




# Independent Limited Assurance Report to the Directors of WPP plc on the selected ESG performance metrics

The Board of Directors of WPP plc (“WPP”) engaged us to obtain limited assurance on the selected ESG performance metrics for the year ended 31st December 2023 (together the “Subject Matter Information”) as defined below and set out under the headings marked with the symbol  within the ‘WPP Sustainability Report 2023’ and/or the ‘Annual Report & Accounts 2023’ (as specified within the ‘Subject Matter Information’ table below), in each case for the year ended 31st December 2023 (together, the “Reports”).

## **Adverse limited assurance conclusion in respect of workforce ethnic diversity of UK operations (by seniority and total) (%)**

Because of the significance of the matter described in the ‘Basis for adverse conclusion’ section below, the ‘workforce ethnic diversity of UK operations (by seniority and total) (%)’ metric has not been prepared, in all material respects, in accordance with WPP’s Reporting Criteria (the ‘Reporting Criteria’) referenced in the ‘What we were engaged to assure’ section below.

## **Qualified limited assurance conclusion in respect of Total miles travelled from centrally contracted flights (miles) and Total emissions from centrally contracted flights (Tonnes CO<sub>2</sub>e)**

Except for the possible effect of the matter referred under the ‘Basis for qualified conclusion’ section below, based on the procedures we have performed, as described under the ‘Summary of work performed’ section below, and the evidence we have obtained, nothing has come to our attention that causes us to believe that ‘Total miles travelled from centrally contracted flights (miles)’ and ‘Total emissions from centrally contracted flights (Tonnes CO<sub>2</sub>e)’, has not been prepared, in all material respects, in accordance with the Reporting Criteria referenced in the ‘What we were engaged to assure’ section below.

## **Limited assurance conclusion in respect of the remaining metrics**

Based on the procedures we have performed, as described under the ‘Summary of work performed’ and the evidence we have obtained, nothing has come to our attention that causes us to believe that the remaining metrics have not been prepared, in all material respects, in accordance with the Reporting Criteria.

## **Basis for adverse conclusion - Workforce ethnic diversity of UK operations (by seniority and total) (%)**

In our sample testing across workforce ethnic diversity of UK operations (by seniority and total) (%) we identified a number of instances where the information reported in the central finance system did not reconcile to the underlying employees’ self declared ethnicity due to both human error, and where system categories between the local HR systems and the central finance system did not match, requiring judgement to be exercised.

## **Basis for qualified conclusion - Total miles travelled from centrally contracted flights (miles) and Total emissions from centrally contracted flights (Tonnes CO<sub>2</sub>e)**

WPP contracts with three third party suppliers to manage their central air travel bookings. When performing our sample testing, we identified data quality issues in one of the supplier’s datasets, this supplier represents 22.7% of the reported miles travelled and 18.0% of reported emissions from centrally contracted flights. Due to timing, WPP were unable to revise the dataset and we were unable to obtain sufficient appropriate evidence to corroborate the accuracy and completeness of the data supplied.



## What we were engaged to assure

The Subject Matter Information needs to be read and understood together with the Reporting Criteria available at <https://www.wpp.com/sustainability-reporting-criteria-2023><sup>1</sup> which WPP's Directors are solely responsible for selecting and applying. The Subject Matter Information and the Reporting Criteria are as set out in the table below:

