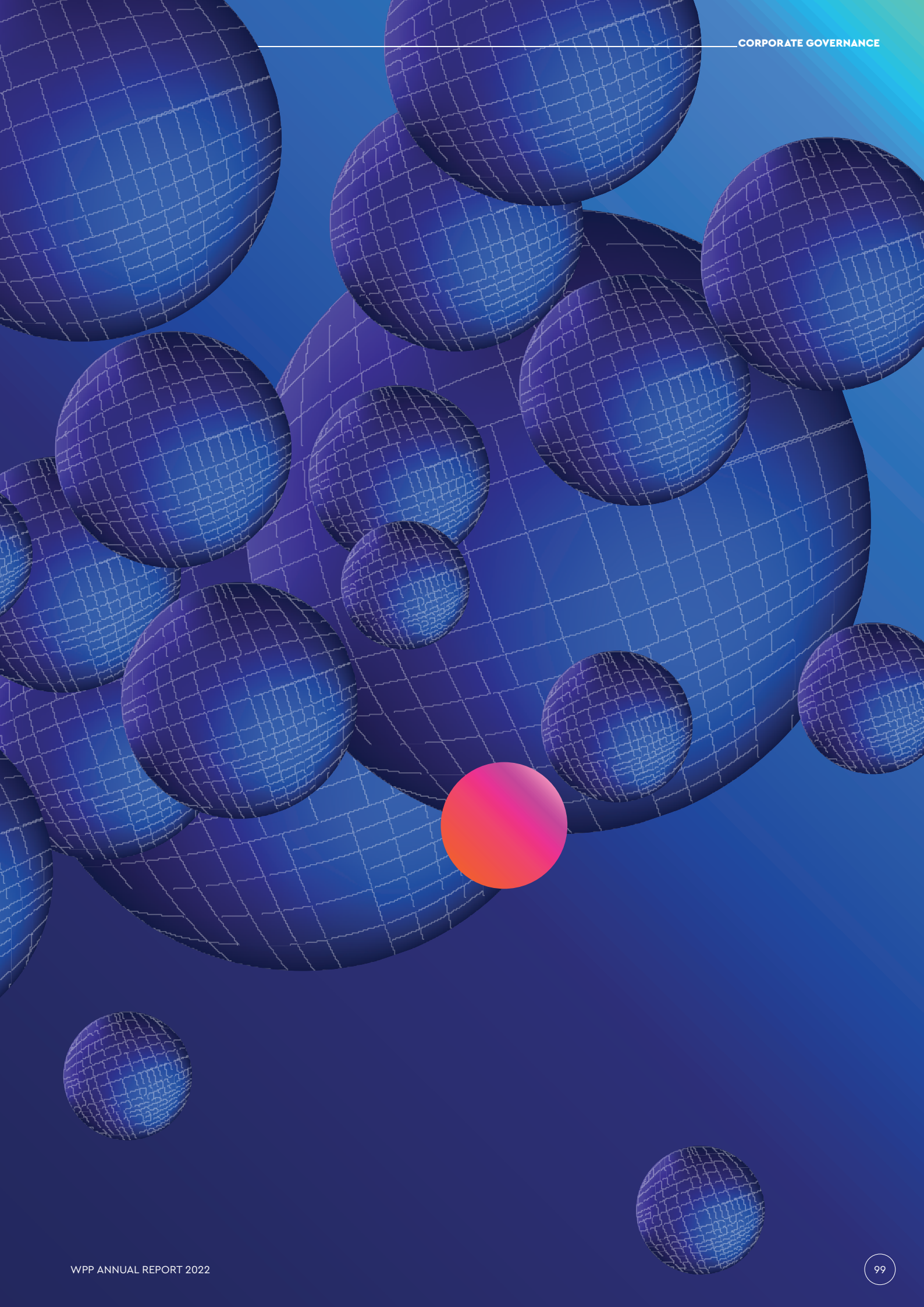


CORPORATE GOVERNANCE

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CHAIRMAN'S LETTER



IT IS CLEAR THAT CLIENTS NOW SEE WPP AND ITS AGENCIES AS BUSINESS-CRITICAL PARTNERS IN TODAY'S COMPLEX MARKETING ENVIRONMENT"

In 2022 the Company once again successfully negotiated external challenges while delivering growth for its people, clients and shareholders.

The publication in February of WPP's full-year results for 2022 brought widespread recognition of the progress the Company has made in recent years, the resilience of its business model and the successful modernisation and diversification of its offer to clients.

The executive team deserves great credit for the turnaround in the Company's performance and reputation since 2018. It is clear that clients now see WPP and its agencies as business-critical partners in today's complex marketing environment.

As the role of technology, data and digital communications grows and shifts rapidly, and the adoption of AI in particular increases exponentially, clients place a high value on WPP's expertise in helping brands and organisations capture the opportunities.

Investment in high-growth sectors of the Company's proposition has paid dividends. Ecommerce and commerce media have been especially strong. GroupM's commerce billings, for example, increased 18% in 2022.

This growing demand for WPP's capabilities in developing areas sits alongside sustained client spending on more traditional forms of marketing communications, where WPP has long been an industry leader.

The reshaping of WPP's offer to drive growth for the Company and its shareholders was a principal theme of our Board strategy day during 2022, which provided an opportunity for the Board to hear from and engage with leaders across WPP on the Company's plans for the future.

As well as looking at how data, commerce and AI are revolutionising our clients' marketing activities, the Board discussed the ways in which technology will shape our own business, including through our global IT strategy. Other important topics were client leadership, DE&I, our transformation programme, growth plans for China, our campus programme and – last but certainly not least – our working culture.

A PEOPLE BUSINESS

One of the foundational pillars of the Company's strategy is a culture that prizes wellbeing, inclusion and a sense of belonging for all.

In my letter last year I said that our people strategy would be a primary focus for the Board and executive team in 2022. As Mark notes in his introduction to the Annual Report, WPP is a business that relies on its people for its performance, and there is no greater priority than ensuring our employees feel welcomed, engaged, inspired, recognised for their contribution and supported in their development.

The Board was therefore pleased that WPP's 2022 people survey showed significant improvements year-on-year. The Company achieved its highest ever engagement levels, and its employee net promoter score increased by 14 points. Inclusion, feeling valued and career growth were areas of particular strength.

The Company's Making Space wellbeing initiative, which drew a tremendous reaction from our people, had the full support of the Board, along with programmes such as the growing community of WPP Mental Health Allies.

Making sure the Company has a strong leadership pipeline is one of the Board's most important responsibilities. In 2022 we reviewed the Company's plans for executive development and succession, and for building leadership behaviours.

For the pipeline and existing leadership to be considered truly strong, it must be diverse. Plenty of work remains to be done to achieve parity at all levels of the business, but we have made good progress. When Joanne Wilson succeeds John Rogers as CFO following the announcement of the Company's 2023 First Quarter Trading Update, the proportion of women on the Board will be 46% (2021: 43%). We exceed the targets set by the Parker Review, with three Directors from an ethnic minority background.

In the FTSE Women Leaders Review, WPP moved up from ninth to sixth in the FTSE 100. Forty-six percent of Executive Committee members and their direct reports were women in 2022, against a FTSE 100 average of 34%.

To drive further change, WPP has linked performance in this area to remuneration, with diversity, equity and inclusion goals included in senior executives' incentive plans since 2021.

The Company has also increased its investment in leadership development programmes for people of colour, as well as in inclusive management training, in order to work systematically towards a more diverse leadership succession pipeline.

Looking to the year ahead, priorities will include expanding succession planning to the top 300 in the Company, launching a self-ID campaign to augment our diversity data, next steps for WPP's Racial Equity Programme, supporting and expanding Employee Resource Groups and embedding inclusion training for leaders.

📖 You can read more about WPP's people strategy on pages 36 and 70

CREATING VALUE THROUGH SUSTAINABILITY

Since being established in 2019, the Board's Sustainability Committee has played a key role in supporting WPP's pursuit of its ESG objectives. As the sustainability agenda grows in importance, the Committee's contribution has evolved accordingly. The skillsets and experience of its members have been invaluable as the Company considers a range of complex and interconnected issues.

During 2022 there were deep dives into topics on which WPP has taken leadership positions such as media decarbonisation and single-use plastics, regulatory developments such as TCFD reporting, improved internal processes such as the revised Assignment Acceptance Policy and Framework and new Green Claims Guide, and support for our people and communities in response to events such as the war in Ukraine.

The Company is working to embed sustainability at every level of its operating model and across the organisation. This is not primarily an exercise in compliance or risk-mitigation, but an opportunity to create value. Emphasising and acting in line with our purpose helps to attract and retain talent and develop our relationships with clients.

📖 You can read more about our sustainability strategy and commitments from page 68, and in our 2022 Sustainability Report

MANAGING RISK

As well as supporting the Company as it seeks to capture opportunities, the Board also identifies, monitors and addresses risks.

