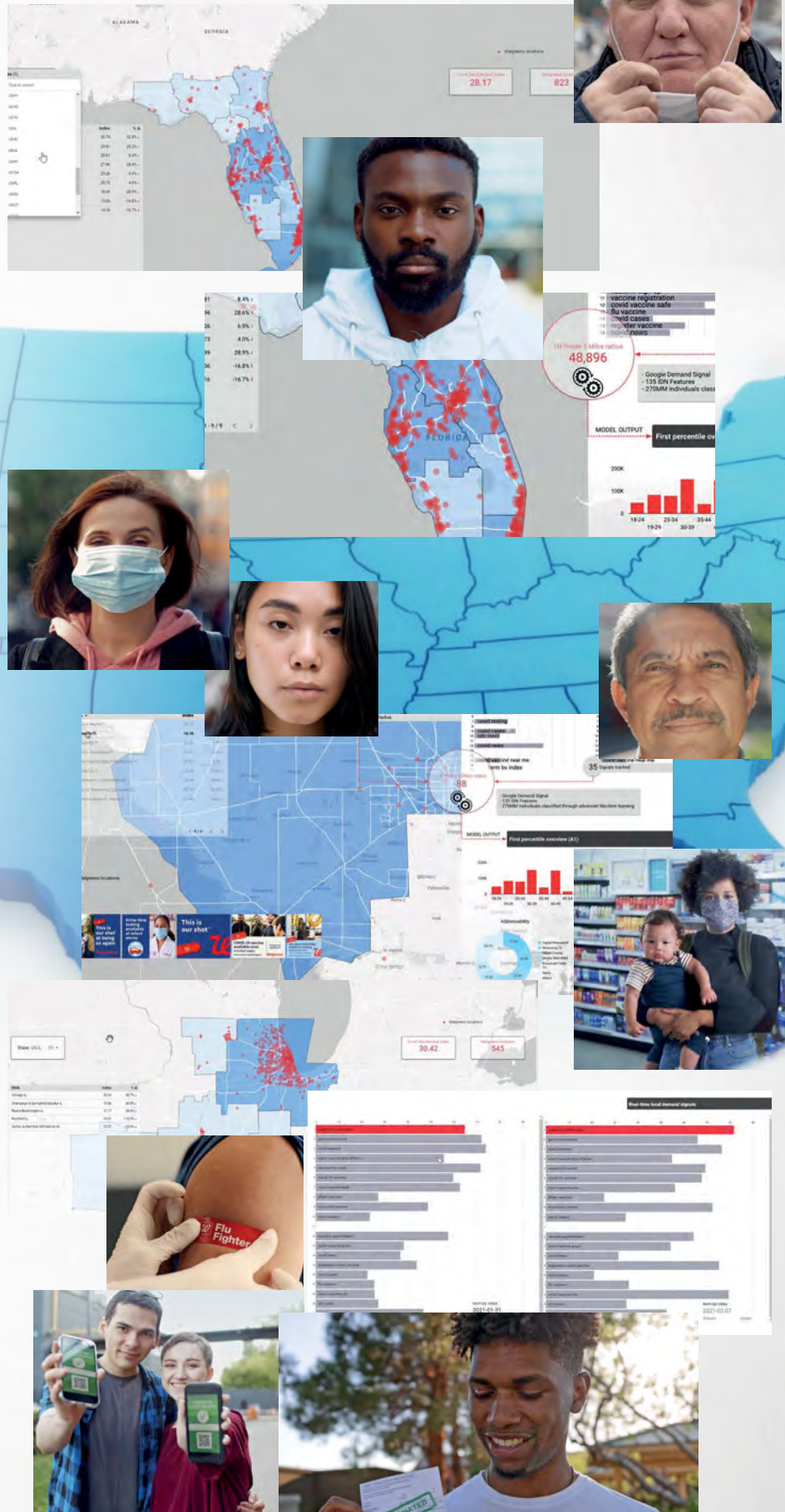
Through the combination of integrated data insight, modelling and media message delivery via programmatic platforms, the team created one of the most successful data-led campaigns in the world, achieving its objectives and providing millions of Americans with protection against Covid-19.