<b>Subject Matter Information</b>	<b>Performance Result</b>	<b>Annual Report &amp; Accounts</b>	<b>Sustainability Report</b>	<b>Reporting Criteria</b>
Sub-total Scope 1 emissions (tCO <sub>2</sub> e) <sup>A</sup>	8,532 tCO <sub>2</sub> e	page 60	page 21	section 3.1
Total Scope 2 (location based emissions) (tCO <sub>2</sub> e) <sup>A</sup>	55,720 tCO <sub>2</sub> e	page 60	page 21	section 3.2
Total Scope 2 (market based emissions) (tCO <sub>2</sub> e) <sup>A</sup>	9,968 tCO <sub>2</sub> e	page 60	page 21	section 3.2
Total proportion of electricity purchased from renewable sources (%) <sup>E</sup>	88%	page 60	page 21	section 3.3
Total miles travelled from centrally contracted flights (miles) <sup>A</sup>	152 million miles	N/A	page 22	section 3.4
Total emissions from centrally contracted flights (Tonnes CO <sub>2</sub> e) <sup>A</sup>	59,793 tCO <sub>2</sub> e	page 61	page 22	section 3.5
Age diversity (19 or under, 20-29, 30-39, 40-49, 50-59, 60 and over) (%) <sup>C</sup>	19 or under <1%; 20-29 33%; 30-39 39%; 40-49 19%; 50-59 8%; 60 and over <2%	page 39	page 11	section 4.2
Gender balance (Board and executive leaders) (%) <sup>B</sup>	Female 41%; Male 59%	page 39	page 12	section 4.3
Gender balance (total employees) <sup>C</sup>	Female 56%; Male 44%	page 39	page 12	section 4.3
Workforce ethnic diversity of UK operations (by seniority and total) (%) <sup>D</sup>	<ul style="list-style-type: none"> <li>● Board Members or Executive Leaders: Asian 5.6%; Black 2.1%; Mixed 2.6%; Other ethnic 1.1%; White 75.8%; Unknown or undisclosed 12.7%</li> <li>● Senior Managers: Asian 8.3%; Black 2.8%; Mixed 2.3%; Other ethnic 1.5%; White 74.3%; Unknown or undisclosed 10.8%</li> <li>● Other employees: Asian 11.9%; Black 5.4%; Mixed 3.8%; Other ethnic 2.1%; White 61.5%; Unknown or undisclosed 15.3%</li> <li>● All staff: Asian 10.9%; Black 4.7%; Mixed 3.4%; Other ethnic 1.9%; White 64.8%; Unknown or undisclosed 14.3%</li> </ul>	N/A	page 13	section 4.4

The footnotes A-E refer to our assessment of materiality discussed in the Materiality section of this report.

<sup>1</sup>The maintenance and integrity of WPP plc website is the responsibility of the Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Reporting Criteria when presented on WPP plc website.



The scope of our work did not extend to information in respect of earlier periods or to any other information included in, or linked from, the Reports including any images, audio files or videos.

## **Our work**

### **Professional standards applied**

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and, in respect of the greenhouse gas (GHG) emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas statements', issued by the International Auditing and Assurance Standards Board.

### **Our independence and quality control**

We have complied with the Institute of Chartered Accountants in England and Wales Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards).

We apply International Standard on Quality Management (UK) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Summary of work performed**

We performed a limited assurance engagement. Because the level of assurance obtained in a limited assurance engagement can vary, we give more detail about the procedures performed, so that the intended users can understand the nature, timing and extent of procedures we performed as context for our conclusion. These procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

In performing our assurance procedures, which were based on our professional judgement, we performed the following:

- considered the suitability in the circumstances of WPP's use of the Reporting Criteria as the basis for preparing the Subject Matter Information;
- obtained an understanding of WPP's control environment, processes and systems relevant to the preparation of the Subject Matter Information. Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities;
- performed limited substantive testing on a selective basis of the Subject Matter Information, which is aggregated from information submitted by WPP's reporting units. Testing involved: comparing year on year movements and obtaining explanations from management for significant differences we identified, considering reporting boundaries, agreeing arithmetical accuracy of calculations, and agreeing data points to or from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported;
- undertook virtual site visits at 17 of WPP's reporting units to perform walkthroughs and limited substantive testing; we selected these sites based on their inherent risk and materiality to the group, unexpected fluctuations in the site Subject Matter Information since the prior period; and
- evaluated the disclosures in, and overall presentation of, the Subject Matter Information.

### **Materiality**

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Subject Matter Information is likely to arise. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our procedures in support of our conclusion. We believe that it is important that the intended users have the information they need to understand the concept and the level of materiality to place our conclusion in context. Based on our professional judgement, we determined materiality for the Subject Matter Information as follows:



<i>Overall materiality</i>	<p>Materiality may differ depending upon the nature of the Subject Matter Information. We apply professional judgement to consider the most appropriate materiality benchmark for each aspect of the Subject Matter Information, having considered how the intended users may use the information.</p> <p>The benchmark approach for each aspect of the Subject Matter Information is indicated in the table by one of the following numbers;</p> <p><sup>A</sup> This metric is an absolute number. A benchmark materiality of 5% has been applied.</p> <p><sup>B</sup> This metric is a percentage. A benchmark materiality of 5% has been applied to the total number of Board and Executive Leaders in the percentage calculation.</p> <p><sup>C</sup> This metric is a percentage. A benchmark materiality of 5% has been applied to the total number of employees in the percentage calculation.</p> <p><sup>D</sup> This metric is a percentage. A benchmark materiality of 2.5% has been applied to the total number of UK employees in the percentage calculation.</p> <p><sup>E</sup> This metric is a percentage. A benchmark materiality of 5% has been applied to both the amount of electricity purchased from renewable sources and total amount of electricity purchased.</p>
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We also agreed to report to the Directors misstatements ('reportable misstatements') identified during our work at a level below overall materiality, as well as misstatements below that lower level that in our view warranted reporting for qualitative reasons. The Directors are responsible for deciding whether adjustments should be made to the Subject Matter Information in respect of those items.