During 2022 we continued to review the structure and effectiveness of our risk management model, and assess the principal risks that could impact our business. More information about our approach is available from page 86.

Against the backdrop of challenging macroeconomic conditions and disruptive geopolitical events, the Board also worked to ensure the Company was well prepared both strategically and operationally for any downturns in its major markets.

This included reviewing strategies for cost reduction, pricing, supply chain finance management, the ongoing simplification of the Company's organisational structure and its transformation programme, cash management and capital allocation, with an overall focus on diligent and disciplined management of the balance sheet.

BOARD COMPOSITION AND EFFECTIVENESS

We announced in November that our Chief Financial Officer John Rogers would step down from the Board to pursue broader executive opportunities beyond the Company.

John, who will step down as a Director following the announcement of the Company's 2023 First Quarter Trading Update, has made an important contribution to WPP in his three years with us, including helping the Company navigate the pandemic and laying the foundations of its transformation programme. He leaves with our thanks and very best wishes for the future.

John will be succeeded as Chief Financial Officer by Joanne Wilson. Joanne is currently Chief Financial Officer of Britvic plc, having previously held the same role at dunnhumby, a global leader in customer data science that is part of the Tesco group. We look forward to welcoming her to the Board when she joins on 19 April 2023.

As I mentioned last year, Nicole Seligman, our Senior Independent Director, has completed a nine-year tenure on the Board and will not stand for re-election at the 2023 Annual General Meeting. On behalf of my Board colleagues, I would like to thank Nicole for her dedicated service to WPP and her exceptional contribution to the Board during a period of profound change for the Company. I am pleased that Angela Ahrendts has agreed to be appointed as the new Senior Independent Director. Angela will lead succession planning for WPP's next Chair.

Tarek Farahat will also not put himself forward for re-election to the Board at the 2023 AGM due to other commitments. I would like to thank Tarek for his contribution during his long service to the Board. WPP has greatly benefited from his knowledge and experience of global FMCG businesses over the years and he has been a valued member of the Audit Committee.

As always, we gave significant time to succession planning and proactively reviewing our non-executive membership in 2022, to ensure the Board continues to have the appropriate composition to support the executive team and review the Company's strategy.

We also reviewed the governance architecture of the Board's Committees on an ongoing basis, and made adjustments as required. You can read the Committee Chairs' reports from page 118.

Nicole Seligman, as part of our continuous assessment of Board effectiveness, conducted an evaluation exercise to review the performance of the Board and its Committees. The results, which can be found on page 116, confirmed that the Board and its Committees continue to operate effectively.

A POSITIVE OUTLOOK

We move into 2023 with confidence in the future growth prospects of WPP as it continues to execute its strategy.

WPP, along with the wider marketing services sector, has confounded the expectations of some commentators in recent years as concerns about structural challenges facing the industry have receded.

The Company has continued to grow, exploited the potential of new technologies, transformed its offer and maintained strong demand for its services from the world's leading organisations and brands.

It has also continued to attract outstandingly talented people, drawn by the strong culture of its agencies, its sense of purpose and its ambition to become the most creative company in the world.

Alongside the Company's robust balance sheet and compelling client offer, that talent is the foundation of our positive outlook for WPP. On behalf of the Board, I would like to extend my thanks to all our people worldwide for their commitment to their work and our clients in 2022 and beyond.



Roberto Quarta
Chairman
23 March 2023

GOVERNANCE AT A GLANCE

HIGHLIGHTS



COMPLIANCE WITH THE CODE

During the year ended 31 December 2022, the Company was compliant with the provisions of good governance contained in the 2018 UK Corporate Governance Code ('the Code'), except for the fact that Provision 38 of the Code was met part way through the year by the alignment of the CEO's pension with the wider workforce. For more detail see page 145. The table below shows where shareholders can find further information on how the Company has applied the principles of the Code. The Company's American Depositary Shares are listed on the New York Stock Exchange (NYSE) and the Company is therefore subject to the rules of the NYSE as well as to the US securities laws and the rules of the Securities and Exchange Commission (SEC) applicable to foreign private issuers. As the Company follows UK corporate governance standards, differences from the NYSE governance standards are summarised in the Company's Form 20-F filing.

1. BOARD LEADERSHIP AND COMPANY PURPOSE

- Long-term value and sustainability
- Culture
- Shareholder and other stakeholder engagement
- Conflicts of interest

READ MORE

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2. DIVISION OF RESPONSIBILITIES

- Role of the Chairman and Chief Executive Officer
- Non-Executive Directors

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3. COMPOSITION, SUCCESSION AND EVALUATION

- Appointment and succession planning
- Skills and experience
- Evaluation
- Diversity

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4. AUDIT, RISK AND INTERNAL CONTROL

- Integrity of financial statements
- Fair, balanced and understandable
- Internal controls and risk management
- External auditor
- Principal and emerging risks

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5. REMUNERATION

- Policies and practices
- Alignment with purpose, values and long-term strategy
- Independent judgement and discretion

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Pages 130-156

Pages 130-156

¹ Joanne Wilson will succeed John Rogers as CFO immediately following the announcement of the Company's 2023 First Quarter Trading Update

² Bloomberg Gender-Equality Index 2023

³ Corporate Equality Index 2022, Human Rights Campaign

⁴ FTSE Women Leaders Review 2022

OUR BOARD



ROBERTO QUARTA
CHAIRMAN

Appointed: 1 January 2015 (Chairman 9 June 2015) **C** **N**
Nationality: Italian and American

Skills and experience:

Roberto has extensive experience in corporate governance and global commerce, having served on the boards of a number of UK and international companies. His career in private equity brings valuable experience to WPP, particularly when evaluating acquisitions and new business opportunities.

Roberto is Chairman of Smith & Nephew plc, a Partner of Clayton, Dubilier & Rice, and Chairman of Clayton, Dubilier & Rice Europe. He is an Independent Non-Executive Director of Gulf Capital. Previously he was Chief Executive and then Chairman of BBA Group plc, Chairman of Rexel SA, Chairman of IMI plc and a Non-Executive Director at BAE Systems plc, Equant NV, Foster Wheeler AG and PowerGen plc.

External appointments:

Chairman, Smith & Nephew plc;¹ Partner, Clayton, Dubilier & Rice; Chairman, Clayton, Dubilier & Rice Europe; Independent Non-Executive Director, Gulf Capital.

¹ Roberto will step down as Chairman of Smith & Nephew plc in September 2023



MARK READ
CHIEF EXECUTIVE OFFICER

Appointed: 3 September 2018 **Nationality:** British

Skills and experience:

Mark has held multiple leadership positions at WPP since joining in 1989. As CEO of WPP Digital he was responsible for WPP's first moves into technology. In 2015, he became Global CEO of Wunderman, which he transformed into one of the world's leading agencies. Mark was voted the industry's Most Influential Person 2019 in Econsultancy's Top 100 Digital Agencies, and in 2022 was recognised as a Champion of Women in Business for the fifth consecutive year. Mark was awarded a Fellowship for outstanding services to the industry in the IPA's 2021 New Year's Honours.

Mark has an economics degree from Trinity College, Cambridge, was a Henry Fellow at Harvard University, and has an MBA from INSEAD.

External appointments:

Trustee, Natural History Museum.



JOHN ROGERS
CHIEF FINANCIAL OFFICER

Appointed: 3 February 2020, Chief Financial Officer from 1 May 2020¹
Nationality: British

Skills and experience:

John has extensive finance, strategy, digital, property and retail experience. He joined WPP from J Sainsbury plc where he was CEO of Sainsbury's Argos, and was previously CFO of J Sainsbury plc, responsible for business strategy, new business development, Sainsbury's Online and Sainsbury's Bank, in addition to its core finance functions.

John is a member of The Prince's Advisory Council for Accounting for Sustainability and sits on the Retail Sector Council, which acts as a point of liaison between the UK government and retail sector. John is an Independent Non-Executive Director of Grab Holdings Limited, a technology company listed on NASDAQ.

External appointments:

Member, The Prince's Advisory Council for Accounting for Sustainability; Member, Retail Sector Council; Independent Non-Executive Director, Grab Holdings Limited.

¹ It was announced in November 2022 that John Rogers would step down from the Company and be succeeded by Joanne Wilson, which will take effect immediately following the announcement of the Company's 2023 First Quarter Trading Update

INDEPENDENT NON-EXECUTIVE DIRECTOR



NICOLE SELIGMAN
SENIOR INDEPENDENT DIRECTOR,
NON-EXECUTIVE DIRECTOR

Appointed: 1 January 2014¹ **C** **N** **Nationality:** American

Skills and experience:

Nicole is a global business leader and an internationally recognised lawyer. She brings to the Board analytical skills, in-depth knowledge of public company corporate governance and a comprehensive understanding of media and business issues. Nicole was previously President of Sony Entertainment, Inc. and global General Counsel for Sony Corporation. Prior to that, as a partner at law firm Williams & Connolly, Nicole represented key public figures and major media and other companies in complex litigation.