34.6m
people vaccinated
at August 30, 2021

43%
increase in
appointments

47%
increase in media
engagement

Awards
Festival of Media
North America, Gold
The Internationalist
Innovative Digital
Solution, Grand Prix



TRANSPARENCY AND TRUST

We set clear standards, policies and procedures to ensure high levels of transparency and trust throughout our business.

OUR CODE OF BUSINESS CONDUCT

Our policy framework and training set clear ethical standards for our people and agencies.

We want to embed a culture of integrity and transparency where our people make the right decisions automatically and instinctively.

The WPP Code of Business Conduct applies to everyone at WPP. It sets out our responsibilities to our people, partners and shareholders to act ethically, legally and with integrity.

It is underpinned by more detailed policies on topics including anti-bribery and corruption (ABC), hospitality and gifts, facilitation payments, the use of third-party advisors, human rights and sustainability. In October 2021, we refreshed the WPP ABC Policy and Advisor Payment Policy and produced a Business Integrity Booklet on ABC to reflect updated processes around managing ABC risk and provide additional guidance to our people. In January 2022, we updated the WPP Sustainability Policy and introduced a new Environmental Policy to reflect our climate commitments.

Our people are required to take our online ethics training, How We Behave and Belonging, promptly upon joining and then on an annual basis thereafter. Topics include diversity, human rights, conflicts of interest and avoiding misleading work. In 2021, more than 100,000 employees, freelancers and contractors completed the training.

Our online training on anti-bribery and corruption covers the requirements of the Foreign Corrupt Practices Act and UK Bribery Act, including issues such as hospitality and gifts, facilitation payments and the use of third-party advisors.

Part of WPP's Code of Business Conduct is making sure that our people have the confidence to speak up and know how to speak up and raise concerns through various channels without fear of retaliation. Our approach is described under 'Whistleblowing' on page 90 of our Annual Report 2021.

MANAGEMENT AND COMPLIANCE

Our Group Chief Counsel oversees our approach to ethics and compliance. Senior managers in all our agencies and our business and supplier partners are asked to sign a copy of the WPP Code of Business Conduct each year to confirm they will comply with its principles. Our Board-level Sustainability Committee and Executive Committee provide additional oversight and guidance on any ethical issues that may arise.

Our people can report concerns or suspected cases of misconduct confidentially (and, if they wish, anonymously) through our independently managed Right to Speak facility, which is overseen by our business integrity team within our legal function and is available via phone or email in local languages. We publicise the facility in induction packs, on our intranet and external website, in offices, in the WPP Policy Book and via our mandatory ethics training. Our people can also speak directly to our business integrity team who receive a number of reports through emails, calls, texts and in-person appointments.

In 2021, a total of 494 reports were received from whistleblowers (2020: 418), 333 of which were through the Right to Speak hotline. The most commonly raised concerns were about respect in the workplace and protection of WPP's assets. All reports were followed up, investigated where appropriate by our business integrity team, and reported to the Audit Committee.

ASSOCIATES, AFFILIATES AND ACQUISITIONS

We expect associate companies (those in which we hold a minority stake) and affiliate companies (preferred partners to whom we may refer business) to adopt ethical standards that are consistent with our own.

Our due diligence process for acquisitions and expansion into new markets includes a review of ethical risks including those relating to bribery and corruption, human rights or ethical issues associated with client work.

We identify any specific human rights risks associated with different countries of operation, using sources such as the Transparency International Corruption Index, Human Rights Watch country reports and government guidance.

Acquired businesses must adopt our policies and their people must undertake our ethics training within a month of joining WPP. This is agreed in an integration plan before the acquisition is finalised, and we monitor progress.

INSTITUTE OF BUSINESS ETHICS

WPP is a member of the Institute of Business Ethics (IBE) and considers it an important partner and support for the approach that the Company takes to business integrity, sustainability and ethics. As set out more fully in 'Risk Governance Framework' and 'Business Integrity Programme' from page 88 of our Annual Report 2021, we want to champion and facilitate a culture where our people feel that acting with honesty and integrity is an expected metric for success and this is also the IBE's ethos. The IBE shares knowledge and good practice as well as advice on the development and embedding of relevant policies through networking events, regular publications and training sessions, research and benchmarking reports. The IBE is a registered charity funded by corporate and individual donations.