**Key assurance matters**

We considered the following areas to be those that required our particular focus and discussed these areas with WPP's management. This is not a complete list of all areas covered by our work.

<b>Completeness and accuracy of the group level electricity estimate</b>	
<i>Nature of the issue</i>	<p>WPP estimates electricity consumption at a group level for reporting units (RUs) where this data is not available or accurate at a local level. This estimate is material to the total electricity consumption of the group.</p> <p>The derivation of the calculation is dependent on a number of key assumptions as set out in section 2.0.5 of the Reporting Criteria. The complexity of the WPP reporting structure means these assumptions could be inappropriate or applied inaccurately, for example a group level estimate could be applied to an RU whose consumption is already captured through a different RU's reporting.</p> <p>As set out on page 15 of the Sustainability Report, WPP has continued to rationalise their property footprint through the creation of Campuses, this potentially increases the likelihood of inaccurate application of estimates as this rationalisation has been mirrored in changes to the reporting structure during the year. Please refer to the Key assurance matter below where the specific campus risks are discussed in more detail.</p>



<p>How our work addressed the key assurance matter</p>	<p>The following are examples of the procedures that have been performed to address the identified risk:</p> <ul style="list-style-type: none"> <li>• Performed walkthroughs to understand the methodology, workings and review process for the electricity estimate; focusing on any changes as a result of the Campus reporting consolidation;</li> <li>• Critical review of the methodology and key assumptions including a review of the appropriateness of any year-on-year changes;</li> <li>• Reperformance of the calculation to assess whether management's estimation methodology has been accurately applied to the dataset;</li> <li>• Performed virtual site visits at eight Reporting Units (RUs) and completed substantive testing over their electricity consumption to gain comfort over the completeness and accuracy of this underlying data which forms the basis of the estimated data as set out in section 2.0.5 of the reporting criteria;</li> <li>• Performed substantive testing over the classification of RUs (e.g. have they been correctly classified as not requiring an estimate) to ensure that estimates had been appropriately applied; and</li> <li>• Completed analysis over the consolidation and reporting for several Campus locations during the site visit testing to assess the risk of double counting.</li> </ul>
<p>Element(s) of the Subject Matter Information most significantly impacted</p>	<p>Total Scope 2 (location based emissions) (tCO<sub>2</sub>e)            Total Scope 2 (market based emissions) (tCO<sub>2</sub>e)            Total proportion of electricity purchased from renewable sources (%)</p>

<p><b>Accuracy of reporting within Campus locations</b></p>	
<p>Nature of the issue</p>	<p>As set out above and on page 15 of the Sustainability Report, WPP's continued consolidation into Campuses has also been reflected within their sustainability reporting structure for the first time, enabling one RU to report all energy consumption on behalf of all RUs within a single Campus. This reporting structure has also been adopted for buildings where multiple agencies are co-located, meaning that the main leaseholder will report all energy consumption for the building, rather than each RU reporting their allocated values.</p> <p>This represents a significant change in the reporting process both for buildings that are classified as Campuses and locations where agencies are co-located and as a result has increased both the risk of double counting (where both the non-lead and lead RUs report the same consumption) and of understatement (where neither RU reports consumption). Furthermore this process has been conducted iteratively throughout the reporting cycle potentially serving to increase the risk that RUs have performed the consolidation inaccurately.</p>



<p>How our work addressed the key assurance matter</p>	<p>The following are examples of the procedures that have been performed to address the identified risk:</p> <ul style="list-style-type: none"> <li>• Performed walkthrough with the WPP Group Sustainability team to understand the methodology, controls and review process in place to ensure the accuracy of the Campus consolidation;</li> <li>• Review management's year end data controls, whereby they assess the accuracy and completeness of reported data based on a number of pre-defined querying thresholds. Our procedures included obtaining supporting evidence to validate the appropriateness of management's conclusion for any data points highlighted as anomalous;</li> <li>• Performed virtual site visits at 7 RUs that are included as Campuses or co-locations and conducted substantive sample testing over all material energy consumption, including a review of the RUs that the Campus is reporting on behalf of to assess the double counting risk; and</li> <li>• Performed analytical procedures over a sample of Campuses to assess the movement between the prior year unconsolidated RUs' energy consumption and the current year consolidated Campus reporting, including obtaining management's commentary to support significant movements.</li> </ul>
<p>Element(s) of the Subject Matter Information most significantly impacted</p>	<p>Total Scope 2 (location based emissions) (tCO<sub>2</sub>e)            Total Scope 2 (market based emissions) (tCO<sub>2</sub>e)            Total proportion of electricity purchased from renewable sources (%)</p>