She is a Magna Cum Laude graduate of both Harvard College and Harvard Law School.

External appointments:

Non-Executive Director, Paramount Global; Non-Executive Director, MeiraGTx Holdings plc; Non-Executive Director, Far Peak Acquisition Corporation; Vice Chair and Officer, Schwarzman Animal Mexican Center.

¹ Nicole will retire from the Board at the 2023 AGM

COMMITTEE MEMBERSHIP KEY

- A** Audit
- C** Compensation
- N** Nomination and Governance
- S** Sustainability
- Committee Chair

NON-EXECUTIVE DIRECTOR TENURE AS AT 31 DECEMBER 2022



- 0-3 years 5
- 3-6 years 3
- 6-9 years 3
- 9+ years 0

Director retirements during the year:

Jacques Aigrain retired from the Board on 24 May 2022
Sally Susman retired from the Board on 24 May 2022

INDEPENDENT NON-EXECUTIVE DIRECTORS



ANGELA AHRENDTS DBE
NON-EXECUTIVE DIRECTOR

Appointed: 1 July 2020 **S** **N** **Nationality:** British and American

Skills and experience:

Angela brings expertise as a leader of creative and technology-driven global businesses. From 2014 until 2019, she was Senior Vice President, Retail, at Apple Inc., where she integrated and redesigned the physical and digital global consumer experience. Angela was CEO of Burberry from 2006 to 2014, where she repositioned the brand as a luxury high-growth company and created the Burberry Foundation. Prior to Burberry, Angela was Executive Vice President at Liz Claiborne, Inc. and President of Donna Karan International, Inc. Angela was a member of the UK Prime Minister's Business Advisory Council from 2010 to 2015.

External appointments:

Non-Executive Director, Ralph Lauren Corporation and Airbnb, Inc.; Chair of Save the Children International; Non-Executive Director, Charity: water, Imagine and The HOW Institute for Society; Member of the Global Leadership Council of the Oxford University Saïd Business School and BritishAmerican Business International Advisory Board.



SIMON DINGEMANS
NON-EXECUTIVE DIRECTOR

Appointed: 31 January 2022 **A** **Nationality:** British

Skills and experience:

Simon has extensive business, capital markets, corporate finance and governance experience, and is currently a Senior Advisor at global investment firm The Carlyle Group. He was previously CFO of GlaxoSmithKline plc. Prior to GSK, Simon worked in investment banking at SG Warburg and then Goldman Sachs, where he was Managing Director and Partner for 10 years as a leader of its European M&A business and Head of UK Investment Banking. Simon is Chairman of Genomics plc and previously served as Chairman of the Financial Reporting Council and as Chairman of the 100 Group. Simon has a master's degree in geography from Oxford University.

External appointments:

Chairman, Genomics plc; Senior Advisor, The Carlyle Group.



SANDRINE DUFOUR
NON-EXECUTIVE DIRECTOR

Appointed: 3 February 2020 **A** **C** **Nationality:** French

Skills and experience:

Sandrine brings substantial financial expertise gained in global companies and strong strategic capability to the Board. Sandrine is currently CFO of UCB, a global pharmaceutical company. Previously she was CFO of Proximus. She held a number of leadership roles at Vivendi in France and the US across its entertainment and telecommunications business, and has an enthusiasm for cultural, technological and business transformation.

Sandrine began her career as a financial analyst at BNP and then Credit Agricole in the telecoms sector. She has held other non-executive director roles, most recently at Solocal Group.

External appointments:

Chief Financial Officer, UCB.



TAREK FARAHAT
NON-EXECUTIVE DIRECTOR

Appointed: 11 October 2016¹ **A** **Nationality:** Brazilian and Egyptian

Skills and experience:

Tarek has extensive leadership and brand-building experience gained in leading businesses in the Americas, Europe, Middle East and Africa. He worked for Procter & Gamble for over 26 years, where his last position was President of Procter & Gamble Latin America and member of the Global Leadership Council. Tarek was previously Chairman of JBS S.A. and a board member of Pilgrim's Pride Corporation and Alparagas. Tarek is currently a strategic advisor, consultant and partner for companies in the consumer goods, fintech and healthcare sectors.

Tarek is a graduate of the American University in Cairo, Faculty of Commerce and Finance.

External appointments:

Chairman and Co-Founder, GoPublic and Ponto-e.

¹ Tarek will step down from the Board following the conclusion of the Company's 2023 Annual General Meeting



TOM ILUBE CBE
NON-EXECUTIVE DIRECTOR

Appointed: 5 October 2020 **A** **C** **N** **Nationality:** British

Skills and experience:

Tom brings a wealth of expertise as a technology entrepreneur and has extensive experience of the UK technology sector. He is Chair of the Rugby Football Union (RFU) and CEO of Crossword Cybersecurity plc. Tom was previously Managing Director of Consumer Markets at Callcredit Information Group. Prior to Callcredit, Tom founded and was CEO of Garlik, an identity protection company.

Tom has honorary doctorates from City, University of London, Coventry University, Portsmouth University and the University of Wolverhampton, and is an Honorary Fellow of both Jesus College and St Anne's College, Oxford. In 2017 Tom topped the *Powerlist* ranking of the most influential people of African or African Caribbean heritage in the UK.

External appointments:

Founder and CEO, Crossword Cybersecurity plc; Chair, Iternal Limited (previously known as Deathio Ltd); Founder and Chair, African Gifted Foundation; Chair, The Rugby Football Union (RFU).

INDEPENDENT NON-EXECUTIVE DIRECTORS



CINDY ROSE OBE
NON-EXECUTIVE DIRECTOR

Appointed: 1 April 2019 **A C** **Nationality:** British and American

Skills and experience:

Cindy has extensive experience as a leader in the technology and media sectors, and brings exceptional knowledge of the role technology plays in business transformation. She was appointed Chief Operating Officer for Microsoft Global Enterprise in March 2023. Prior to this, Cindy was President of Microsoft Western Europe, and also CEO of Microsoft UK. She has also held the roles of Managing Director of the UK consumer division at Vodafone and Executive Director of Digital Entertainment at Virgin Media. She spent 15 years at The Walt Disney Company, ultimately as Senior Vice President and Managing Director of Disney Interactive Media Group.

Cindy is a graduate of Columbia University and New York Law School.

External appointments:

Chief Operating Officer, Microsoft Global Enterprise; Advisory Board Member, Imperial College Business School in London and McLaren.



KEITH WEED CBE
NON-EXECUTIVE DIRECTOR

Appointed: 1 November 2019 **S** **Nationality:** British

Skills and experience:

Keith has a wealth of experience as a marketing and digital leader, and a deep understanding of the ways in which technology is transforming businesses. Keith was previously Chief Marketing and Communications Officer at Unilever, a role that included creating and leading Unilever's sustainability programme. Keith was named the World's Most Influential Chief Marketing Officer by *Forbes* in 2017, 2018 and 2019, and Global Marketer of the Year 2017 by the World Federation of Advertisers.

He received *The Drum's* Lifetime Achievement Award in 2018 and was inducted into the Marketing Hall of Fame in 2019. Keith is a Non-Executive Director of J Sainsbury plc.

External appointments:

Non-Executive Director, J Sainsbury plc; Trustee Director, Business in the Community; Board Trustee, Grange Park Opera; President, Royal Horticultural Society; Board Trustee, Leverhulme Trust; Senior Advisor, Bain Capital, Alix Partners; Advisory Board Member, i-Genie and McLaren.



JASMINE WHITBREAD
NON-EXECUTIVE DIRECTOR

Appointed: 1 September 2019 **S C** **Nationality:** British and Swiss

Skills and experience:

Jasmine's experience spans marketing, technology, finance, media, telecommunications, and not-for-profit organisations. Alongside this breadth of perspective she brings knowledge of many of WPP's client sectors to the Board.

Jasmine began her career in marketing in the technology sector, including with Thomson Financial in the US. After completing the Stanford Executive Program, Jasmine went on to hold leadership roles with Oxfam and Save the Children, including as the first Chief Executive of Save the Children International from 2010 to 2015. She was CEO of London First from 2016 to 2021, and was previously a Non-Executive Director of BT Group plc.

External appointments:

Chair of the Board, Travis Perkins plc; Non-Executive Director, Standard Chartered plc;¹ Non-Executive Director, Compagnie Financière Richemont SA; Visiting Fellow, Oxford University.