100,000+
people completed ethics training in 2021

PUBLIC POLICY

We believe that business can make a valuable contribution to public policy debate. To protect the public interest, it is important to conduct all lobbying with integrity and transparency.

Most of our public policy activity is work that our public affairs businesses carry out for clients, including direct lobbying of public officials and influencing public opinion. On occasion, we also advocate on issues that affect our business.

Our public affairs companies include BCW, Finsbury Glover Hering & Sard Verbinen & Co, and Hill+Knowlton Strategies. The majority of their work takes place in the United States, the UK and the EU, although many clients are multinational businesses operating in many countries.

OUR STANDARDS

Our Code of Business Conduct and Political Activities and Engagement Policy govern our political activities, and both are available on our website. These documents commit us to acting ethically in all aspects of our business and to maintaining the highest standards of honesty and integrity. Political activities in particular should be conducted legally, ethically and transparently and all related communication should be honest, factual and accurate. Our policies apply to all agencies and employees at all levels.

Many of our companies are members of professional organisations and abide by their codes of conduct. Examples include the UK Association of Professional Political Consultants (APPC), and the European Public Affairs Consultancies' Association (EPACA).

WPP companies comply with all applicable laws and regulations governing the disclosure of public affairs activities. In the United States, this includes the Lobby Disclosure Act and the Foreign Agent Registration Act, which are designed to achieve transparency on client representation and require lobby firms to register the names of clients on whose behalf they contact legislators or executive branch personnel. A number of our agencies are listed on the voluntary EU Transparency Register of lobbying activities.

Our companies in the United States whose sole or primary business is lobbying have representatives of both major political parties among senior management.

We will not undertake work that is intended to mislead and always seek to identify the underlying client before taking on work. We do not knowingly represent 'front groups' purporting to be independent campaign groups but which are in fact controlled by another organisation for the purpose of misleading.

Our Group Corporate Affairs Director has responsibility for developing and implementing our political activity policy and public reporting procedures. The CEO and CFO in each country or region are responsible for implementing our policy at the local level.

Any third parties conducting political activities on behalf of WPP or its agencies must comply with our Political Activities and Engagement Policy. Third parties are required to complete the WPP mandatory ethics training or equivalent within their own organisation.

POLITICAL CONTRIBUTIONS

WPP agencies are not permitted to make direct cash donations. Other political donations can only be made with the prior written approval of a WPP executive director. Donations must be reported to WPP's legal function before they are made, to confirm they comply with this policy and to obtain the necessary approvals.

POLITICAL ACTION COMMITTEES

In countries where it is consistent with applicable law, individuals working at WPP companies may make personal voluntary political contributions directly to candidates for office.

BCW and Finsbury Glover Hering also maintain political action committees (PACs) which accept voluntary donations from their people to support political candidates. In 2021, these PACs made disbursements worth \$129,386 (data from fec.gov).

LOBBYING AND POLITICAL ADVOCACY

We occasionally contribute to the debate on public policy issues relevant to our business, sometimes through our public affairs agencies.

We advocate on sustainability issues including climate change, for example at COP26 in Glasgow. We also advocate through partnerships such as the Common Ground initiative in support of the UN Sustainable Development Goals. Demet İkiler, WPP's Turkey Country Manager and EMEA CEO of GroupM, serves on the local board of the UN Global Compact with responsibility for diversity and inclusion. Karen Blackett OBE, WPP's UK Country Manager and GroupM UK CEO, serves as a non-executive director of the Board of the UK's Cabinet Office.

Our agencies contribute to public policy debate in areas where they have expertise and a special interest. Our digital and research companies, for example, are involved in privacy and data protection issues.

WPP agencies must implement clear procedures for employing serving or former politicians, including a six-month 'cooling-off' period for people joining WPP from public office or the public sector.

MEMBERSHIP OF TRADE ASSOCIATIONS

We are members of trade associations, industry groups and membership organisations which undertake lobbying activity on behalf of their members. We select organisations with priorities and values aligned with our own and with robust governance processes. WPP companies must nominate a senior manager to manage and oversee trade association relationships.