<p><b>Classification of the gender of Board and executive leaders.</b></p>	
<p>Nature of the issue</p>	<p>In line with WPP's strategy to ensure diversity at all levels, the gender balance of the board and executive leaders is reported within the Sustainability and Annual Reports. WPP's senior executives' remuneration is linked to diversity, equity and inclusion goals and therefore, there is a heightened risk regarding the gender diversity figure as it could have an impact on remuneration.</p> <p>Due to the smaller size of the board and executive population, this metric is more sensitive to the mis-classification of gender for a small number of people leading to a material impact of the reported number.</p>
<p>How our work addressed the key assurance matter</p>	<p>The following are details of procedures that have been performed at all WPP sites in scope for testing in relation to board and executive leaders specifically:</p> <ul style="list-style-type: none"> <li>• Performed walkthroughs of the end-to-end process by which gender data is collected (e.g. self-declaration or official documentation) and collated by the RU and how it is ultimately reported into WPP's financial reporting system;</li> <li>• Enquired with local RUs on what management controls are in place to confirm completeness and accuracy of the data including approval and sign off;</li> <li>• Obtained details of the RU's classification of board and executive leaders for which gender data is collected including details of any contractors/staff that fall outside of this definition to ensure it is in line with the Reporting criteria;</li> <li>• Obtained confirmation through discussion with the data owner, that each of the gender figures obtained for upload to WPP's financial reporting system meets the criteria set out in the KPI guidance document;</li> <li>• Obtained an understanding of how an employee can update gender classification; and</li> <li>• Performed substantive testing on a sample basis to confirm classification of gender and seniority data over the board and executive leaders at each in scope RU and agreed information through to supporting documentation (e.g. passport,</li> </ul>



	identification card or self-declaration form, employment contracts or promotion letters).
Element(s) of the Subject Matter Information most significantly impacted	Gender balance (Board and executive leaders) (%)

## Challenges of non-financial information

The absence of a significant body of established practice upon which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities, and over time.

Non-financial information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for measuring or evaluating it. The precision of different measurement techniques may also vary.

## Reporting on Other Information

The other information comprises all of the information in the Reports other than the Subject Matter Information and our assurance report. The Directors are responsible for the other information. As explained above, our conclusion does not extend to the other information and, accordingly, we do not express any form of assurance thereon. In connection with our assurance of the Subject Matter Information, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the Subject Matter Information or our knowledge obtained during the assurance engagement, or otherwise appears to contain a material misstatement of fact. If we identify an apparent material inconsistency or material misstatement of fact, we are required to perform procedures to conclude whether there is a material misstatement of the Subject Matter Information or a material misstatement of the other information, and to take appropriate actions in the circumstances.

## Responsibilities of the Directors

As explained in the Directors' Statement on page 6 of the Sustainability Report, the Directors of WPP are responsible for:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring or evaluating the underlying subject matter;
- ensuring that those criteria are relevant and appropriate to WPP and the intended users of the Reports;
- the preparation of the Subject Matter Information in accordance with the Reporting Criteria including designing, implementing and maintaining systems, processes and internal controls over the evaluation or measurement of the underlying subject matter to result in Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- documenting and retaining underlying data and records to support the Subject Matter Information;
- producing the Reports that provides a balanced reflection of WPP's performance in this area and discloses, with supporting rationale, matters relevant to the intended users of the Reports; and
- producing a statement of Directors' responsibility.

## Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of WPP.

## Use of our report

Our report, including our conclusion, has been prepared solely for the Directors of WPP in accordance with the agreement between us dated 10 November 2021, as varied by subsequent variation letters (the "agreement"). To the fullest extent permitted



by law, we do not accept or assume responsibility or liability to anyone other than the Board of Directors and WPP for our work or our report except where terms are expressly agreed between us in writing.

PricewaterhouseCoopers LLP

**PricewaterhouseCoopers LLP**  
**Chartered Accountants**  
London  
21 March 2024