¹ Jasmine will step down as Non-Executive Director of Standard Chartered plc at its 2023 AGM



DR. YA-QIN ZHANG
NON-EXECUTIVE DIRECTOR

Appointed: 1 January 2021 **S** **Nationality:** American

Skills and experience:

Ya-Qin is a world-renowned technologist, scientist and entrepreneur with a particular understanding of the changing consumer technology landscape in China. He was President of Baidu Inc., the global internet services and AI company, between 2014 and 2019. Prior to joining Baidu, he held several positions during his 16-year tenure at Microsoft, both in the United States and China, including Corporate Vice President and Chairman of Microsoft China. Ya-Qin is currently a Non-Executive Director of Asialfo Technologies Limited and ChinaSoft International Limited. He is also Chair Professor of AI Science at Tsinghua University and the founding Dean of the Institute for AI Industry Research.

External appointments:

Non-Executive Director, Asialfo Technologies Limited and ChinaSoft International Limited; Chair Professor, AI Science and Founding Dean, Institute for AI Industry Research, Tsinghua University.



BALBIR KELLY-BISLA
COMPANY SECRETARY

Appointed: 27 April 2020

Skills and experience:

Balbir has significant governance experience across various roles in listed companies, most recently as Company Secretary of William Hill plc. Prior to joining William Hill, Balbir was Director of Investor Relations at GlaxoSmithKline plc (GSK), leading on engagement with ESG-focused investors, and before that held company secretarial roles at GSK, Lastminute.com, Royal & Sun Alliance and Segro plc.

External appointments:

None.

DIRECTOR APPOINTMENT ANNOUNCED IN 2022



JOANNE WILSON
CHIEF FINANCIAL OFFICER¹

Appointment: 19 April 2023¹ **Nationality:** Irish

Skills and experience:

Joanne has extensive experience both in the UK and internationally in a variety of financial and commercial roles. She joins WPP from Britvic where she is currently Chief Financial Officer. Prior to this, Joanne had a successful career at Tesco where, at the time of leaving, she held the position of Chief Financial Officer of dunnhumby, a global leader in customer data science.

Joanne began her career at KPMG, where she qualified as a Chartered Accountant and spent three years in Hong Kong.

External appointments:

Non-Executive Director, Informa plc.

¹ Joanne Wilson will join the Board and become CFO designate on 19 April 2023 and succeed John Rogers as CFO immediately following the announcement of the Company's 2023 First Quarter Trading Update

OUR EXECUTIVE COMMITTEE

The Executive Committee of WPP is responsible for leading the Company and executing its strategy. Its members lead WPP's largest agency networks and central corporate functions

Other Executive Committee members during the year:

Andy Main retired from the Executive Committee on 7 September 2022.



MARK READ
CHIEF EXECUTIVE OFFICER
 Biography can be found on page 104.



JOHN ROGERS
CHIEF FINANCIAL OFFICER
 Biography can be found on page 104.



AJAZ AHMED
CHIEF EXECUTIVE OFFICER, AKQA
 Ajaz is the CEO of AKQA, which also includes Grey. Recognised as a creative pioneer, AKQA has won over 75 Agency of the Year awards.



DEVIKA BULCHANDANI
GLOBAL CHIEF EXECUTIVE OFFICER, OGIILVY
 Devika was appointed Global CEO of Ogilvy in 2022. She joined Ogilvy as CEO of North America in 2021. Prior to Ogilvy, Devika spent 26 years at McCann in various leadership positions.



JON COOK
GLOBAL CHIEF EXECUTIVE OFFICER, VMLY&R
 Jon has led VMLY&R since its formation in 2018 as WPP's global brand and customer experience agency. He was formerly Global CEO of VML, which he joined in 1996.



ANNAMARIA DESALVA
CHAIRMAN AND CEO, HILL+KNOWLTON STRATEGIES
 AnnaMaria rejoined Hill+Knowlton in 2019 after leading global corporate affairs at DuPont and serving as Senior Advisor to the CEO of DowDuPont. She previously worked in transformation roles at Pfizer. Currently she serves on governance boards in the industrials sector and in higher education.



MEL EDWARDS
GLOBAL CHIEF EXECUTIVE OFFICER, WUNDERMAN THOMPSON
 Mel was appointed as CEO of the newly formed Wunderman Thompson in 2018, having previously been the Global CEO of Wunderman. She joined Wunderman as UK CEO in 2012.



LAURENT EZEKIEL
CHIEF MARKETING & GROWTH OFFICER
 Laurent became WPP's first Chief Marketing & Growth Officer in 2019. He joined from Publicis where he was President of Digitas North America and International, and Global Client Leader for GSK.



JANE GERAGHTY
GLOBAL CHIEF EXECUTIVE OFFICER, LANDOR & FITCH
 Jane was appointed Landor & Fitch's Global CEO in 2017, having previously been President of EMEA. She has held senior positions at Naked Communications, ITV, Ogilvy New York, McCann-Erickson and Saatchi & Saatchi.



ADAM GERHART
GLOBAL CHIEF EXECUTIVE OFFICER,
MINDSHARE

Adam was appointed Global CEO of Mindshare in January 2021, having previously been its US CEO. He joined the agency 20 years ago as a media planner and has worked across the globe in a variety of roles and leadership positions.



RICHARD GLASSON
GLOBAL CHIEF EXECUTIVE OFFICER,
HOGARTH

Richard was appointed CEO of Hogarth Worldwide in 2016, having joined the company in 2011. Prior to this he was CEO of Gyro, the B2B marketing specialist.



ANDREA HARRIS
GROUP CHIEF COUNSEL

Andrea was appointed as Group Chief Counsel in 2005 having joined WPP in 1996. Andrea is Chair of the Risk Committee.



MICHAEL HOUSTON
WPP COUNTRY PRESIDENT, US

Michael became WPP's first Country President for the United States in 2022. Prior to this he held key positions at WPP agencies Young & Rubicam and Landor and, most recently, creative agency Grey Group where he served as Global CEO from 2017 to 2022.



DONNA IMPERATO
GLOBAL CHIEF EXECUTIVE OFFICER,
BCW

Donna became CEO of BCW, one of the world's largest earned-first creative communications agencies, in 2018. Before leading BCW, Donna was Global CEO of Cohn & Wolfe for 15 years. In January 2023 it was announced that Donna will retire as CEO during 2023 and step down once her successor is appointed.



CHRISTIAN JUHL
GLOBAL CHIEF EXECUTIVE OFFICER,
GROUPM

GroupM is the world's largest media investment group and home to WPP's media agencies. Formerly Global CEO of Essence, Christian was appointed CEO of GroupM in 2019.



LINDSAY PATTISON
CHIEF CLIENT OFFICER

Lindsay became Chief Client Officer of WPP in 2018. Prior roles include Chief Transformation Officer of WPP and Global CEO of Maxus, which she joined as UK CEO in 2009.



STEPHAN PRETORIUS
CHIEF TECHNOLOGY OFFICER

Stephan was appointed as WPP's first CTO in 2018. Before that he was UK Group CEO and Global CTO of Wunderman, having joined the agency in 2016.



ROB REILLY
GLOBAL CHIEF CREATIVE OFFICER

Rob joined in 2021 from McCann Worldgroup where he was Global Creative Chairman, after spending a decade at Crispin, Porter + Bogusky. In 2022, he led WPP to being named Creative Company of the Year at the Cannes Lions Festival of Creativity.



JENNIFER REMLING
GLOBAL CHIEF PEOPLE OFFICER

Jennifer was appointed Global Chief People Officer in October 2021, joining from GroupM where she held the same role. Jennifer has worked in senior positions across the industry, including at Essence, R/GA, AKQA, 360i and Sapient.



ANDREW SCOTT
CHIEF OPERATING OFFICER

Andrew joined WPP in 1999 as Director of Corporate Development. He held a number of other senior roles including Chief Operating Officer for Europe before being appointed COO in 2018.

HOW OUR BOARD ENGAGES WITH STAKEHOLDERS

OUR APPROACH TO ENGAGEMENT

Our stakeholders are central to our strategy and critical to the long-term success of our business. The Board oversees our approach to engagement as we seek feedback and make decisions for the long-term benefit of WPP. For each matter that comes before the Board for decision, the Board considers the likely consequences of any decision in the long term, identifies stakeholders who may be affected, and carefully considers their



interests and any potential impact as part of the decision-making process.

Our stakeholder engagement processes enable our Board to understand what matters to stakeholders most, consider carefully all relevant factors and select the course of action that best delivers long-term value for our stakeholders and protects their interests, reflecting what are referred to as Section 172 factors.

As a Jersey incorporated company, WPP is not subject to UK legislation. However, as a matter of good governance and in order to comply with the provisions of the 2018 UK Corporate Governance Code, the Board considers the matters described in Section 172 of the Companies Act 2006 in its decision-making. Section 172 factors are not only considered at Board level – they are part of our culture and help drive our business. Illustrations of this can be found throughout the Strategic Report.



ENGAGEMENT IN ACTION DURING 2022

The table below illustrates direct and indirect Board engagement with various stakeholders. Additional detail on how we have engaged with each of these stakeholder groups on an operational level can be found on page 22 within the Strategic Report.