At a Company level, our memberships include: 30% Club, the American Benefits Council, BritishAmerican Business Inc., Business Disability Forum, CBI, China Britain Business Council, Institute of Business Ethics, the Northeast Business Group on Health, Partnership for Global LGBTI Equality, RE100, The Valuable 500, Women on Boards, and the World Economic Forum.

In our markets, our agencies are often members of local advertising, PR, public affairs and market research industry associations, as well as national chambers of commerce and business councils.

OUR SUPPLY NETWORK

WPP is committed to creating an inclusive, sustainable, ethical and diverse network of business-enabling suppliers.

The wide range of services we offer and our organisational structure means we have a complex and dynamic supply chain ecosystem to manage. We work with over 75,000 companies across our supply network.

Our suppliers fall into two main categories: those providing goods and services used to run our companies – such as IT, travel, telecommunications, professional services and facilities; and those used in client work – such as advertising, production and market research.

RISK ASSESSMENT

We assess supply chain risk based on country, industry, and procurement category. This is then combined with a supplier-specific questionnaire covering governance, compliance, sustainability, human rights and labour standards.

Within the category assessment, we consider several high risk factors linked to human capital, especially the recruitment and employment of low-skilled labour, migrant labour and contractors.

In 2020, we began an extensive transformation programme to modernise our procurement ecosystem and infrastructure and optimise how we buy. Workstreams include expanding our spend analytics tool across all markets by the end of 2022 and standardising processes and systems. The programme will facilitate the introduction of full life-cycle mapping and traceability across WPP's supplier ecosystem. It is being led by our Chief Financial Officer and Chief Global Business Services Officer, with support from WPP's Group sustainability team to embed the new controls and processes that are critical to a robust and responsible sourcing programme.

In 2022 as part of this transformation we will conduct enhanced human rights due diligence in high-risk procurement categories that are managed centrally by our global procurement team. This exercise will give us further visibility and transparency within our Tier 1 suppliers and help us further refine our risk assessment methodology.

SUPPLIER SELECTION

We have established due diligence processes to help us select suppliers that meet our responsible sourcing standards, and we work with them to positively influence the wider supply chain. This reduces risks to our business and clients and enables us to respond to the growing number of client tender processes that include supply chain management criteria.

During supplier selection and before WPP enters into a commercial agreement, the procurement team ensures potential suppliers sign WPP's Business Code of Conduct – Supplier Version, confirming they will comply with our standards or demonstrate that they have the equivalent standards in place. These standards include requirements relating to labour practices (such as anti-harassment and discrimination, and health and safety), human rights (including modern slavery issues such as child, forced or bonded labour), social impacts (such as anti-bribery and corruption) and other sustainability issues.

Our Code requires suppliers to apply similar standards to companies within their own supply chain, including evidencing diversity and social responsibility in their cultures, behaviours and attitudes.

Suppliers are also required to complete a self-assessment questionnaire which includes specific questions on modern slavery (see 'Modern Slavery', page 53). Any issues raised from the responses are flagged to the relevant WPP team for further investigation.

As part of the supplier onboarding process, we include a right-to-audit provision in the supplier documentation where appropriate.

SUPPLIER DIVERSITY

WPP's supplier diversity vision is to unlock value-adding, innovative and sustainable partnerships via a diverse, credible, and reliable third-party supplier network. We are committed to including Certified Diverse Suppliers (CDS) in our purchasing lifecycle, both internally and for the benefit of our clients¹.

¹ Certified Diverse Suppliers are defined as minority-owned, women-owned, veteran-owned, LGBT-owned, service disabled veteran-owned, historically underutilised businesses and small businesses.

Our Supplier Diversity Programme encourages WPP and our agencies to buy from CDS. Through the Global Supplier Diversity Alliance, with memberships in Australia, the UK, and the United States, we have access to global directories of CDS, so we can actively search and include them in our RFPs and client tender responses. We can also access best practice so diverse suppliers not only win contracts but also thrive in our ecosystem. In 2021, through the UK chapter, MSDUK, we sponsored the UK's first accelerator programme to help minority-owned businesses become supply-chain ready (see case study, below).