STAKEHOLDER GROUP	DIRECT BOARD ENGAGEMENT	INDIRECT BOARD ENGAGEMENT	IMPACT OF ENGAGEMENT
 SHAREHOLDERS Our shareholders provide capital to invest in the business and support the valuation and liquidity of WPP shares. Shareholders benefit from the Board acting in the best interests of the Company and investing for long-term value generation.	<p>The Chief Executive Officer and the Chief Financial Officer hosted quarterly results presentations and took questions from investors and analysts.</p> <p>The Chairman, Chairs of the Board Committees and Executive Directors met regularly with institutional investors to discuss the business and to respond to any concerns.</p> <p>In 2022, the Chair of the Compensation Committee consulted with key shareholders in respect of potential changes to the Directors' Compensation Policy. For more detail see page 134.</p> <p>The 2022 AGM was live-streamed via a webcast hosted by the Chairman. Shareholders were able to watch the presentations and ask questions in advance and during the meeting.</p>	<p>Feedback to the Board on investor views, particularly from the Chairman, Chair of the Compensation Committee, Chief Executive Officer and Chief Financial Officer.</p> <p>Monthly reports to the Board detailing investor relations activities, key themes of interest from investors and share register composition and movements.</p> <p>Analyst and broker briefings and reports of meetings with major shareholders. Additionally, the Board received communications from major shareholders, including in respect of voting practices.</p>	<p>In 2022, the Board oversaw the return of £1.1 billion (2021: £1.0 billion) in cash to shareholders through dividends and share buybacks.</p> <p>Feedback from shareholders in respect to potential changes to the Directors' Compensation Policy helped to inform the Compensation Committee's final decision to not make any significant changes to the Policy at this time. Shareholders are being asked to approve an updated Policy which includes only minor amendments. For more detail see page 134.</p>
 GOVERNMENTS AND REGULATORS Governments receive the tax contributions we make to public finances, enabling them to invest in public services. Governments and regulators determine the policy frameworks that affect us and our stakeholders.	<p>As a listed global company, engagement with listing authorities and financial regulators.</p> <p>The Chief Executive Officer met with government representatives and regulators around the world, including through attendance at the World Economic Forum Annual meeting in Davos.</p> <p>Responded to government consultations, such as the Parker Review.</p>	<p>Reports to the Board and its Committees on regulatory changes from the Group Chief Counsel, Group Company Secretary and external auditor.</p> <p>Received reports from the Chief Sustainability Officer on regulatory changes with regards to ESG.</p> <p>Received reports from the Chief Privacy Officer and Global Data Protection Officer on changing regulatory landscapes with regards to data protection, security and privacy as well as data ethics and artificial intelligence.</p>	<p>In 2022 we contributed £1.5 billion in taxes to public finances (2021: £1.4 billion).</p> <p>Participated in consultations associated with ESG disclosure requirements and regulation, and supported efforts to increase ESG standardisation and alignment.</p>

ENGAGEMENT IN ACTION DURING 2022 CONTINUED

STAKEHOLDER GROUP	DIRECT BOARD ENGAGEMENT	INDIRECT BOARD ENGAGEMENT	IMPACT OF ENGAGEMENT
 <p>CLIENTS, PARTNERS AND SUPPLIERS</p> <p>Our clients come from businesses across every sector. The work we do for clients provides our revenue and helps them to grow their businesses, build relationships with their customers and ready themselves for future success.</p> <p>Our suppliers range from small businesses to the world's largest technology partners. They provide us with the products and services we need to meet our clients' needs.</p>	<p>Engaged with clients on issues including strategy, changes taking place in our market and understanding the changes taking place in our clients' and suppliers' markets.</p> <p>Through our Chief Executive Officer, engaged with suppliers in joint product development, skills development and joint go-to-market programmes.</p> <p>Board engagement with key partners and clients, including site meetings in various locations.</p>	<p>Received updates on WPP's client satisfaction scores.</p> <p>Received reports from operating companies, which included GroupM's global framework for media decarbonisation to support the commitment to decarbonise its media supply chain.</p> <p>Received deep-dive updates at each Board meeting from Global Client Leaders on key clients.</p> <p>WPP's Modern Slavery Act Statement, available on our website, is reviewed by the Sustainability Committee each year and recommended to the Board for approval. For more detail on how the Company manages modern slavery risk, see our website at wpp.com/sustainability/modern-slavery-act-statement</p>	<p>With respect to client satisfaction, we consistently achieved a Likelihood to Recommend score of 8.0 (out of 10) over the last year, including a DE&I score of 8.2.</p> <p>The Company developed a revised Assignment Acceptance Policy and Framework to help our agencies review potentially sensitive new client work. For more detail see page 77.</p>
 <p>PEOPLE</p> <p>We depend on the talent, creativity and technology skills of our people. And we want our employees to embrace our purpose, culture and values. In return, our people receive salaries, pension contributions, employee benefits, career development and training.</p>	<p>Cindy Rose, our Workforce Engagement Non-Executive Director, attended meetings of the Workforce Advisory Panel (WAP), in addition to the United States and India People Forums where possible, and updated the Board on matters discussed.</p> <p>The Chief Executive Officer hosted 10 townhalls and various leadership events, which gave him the chance to speak to our people directly and to hear from attendees in return.</p> <p>The Board engaged with senior managers at the Board strategy meeting and wider WPP management at the September 2022 leadership event.</p>	<p>Formal reports to the Board from the Chief Executive Officer and Chief People Officer included:</p> <ul style="list-style-type: none"> - Updates on new ways of working and WPP's new Making Space campaign (for more detail see page 9) - Updates on talent, career development and succession planning - Reports on employee mental health and wellbeing - In-depth reviews of the people strategy, people risk and workforce engagement - Progress on DE&I initiatives - Results of various employee engagement and culture monitoring surveys undertaken through the year and actions taken to address employee feedback <p>WPP's Global Inclusion Council met throughout the year to support the delivery of our diversity, equity and inclusion commitments.</p> <p>Reports at each Audit Committee meeting were received on issues raised via Right to Speak channels.</p>	<p>To align management with employees and shareholders, senior executives are being held to account on ESG metrics. DE&I goals continue to be included in incentive plans for senior executives, and carbon reduction targets were included in incentive plans for Executive Directors in 2022.</p> <p>To help us better support our people, we launched the refreshed All In staff survey in 2022, achieving our highest-ever engagement levels with 72,700 employees taking part. See page 36 for more details.</p> <p>In 2022, we invested £31.3 million in learning and development opportunities for our people.</p>

STAKEHOLDER GROUP	DIRECT BOARD ENGAGEMENT	INDIRECT BOARD ENGAGEMENT	IMPACT OF ENGAGEMENT
 <p>PLANET We are committed to responsible and sustainable business practices. We take steps to optimise our own environmental impact, but recognise that our greatest contribution to the planet is through our work with clients, which can shift attitudes and change behaviours to build a sustainable future and a more inclusive society.</p>	<p>The Board undertook deep-dives on a range of ESG topics, including media decarbonisation.</p> <p>Professor Dr Johan Rockström, the expert on climate change and sustainable development, engaged with and presented to the Board on climate-related issues.</p> <p>The Board and Sustainability Committee reviewed climate-related risks and opportunities as part of their review and approval of WPP's Task Force on Climate-related Financial Disclosures statement on page 220, in addition to including climate-related risks as an emerging risk. For more detail see page 97.</p>	<p>Reports to the Sustainability Committee included progress updates on the Company-wide sustainability strategy and industry-leading net zero carbon reduction commitments; progress on WPP's single-use plastics commitment, including adjusted commitment timescales; performance against science-based carbon reduction targets and sustainability KPIs including renewable energy; and stakeholder engagement and feedback. For more detail see page 128.</p>	<p>The Company launched a new Green Claims Guide, supported by training sessions, to help equip its people with principles and practical tips to make effective environmental claims and avoid misleading claims. For more detail see page 77.</p> <p>To support delivery of its science-based carbon reduction targets, the Company launched a programme to accelerate the decarbonisation of the world's media supply chain (see page 76).</p> <p>The Company made progress towards its commitment to phase out single-use plastics across campuses. Monitoring progress beyond campuses will remain a priority for the Sustainability Committee in 2023.</p>
 <p>COMMUNITIES We can help boost the impact of charities and non-governmental organisations by providing marketing and creative services, often on a pro bono basis, enabling them to raise awareness and funds, recruit members, and achieve campaign objectives. We believe, and so do many of our stakeholders, that acting responsibly is both the right thing to do and in our long-term interests.</p>	<p>The Board received updates on progress against the 2020 commitment to spend \$30 million over three years to fund internal and external racial equity programmes. For more detail on how we are investing in our communities, see page 79.</p>	<p>The Sustainability Committee oversaw the work on the sustainability strategy and the progress made on embedding Group-wide sustainability targets tied to the WPP purpose statement.</p> <p>Reports to the Sustainability Committee included updates on a new partnership with UNHCR to support those affected by events in Ukraine, the floods in Pakistan and the earthquakes in Turkey and Syria.</p> <p>Updates received from the business on elements of the Group's operations which impact the wider community, including the Group's tax strategy.</p>	<p>To support those affected by events in Ukraine, we formed a partnership with UNHCR, which raised \$1.34 million, and provided similar support for those impacted by floods in Pakistan and the earthquakes in Turkey and Syria.</p> <p>Since 2020, we have committed \$16.2 million to racial equity and inclusion programmes as part of WPP's commitment to invest \$30 million over three years. This excludes amounts invested in 2022 which we intend to report later in the year.</p> <p>Our total social contribution in 2022 was £35.5 million (2021: £41 million).</p>