Media investment is managed by GroupM. GroupM's Media Inclusion Initiative aims to direct investment in, and create opportunities for, diverse media companies and content creators with an initial focus on Black-owned media. In 2021, as part of this initiative 20 clients have pledged to spend at least 2% of their total annual media budget in Black-owned media.

ACCELERATING SUPPLIER DIVERSITY

Ethnic Minority start-ups are under-represented in both public and private sector supply chains, facing challenges from a lack of early-stage investment and VC funding to access to social capital including networks and mentors.

To help create an environment for success, WPP partnered with Unilever, Dow and Google to sponsor the UK's first accelerator programme for minority-owned businesses.

Run by MSDUK, our UK Supplier Diversity Alliance Partner, the programme offers three months of intensive acceleration support covering five modules (Customer Discovery, Customer Validation, Product Management, Growth and B2B Insights and Communication). The programme connects Ethnic Minority Businesses with potential clients like WPP and provides holistic support from expert entrepreneurs on topics from networking and mental resilience to supporting future leaders. WPP agencies provided mentors and ran workshops on topics including user experience.

The aim is to create an ecosystem where diverse suppliers and corporates can grow and thrive together.



HUMAN RIGHTS

Respect for human rights is a fundamental principle for WPP. In our business activities we aim to prevent, identify and address negative impacts on human rights and we look for opportunities to promote and support human rights, including children's rights, through our business activities and in areas such as our pro bono work.

We remain a committed signatory of the Women's Empowerment Principles, a guide for businesses on how to empower women in the workplace, marketplace and community. We are also a proud partner of UN Women. In 2021, we launched #ActForEqual on International Women's Day to mobilise people and businesses ahead of UN Women's Gender Equality Forum.

WPP companies must comply with our Human Rights Policy Statement which reflects international standards and principles, including the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the Children's Rights and Business Principles.

We expect our suppliers to adopt human rights standards consistent with our own.

We are a member of the United Nations Global Compact and report progress against its ten principles annually. This report forms our sixth annual communication on progress.



See reporting standards index
wpp.com/sustainabilityreport2021

Our most direct impact on human rights is as a major employer. People are at the heart of WPP's business and critical to our business success. We recognise the rights of our people, including those relating to freedom of association and collective bargaining, and we do not tolerate harassment or any form of forced, compulsory or child labour.

We are committed to building a workforce that reflects the societies in which we operate and a culture that is inclusive and one where people feel they belong.

Human rights are included in the mandatory ethics training completed on joining and then annually by all employees.

i See People chapter for more information, from page 16

We work with clients to manage any human rights risks from marketing campaigns, for example by protecting children's rights in relation to marketing (see page 40). WPP agencies will not undertake work designed to mislead on human rights issues.

MODERN SLAVERY

We do not tolerate any form of modern slavery in our business or supply chain.

WPP recognises the prevalence of modern slavery across all countries. We aim to implement appropriate measures to mitigate the risk of it occurring, either in our own operations or those of our partners.

As part of our due diligence process, suppliers are required to complete a self-assessment questionnaire which includes specific questions on modern slavery. Any issues raised from the responses are flagged to the relevant WPP team for further investigation.

Our global Supplier Agreement includes a specific clause relating to modern slavery compliance. WPP reserves the right to terminate its contract with any supplier found to breach or fail to comply with any legislation relating to modern slavery.

In 2022 we will launch a refresher training module on Modern Slavery and Human Rights for the Global Procurement team.

WPP is also committed to working with other businesses and governments to act against modern slavery. In the UK, we continued as a member of the Home Office Business Against Slavery Forum (BASF), which is a platform that helps businesses identify, tackle and prevent slavery in their supply chains and enables us to share intelligence and best practice.



To learn more, download our Modern Slavery Act Transparency Statement
wpp.com/sustainability/modern-slavery-act-statement

DATA: PRIVACY, SECURITY AND ETHICS

We continue to build on our established foundations for data protection and data privacy.

The rise in privacy and data regulation around the world reflects consumer demand to put the interests of the individual at the heart of considerations around data usage. WPP demonstrates, through its expertise and direct engagement, that we are a trusted partner for our clients, suppliers and associates.

Our policies and governance ensure we are well placed to respond to new regulation, including the introduction of new laws in China, the United States and the Middle East, among others. Through our active engagement in industry bodies, particularly in the UK with the Advertising Association and the United States with the 4As and the Network Advertising Initiative, we are able to monitor and influence the changing regulatory landscape.

CLIENTS

Interest and engagement from our clients continues to grow on data privacy, protection and ethics, not only through commercial and contractual negotiations, but throughout the operational relationship.

Our privacy teams have established direct relationships with their client counterparts to ensure alignment and engagement on this subject and we have jointly hosted privacy-focused client sessions establishing a shared understanding in the work being undertaken.

We recognise our clients' focus on the increasing importance of first-party data and data access and variety rather than acquisition at volume. In April 2021 we launched Choreograph, our new data products business, which epitomises our data philosophy: that clients should own their own data to future-proof their businesses. Choreograph plays a critical role in navigating the privacy and compliance landscape, giving clients control and ownership of their first-party data.

DATA ETHICS

Data ethics continues to be a focus for WPP. In 2021, we further developed the WPP Data Ethics Statement and Artificial Intelligence (AI) Statement into full policies outlining to our people, clients and stakeholders the foundations of our ethical data processing.

In 2021, GroupM – WPP's media investment group – launched the industry's first tool to operationalise data ethics. The Data Ethics Compass is a global web app which allows advertisers to quickly and consistently evaluate the ethical risk level of data assets and decisions.

DIVERSITY, EQUITY AND INCLUSION

WPP is committed to diversity, equity and inclusion in our business, supply chains and client work. Increasingly, clients ask us to demonstrate our people are from diverse backgrounds and representative of their own customers. We are working to continually improve how we measure performance. For over 30 of our markets, we have developed detailed guidance on how we can collect and report on such data in line with regulations and in a way that is culturally sensitive to our own people. We also want to play our part in developing industry standards.

i For information on diversity data, see **Diversity, equity and inclusion from page 22**

GOVERNANCE, POLICIES AND TRAINING

Our Group Chief Privacy Officer leads our work on privacy, supported by our Global Data Protection Officer. Together, they provide practical guidance and support to our agencies, ensure that privacy risks are well understood, and promote best practices.

The WPP Risk sub-Committee is responsible for reviewing and monitoring the Group's approach to regulatory and legal compliance, as well as monitoring data privacy, ethics and security risk. This is pivotal in our approach to our own and our clients' data, as well as contributing to our overall strategy. Co-chaired by WPP's Chief Privacy Officer and Chief Information Officer, members represent the security, technology and data leadership.

The WPP Data Privacy and Security Charter communicates our approach to data, setting out core principles for responsible data management through our Data Code of Conduct, our technology, privacy and social media policies, and our security standards (based on ISO 27001). The Charter was updated in 2021 to include the WPP AI and Data Ethics policies.

All new and current employees, as well as consultants, are required to complete our Safer Data training, which covers data protection and privacy. The training is refreshed annually and is updated in line with privacy regulations. This training is augmented by subject-focused training, where required, covering specific regulations, regional laws or activities undertaken by our agencies.

Our annual Data Health Checker provides us with insight into how data is used, stored and transferred and helps to identify any parts of the business that need further support on data practices. The results show us that the majority of our agencies continue to have mitigation measures that match or exceed their level of privacy risk, with the average risk score being 1.6 out of five (2020: 1.6), where five is the maximum score possible and indicates maximum risk.

AI, MACHINE LEARNING AND DATA

The privacy, data protection and security teams work closely with the technology team facilitating both strategic and compliance alignment particularly for the development of client-focused data services.

We are developing skilled, knowledgeable teams with an understanding of the centrality of data to our business. In 2021, there were 10,000 course enrolments through the WPP AI Academy. Our Demystify AI training was awarded Data IQ best data literacy programme.

In 2021 we launched a new WPP Data and AI Ethics Hub to share our ethical guidelines and principles across WPP. The hub features a new WPP Ethics Guidelines Tool, which offers practical advice to ensure that all work conforms to WPP guidance on transparency, fairness, respect and accountability.