DIVISION OF RESPONSIBILITIES

The WPP Board is committed to ensuring there is a strong and effective system of corporate governance in place to support the successful execution of the Company's strategy

GOVERNANCE MODEL

THE BOARD

- Responsible for the overall long-term success of WPP and for setting the Company's purpose, values and culture and strategic direction
- Oversees the implementation of appropriate risk assessment processes to identify and mitigate WPP's principal risks and consider emerging risks
- Responsible for corporate governance
- Oversees the execution of the strategy and responsible for the overall financial performance of the Company

The Matters Reserved for the Board are available on our website, wpp.com

CHAIR

- Responsible for Board governance principles, including setting the Board agenda and ensuring the Board receives timely and accurate information
- Ensures all Directors are enabled to play their full part in Board activities
- Represents the Board in discussions with shareholders and other stakeholders

CHIEF EXECUTIVE OFFICER

- Responsible for the day-to-day leadership of the Company, representing the Company to clients, employees, partners, suppliers, governments and other stakeholders
- Develops the strategic direction for consideration by the Board
- Sets the tone at the top with regard to culture and values
- Ensures there are effective processes for engaging with and listening to employees and other stakeholders

NON-EXECUTIVE DIRECTORS

- Bring an external perspective to support and challenge the performance of management
- Assist in developing the Company's strategy and offer specialist advice to management based on their particular skills and experience

SENIOR INDEPENDENT DIRECTOR

- Provides a sounding board for the Chair and acts as an intermediary for the other Directors
- Meets with the Non-Executive Directors (without the Chair present) when necessary and at least once a year to appraise the Chair's performance and communicates the results to the Chair

COMPANY SECRETARY

- Ensures the Board operates in accordance with the corporate governance framework and that there are good information flows between the Board and Committees
- Advises the Board on matters of corporate governance
- Supports the Board's development through organising training and induction programmes
- Supports the Board and Committee Chairs with annual agenda planning



BOARD COMMITTEES

NOMINATION AND GOVERNANCE COMMITTEE

- Reviews the size, skills, diversity, experience and composition of the Board
- Leads the process for Director appointments in conjunction with the Board and Director and senior management succession planning
- Oversees general governance matters, including the ongoing suitability of the governance framework

i Read more on page 118

AUDIT COMMITTEE

- Monitors the integrity of the financial statements
- Provides oversight of internal controls and risk management
- Manages the relationship with the external auditor, including making recommendations to the Board and shareholders in relation to the appointment and re-appointment of the external auditor

i Read more on page 122

COMPENSATION COMMITTEE

- Sets, reviews and recommends the policy on remuneration of the Chair, Executives and senior management team
- Recommends and monitors the implementation of the Company's overall remuneration policy and strategy
- Reviews the remuneration and related policies across the general workforce and the alignment of incentives and rewards with culture

i Read more on page 130

SUSTAINABILITY COMMITTEE

- Supports the Board in its oversight of corporate responsibility, sustainability and reputational matters
- Reviews and monitors implementation of the Company's sustainability strategy
- Reviews policy statements on environmental and social matters

i Read more on page 128



EXECUTIVE COMMITTEES

EXECUTIVE COMMITTEE

Assists the Chief Executive Officer in discharging his responsibilities and is collectively responsible for implementing strategy, ensuring consistent execution and embedding the Company's culture and values.

DISCLOSURE COMMITTEE

An executive Disclosure Committee responsible for overseeing the accuracy and timeliness of Group disclosures and reviewing controls and procedures in relation to the public disclosure of financial information.

RISK COMMITTEE

An executive Risk Committee, which assists the Board and Audit Committee in discharging their responsibilities by reviewing, monitoring and advising on the design and implementation of WPP's compliance framework, compliance policies and procedures and risks that present themselves throughout WPP.

BOARD ACTIVITIES

The key areas of focus considered by the Board during 2022 are set out below

The Board is responsible for setting the Company's purpose, values and culture, in addition to overseeing the Company's overall financial performance and execution of the strategy. The Board recognises the importance of considering the perspectives of, and the potential impact on, the Company's key stakeholders in its discussions. Its responsibilities are discharged through an annual programme of meetings, each of which follows a tailored agenda. A typical Board meeting will comprise reports on operational and financial performance including on the transformation programme, progress on strategy, people updates and a deep-dive into a particular ESG topic

MATTERS CONSIDERED

PERFORMANCE



- Received regular updates on the Group's financial performance
- Reviewed the Company's financial results, earnings guidance, investor materials and related announcements
- Considered performance against the 2021-2022 budget and agreed on the 2022-2023 budget
- Confirmation of the viability statement and going concern assessment
- Monitored progress of the transformation programme and received deep-dives on component parts

STRATEGY & PURPOSE



- Board strategy meeting held to consider the end-to-end strategy and to align around the vision and future prospects of the Company over the next three to five years, with a particular focus on key market trends, clients, culture, DE&I, creativity, key markets, data and commerce as well as broader themes in areas of geopolitics, innovation and ESG
- Regional review meeting held in Berlin to deep-dive into WPP's European businesses with a focus on geopolitical environment, European innovation, and opportunities and challenges in the market
- Received presentations from the agencies on their work to support WPP's strategy and updates on key clients
- Simplification activities, including: the merger of Essence and MediaCom to form EssenceMediacom and the formation of GroupM Nexus; the opening of new WPP campuses in Brussels, Düsseldorf, Santiago, Tokyo and Toronto in 2022 and Guangzhou, China (in 2023); and legal entity rationalisation
- Reviewed TCFD disclosures and climate-related physical and transition risks and opportunities
- Considered the timeline and approach for a net zero transition plan

PEOPLE & CULTURE



- Considered how the people strategy would enable the overall business strategy and foster the best possible culture
- Prioritised return to work initiatives. Received regular updates from the Chief People Officer on talent management, learning and development, succession planning and employee engagement, with a particular focus on driving greater diversity and inclusion supported by data and insights
- Endorsed implementation of Making Space, which began with a Company-wide break focused on giving people space to look after their wellbeing and inspire creativity
- Reviewed Company-wide All In survey results. For more details see page 36
- Received regular updates from the designated NED on the Workforce Advisory Panel and other People Forums
- Reviewed progress against the set of commitments and actions announced to advance racial equity

GOVERNANCE & COMPLIANCE



- Received reports from Board Committees and the external auditor
- Reviewed and approved the 2021 Annual Report, Form 20-F and Sustainability Report
- Reviewed the 2022 Modern Slavery Act Statement and approved it for publication on the Company website
- Reviewed Annual General Meeting arrangements and approved the 2022 Notice of Annual General Meeting
- Undertook and considered the output of an internally facilitated evaluation of the Board's effectiveness, the effectiveness of each committee and individual directors. For more details see page 119
- Continued focus on the Board's composition, diversity and succession plans, resulting in the appointment of a new Chief Financial Officer and new Senior Independent Director
- Reviewed the risk management and internal controls approach across the Group. For more details see page 124
- Carried out a robust assessment of the principal and emerging risks and uncertainties affecting the Group and the markets we operate in and broader reputational risks, as well as strategic risk reviews, including cyber and information security

COMPOSITION, SUCCESSION AND EVALUATION

BOARD ATTENDANCE TABLE: 2022

	Board	Audit Committee	Compensation Committee	Nomination and Governance Committee	Sustainability Committee
Total number of scheduled meetings	6	9	5	4	5
Members	Attended	Attended	Attended	Attended	Attended
Roberto Quarta	6		5	4	
Mark Read	6				
John Rogers	6				
Angela Ahrendts ¹	6			3(3)	5
Simon Dingemans – appointed on 31 January 2022	6	8(8)			
Sandrine Dufour	6	9	5		
Tarek Farahat	6	8			
Tom Ilube	6	9	5	4	
Cindy Rose	6	8	5		
Nicole Seligman	6		5	4	3
Keith Weed	6				5
Jasmine Whitbread	6		5		5
Dr. Ya-Qin Zhang ²	6				2(3)
Former Directors who served for part of the year					
Jacques Aigrain – retired on 24 May 2022	3(3)	4(4)	2(2)		
Sally Susman – retired on 24 May 2022	3(3)			0(1)	3(3)
Number of ad hoc meetings	5	0	5	0	1

For Directors who served for part of the year, the numbers in brackets denote the number of meetings the Directors were eligible to attend

¹ Angela Ahrendts joined the Nomination and Governance Committee in March 2022

² Dr. Ya-Qin Zhang joined the Sustainability Committee in March 2022

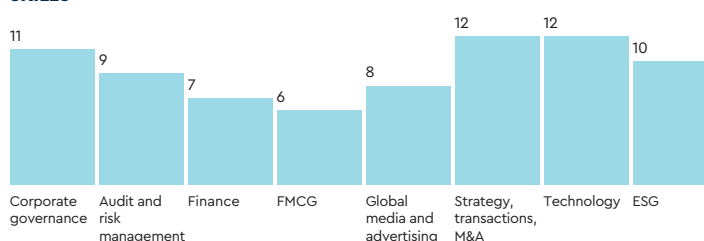
BOARD COMPOSITION

As at the date of this report, our Board comprised 10 independent Non-Executive Directors, the Chairman and two Executive Directors. The aim is to ensure the balance of the Board reflects the needs of the Company, is culturally diverse and is able to consider matters from a broad perspective, understanding the views of all our stakeholders. Each individual Board member brings a wide range of skills and experience from different business backgrounds to Board deliberations. Further details, including the external appointments held by Board members and their Committee membership, can be found on pages 104-106. Further detail on the responsibilities of the Chairman and members of the Board can be found on pages 112-113.

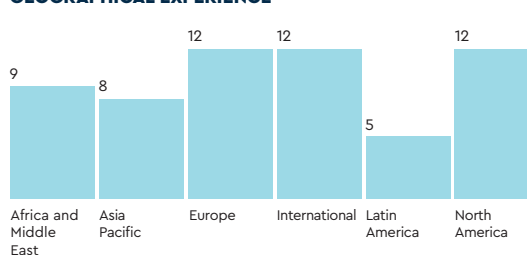
The chart opposite details those skills and experience of our Board which are identified as being particularly important to the execution of the Company's strategy.

OUR BOARD – A DIVERSE MIX OF SKILLS, EXPERIENCE AND KNOWLEDGE

SKILLS



GEOGRAPHICAL EXPERIENCE



DIVERSITY

WPP believes that diversity and difference power creativity. We foster an inclusive culture across WPP – one that is equitable and respectful of diverse thoughts and individual expression – and the same principle applies to the composition of our Board. The Board has a diverse range of experience by way of expertise, business sector background and length of tenure on the Board. Our Non-Executive Directors demonstrate expertise from a range of industries including tech, marketing, financial services, FMCG and pharma, representative of our customer base. The chart on page 115 illustrates the range of skills across the Board, with the new appointments in 2022-2023 bringing additional expertise in M&A, corporate governance and ESG.

The Board's Diversity Policy reinforces the Board's ongoing commitment to all aspects of diversity and supports the principles of the FTSE Women Leaders and Parker reviews on gender and ethnic diversity. The Policy was reviewed during the year and recommended updates were approved by the Board in February 2023. As part of Board discussions, recognition was given to the importance and benefits of greater diversity throughout the organisation. The targets of the policy and an update against each of them can be found on page 121, in addition to a breakdown of the Board and Executive Committee by gender and ethnicity. A copy of the Board Diversity Policy is available on the Company's website at wpp.com/investors/corporate-governance.

Diversity, equity and inclusion is also integrated across workforce policy and the Board is provided with regular updates covering a range of metrics and measures, including trends around gender and ethnic diversity. This year we were named in the Bloomberg Gender-Equality Index for the fifth consecutive year¹ and in the FTSE Women Leaders Review, WPP moved up from ninth to sixth in the FTSE 100.²

1 For more information see page 37

¹ Gender-Equality Index 2022, Bloomberg

² FTSE Women Leaders Review 2022

RE-ELECTION OF DIRECTORS

The Chairman, Senior Independent Director and Non-Executive Directors are appointed for a three-year term, subject to annual re-election by the shareholders at the AGM. With only specific exceptions to ensure Board continuity, Non-Executive Directors shall not stand for re-election after they have served for the period of their independence, as determined by applicable UK and United States' standards, which is nine years.

Nicole Seligman and Tarek Farahat will not stand for re-election at the AGM in 2023. With the exception of Joanne Wilson, who is standing for election for the first time, all other Directors will stand for re-election at the AGM with the support of the Board. The Non-Executive Directors' letters of appointment are available for inspection at the Company's registered office.

INDUCTION PROGRAMME

To ensure that they are able to effectively contribute to discussion and decision-making, all Directors participate in an induction programme on joining the Board. Each induction programme is tailored to the individual Director, based on their personal experience and background, including matters specific to their role as a member of the Committees upon which they sit.

Each induction programme includes meetings with members of the Executive Committee, senior management and external advisors including the external auditor and the Company's corporate brokers. New Directors will also receive a Board induction pack, which is devised to assist with building an understanding of the Company and to introduce the Company's key stakeholders, as well as explain the commercial and regulatory environment in which the Company operates. Access to key industry bodies and publications is also provided.

INDEMNIFICATION OF DIRECTORS

Liability insurance and third-party indemnity provisions are in force for the benefit of Directors and officers who held office during the year and up to the approval of the Annual Report.

BOARD EVALUATION

Each year, WPP completes a review of the Board and its Committees to monitor their effectiveness and identify improvement opportunities. Progress against the outcomes of the 2021 evaluation conducted by Nicole Seligman, Senior Independent Director, are set out in the table shown overleaf.

2022 BOARD EVALUATION

The 2022 evaluation was internally facilitated by the Senior Independent Director. The review comprised a questionnaire and discussions with each member of the Board based on a number of themes, including the Board's leadership, development and effectiveness and how the Board was working as a whole, performance and strategy including key challenges, risks and opportunities for WPP over the longer term and alignment of leadership skills, experience and expertise against them, stakeholder insights and broader additional areas of future focus.

The conclusions of the 2022 review were positive, confirming that the Board continues to operate effectively with strong leadership and a continual enhancement of skills and experience. The relationships among the Chairman, the Senior Independent Director, Non-Executive Directors and the Executive Directors remained of a high quality. Previous evaluation recommendations had been implemented effectively and the Board's strategic stewardship of key matters remained strong.

Key areas of focus in 2023 will be:

- **Briefings/deep-dives:** enhance depth of Board operational and commercial knowledge through deep-dive sessions outside scheduled meetings on key themes and component parts of the strategy including technology, key markets, key agency businesses and transformation workstreams
- **Stakeholder engagement and insights:** continue to identify and create opportunities to engage with the Company's broader stakeholder groups (internal and external) and receive insights on their views and expectations of the Company

- **Succession planning and talent development:** as well as continuing to review the optimal composition and skills of the Board, greater focus and time to be spent on WPP's senior leadership succession and talent development, reviewing key criteria and skillsets required for senior leadership positions to support the longer-term prospects of the Company, as well as engaging with the talent bench and hearing their views on key strengths, weaknesses, opportunities and threats for the organisation
- **Longer-term strategy and performance:** continue to focus on long-term strategy and organic and inorganic opportunities for margin enhancement and oversee key deliverables under the transformation programme

CHAIRMAN'S PERFORMANCE REVIEW

The Senior Independent Director met with the Non-Executive Directors during the year to appraise the performance of the Chairman.

BOARD TRAINING AND DEVELOPMENT

To assist the Board in undertaking its responsibilities, ongoing training is provided to all Directors and training needs are assessed as part of the induction programme and Board evaluation process. In 2022, the Board programme included regular presentations from the management teams of our businesses on developments in WPP's sector and operating environment, particularly focused on financial and IT transformation, metaverse, ESG and key emerging risks.

At the Board strategy meeting in October, members of the senior management team, together with the Board, had an opportunity to review WPP's strategy for performance, data and transformation.

The Group Chief Counsel and the Group Company Secretary provide regular updates on current legal and governance matters relevant to WPP, with external counsel providing briefings on the wider landscape. The Board activities schedule on page 114 sets out further detail on topics covered during the year.

The Board is asked to complete a programme of training covering How We Behave, Business Integrity, Safer Data and Sustainability, which are connected to the ethical and business objectives set out in our Code of Conduct. As part of our ongoing commitment to create more open and inclusive workplaces, the Board is also asked to complete a dedicated Company-wide inclusion module – Belonging at WPP.

All Directors have access to the advice and services of the Group Chief Counsel and the Group Company Secretary. The Board also obtains advice from professional advisors, as and when required, and Directors may, as required, obtain external advice at the expense of the Company.

TIME COMMITMENT

In addition to attending Board and Committee meetings, each of the Non-Executive Directors devotes sufficient time to the Company to ensure that their responsibilities are met effectively. When making new appointments, the Board takes into account other demands on Directors' time. Prior to appointment, significant commitments are disclosed by Directors to the Board. Any additional external appointments are not undertaken by any of the Directors without prior approval from the Board.