We encourage a culture of curiosity and sharing. In 2021, we held over 40 webinars through our Data and AI Community, and grew the community in Asia Pacific.

TAX POLICY

TAX PAYMENTS IN 2021

The Group paid corporation and overseas taxes of £391 million in 2021 (2020: £372 million). Estimated social security taxes collected and paid during 2021 were £970 million (2020: £915 million). Other taxes (primarily property taxes) paid during 2021 were £38 million (2020: £42 million).

We are working to quantify the wider economic impacts of our business and the benefits associated with our activities, including tax payments to governments.

i See **Quantifying our impacts, pages 13 and 14**

GOVERNANCE

Responsibility for tax strategy, the supporting governance framework and management of tax risk ultimately sits with the Chief Financial Officer (CFO). Day-to-day responsibility for each of these areas sits with the Group Tax Director, who reports to the Group Finance Director.

The Audit Committee, which is made up of Independent Non-Executive Directors, reviews the Group's tax strategy annually. Key risks and issues related to tax are escalated to, and considered by, the CFO throughout the year, and the Audit Committee (and if appropriate the full Board) twice a year.

We disclose our UK Tax Strategy in our Annual Report 2021 and key elements are summarised below.

MANAGING TAX RISK

As a large multinational group with operations globally, the Group is exposed to a variety of tax risks. These can be grouped under the following headings:

1. Tax compliance and reporting risks which cover risks associated with compliance failures such as submission of late or inaccurate returns, the failure to submit claims and elections on time or where finance or operational systems and processes are not sufficiently robust to support tax compliance and reporting requirements.

2. Transactional risks which arise where transactions are carried out or actions are taken without appropriate consideration of the potential tax consequences or where advice taken is not correctly implemented.

3. Reputational risks which looks beyond financial risks to the wider impact tax risk may have on our relationships with our stakeholders, including shareholders, clients, tax authorities and the general public.

WPP Tax is made up of a team of tax professionals based predominantly in London and New York. In addition to an oversight role, they provide advice on tax-related issues, undertake or assist with tax filings, manage relationships with tax authorities and assist with various forms of tax and financial reporting.

Where appropriate, we look to engage with tax authorities to disclose and resolve issues, risks and uncertain tax positions. The subjective nature of many tax rules does however mean that it is often impossible to mitigate all known tax risk. Indeed, in certain situations, an element of tax risk may be maintained, where we believe our approach is consistent with the principles set out in our tax strategy and where the range of potential outcomes is in accordance with our risk parameters. Thus, at any given time, the Group may be exposed to some risk arising from its tax affairs, although one of the key responsibilities of WPP Tax is to manage and mitigate tax risk wherever possible.

TAX COMPLIANCE AND RELATIONSHIP WITH TAX AUTHORITIES

We are committed to complying with our tax filing, reporting, payment and disclosure obligations globally.

We look to maintain open and transparent relationships with the tax authorities in the jurisdictions in which we operate. This may take the form of discussing key developments in our business and the potential impacts of those developments. Equally, it may involve disclosing and seeking to resolve a known issue prior to the filing of the relevant tax return.

From time to time, our views (and those of our advisors) on the appropriate tax treatment in any given case may differ from those of the tax authorities. Where such circumstances arise, we will work constructively and proactively with the tax authorities in question with a view to achieving an early resolution.

TAX PLANNING

We will not engage in purely artificial transactions, the sole purpose of which is to reduce tax.

We enter into transactions or arrangements on the basis that they have the substance required by law, as well as a business, commercial or other non-tax purpose. We will not enter into transactions with the purpose of securing a tax advantage clearly and unambiguously contrary to the relevant legislation.

External tax advice is sought in relation to areas of complexity or uncertainty to support our work in complying with our tax strategy. We will not enter into transactions or arrangements unless they are consistent with our tax strategy.

Our tax policy requires that, where tax law is unclear or subject to interpretation, we take external tax advice and any adopted tax position is at least probable to apply.

TRANSPARENCY

We support initiatives to improve international transparency on taxation matters, including OECD measures on country-by-country reporting and automatic exchange of information.

We do not tolerate tax evasion, nor do we tolerate the facilitation of tax evasion by any person(s) acting on our behalf.