KEY RECOMMENDATIONS FOR 2022

- **STRATEGY AND PERFORMANCE**
Create further engagement opportunities with stakeholders to receive insights and enhance visibility of the emerging and evolving landscape. Ensure there is continued and dedicated focus on the transformation programme including performance of the component parts
- **SUCCESSION PLANNING**
Continue to strengthen leadership, talent, diversity and succession for key senior management positions, and consider future Board and committee composition
- **RISK/RISK APPETITE**
Further align approach to risk appetite across the organisation to support the longer-term strategy and inform key decisions. Monitor cyber risk and resilience across the organisation
- **MEETING AGENDAS**
Improve the balance between presentation and discussion at meetings to create more time for debate

WHAT WE HAVE DONE IN 2022

- The agendas delivered at the Board regional review and strategy meetings in particular ensured there was a mixture of internal and external insights shared, including on external market perception, digital transformation and innovation in response to the changing landscape and future trends. The Board received deep-dives on key transformation workstreams at each Board meeting
- Leadership talent and development and succession remained a focus through the year with the Board being kept apprised of initiatives in place to strengthen and support key talent
- A full review of enterprise risk across the organisation and external risk factors was conducted. Key aspects of the strategy and operations across the organisation are continually tracked and monitored from a risk perspective, including emerging risks. IT and cyber risk updates were regularly shared with both the Audit Committee and Board, and a summary dashboard was introduced to monitor progress, including on infrastructure and cyber capabilities and ongoing assessments of aged technology, cyber vulnerabilities and business continuity risk
- Presenters received guidance on both the content and format of presentations, final versions of which were reviewed by the CEO or CFO to ensure they covered the salient points and were succinct enough to allow more time for discussion. Presenters were encouraged to focus on areas where the Board's input would be particularly valuable

NOMINATION AND GOVERNANCE COMMITTEE REPORT

Committee members

- Roberto Quarta (Chair)
- Nicole Seligman
- Tom Ilube CBE
- Angela Ahrendts DBE (appointed 15 March 2022)

The Company Secretary is Secretary to the Committee and attends all meetings.

Key responsibilities:

- Reviewing the composition of the Board including the balance of skills, knowledge and expertise, experience and diversity
- In conjunction with the Board, considering succession planning for Non-Executive Directors, Executive Directors and senior management
- Making recommendations to the Board for the appointment or reappointment of Directors
- Considering other significant commitments of prospective directors and reviewing the external commitments of Directors
- Monitoring external governance developments and bringing any issues to the attention of the Board

Attendance at Committee meetings during the year can be found on page 115.



ROBERTO QUARTA
CHAIR OF THE NOMINATION AND GOVERNANCE COMMITTEE

DEAR SHAREHOLDER

As Chair of the Nomination and Governance Committee, I am pleased to present the Committee's 2022 report.

During the year, the Committee continued to focus on near- to medium-term succession planning, with a particular focus on appointing a new Senior Independent Director. As noted in last year's report, Nicole Seligman will retire from the Board at the 2023 AGM having completed her nine-year tenure. The Committee, with the initial assistance of Russell Reynolds, led the search process based on agreed criteria and I am delighted that Angela Ahrendts has agreed to be appointed as Senior Independent Director with effect from the conclusion of the 2023 AGM. Angela will bring deep knowledge and insight to this important role and lead the process for my successor.

The Committee, with further assistance from Russell Reynolds, also led the search process for a Chief Financial Officer to succeed John Rogers following his decision to step down from the Company. Following a formal, inclusive and extensive selection process, the Board appointed Joanne Wilson to succeed John as Chief Financial Officer, which will take effect immediately following the announcement of the Company's 2023 First Quarter Trading Update. More detail on the appointment process is set out overleaf. Joanne is a highly regarded CFO and leader, and we look forward to welcoming her to WPP this year.

Any decisions relating to the appointment of Directors are made by the entire Board based on the merits of the candidates and the relevance of their background and experience, measured against objective criteria, with care taken to ensure that appointees have enough time to devote to our business. Detail of the Committee's review of the Board Diversity Policy and its assessment of progress against it can be found on pages 120-121, alongside gender identity and ethnic background information, which has been presented in accordance with FCA Listing Rules on an early adoption basis.

The Committee also considered the findings of the 2022 Board evaluation which was conducted internally by Nicole Seligman in her capacity as Senior Independent Director. I am pleased that the review concluded that the Committee and the Board are operating effectively.

Lastly, the Committee continued to review action taken to comply with the Code and other legal, governance and regulatory obligations during the year.

I would like to thank Nicole both personally and on behalf of the Board for her outstanding commitment and invaluable contribution to the Board and its committees throughout her tenure. I should also like to thank the other Committee members for their dedication and support throughout the year. The sections that follow provide more detail on the work undertaken by the Committee during the year.

Roberto Quarta
Chair of the Nomination and Governance Committee
23 March 2023

BOARD AND COMMITTEE CHANGES

As mentioned in last year's report, Simon Dingemans was appointed on 31 January 2022 and Jacques Aigrain and Sally Susman did not stand for re-election at the AGM in 2022. Nicole Seligman and Tarek Farahat will not be standing for re-election at the AGM in 2023. It was announced in November 2022 that John Rogers had decided to step down from the Company and would be succeeded by Joanne Wilson, which will take effect immediately following the announcement of the Company's 2023 First Quarter Trading Update.

We also made a number of changes to Committee membership in early 2022, as disclosed in last year's report. In addition, as announced on 15 March 2023, Cindy Rose will step down as a member of the Compensation Committee and will join the Nomination and Governance Committee with effect from the conclusion of the 2023 AGM.

SUCCESSION PLANNING

The Committee, with the assistance of Russell Reynolds, who are independent of the Company and all the Directors, led the search for a new Chief Financial Officer to succeed John Rogers following his decision to step down from the Company. A formal selection process that was inclusive and extensive was followed by an interview process which gave the Non-Executive Directors the opportunity to meet the shortlisted candidates. The Non-Executive Directors were kept well informed throughout the process and the Chair received support from the Global Chief People Officer and the Company Secretary.

Board succession planning, from the perspective of addressing diversity and governance requirements, following the planned Senior Independent Director departure at the 2023 AGM, also formed a key area of focus this year.

The Committee, having considered the criteria, relevant skills, experience and expertise needed on the Board, with the initial assistance of Russell Reynolds, led the search for a new Senior Independent Director with business leadership expertise as well as strong facilitation and engagement skills. The Committee considered a list of potential internal and external candidates

and took into account the balance of skills, knowledge, independence, diversity and experience of the Board, together with an assessment of the time commitment expected. The preferred candidate met with the Chair and other members of the Committee and Board, following which the Committee recommended to the Board the appointment of Angela Ahrendts.

Joanne Wilson will stand for election at the AGM. All other Directors, with the exception of Nicole Seligman and Tarek Farahat, will stand for re-election.

The Committee will continue to review and refresh the composition and size of the Board and its Committees to ensure we have the right balance of skills and attributes and fresh perspectives, to support the next stage of the Company's growth and long-term strategy. The Committee recommended that given the current size of the Board, future appointments should be made on a needs basis.

The Committee supported the Board on succession plans for senior management and Executive Committee members to ensure a diverse pipeline of potential successors to continue to support the longer-term prospects of the business.

INDEPENDENCE OF NON-EXECUTIVE DIRECTORS

The Committee assessed the independence of all the Non-Executive Directors pursuant to the Code and concluded that all are considered independent and continue to make independent contributions and effectively challenge management. The Committee was satisfied with the contributions and time commitment of all the Non-Executive Directors during the year.

2022 AGM VOTING OUTCOMES

At the Company's AGM in 2022 some shareholders expressed concerns with the number of directorships of listed companies held by Jasmine Whitbread, and the potential impact on her time commitment to WPP. The Board believes that Jasmine has brought and continues to bring considerable business experience and knowledge of the client sectors that WPP serves and makes a valuable contribution to the work of the Board, as set out in the

CHIEF FINANCIAL OFFICER APPOINTMENT PROCESS

- STEP 1** The Committee engaged Russell Reynolds and agreed a search specification and preferred attributes, relevant skills, experience and expertise.
- STEP 2** The Chair and other members of the Committee and Board met with the shortlisted candidates. Following the interviews, the Nomination and Governance Committee members met to discuss feedback.
- STEP 3** The Committee was unanimous in its final selection and recommended to the Board that Joanne Wilson be appointed as Chief Financial Officer.
- STEP 4** The Compensation Committee approved the terms and conditions relating to Joanne Wilson's remuneration arrangements.
- STEP 5** Joanne Wilson's appointment as Chief Financial Officer was approved by the Board and announced on 8 November 2022 and will take effect immediately following the announcement of the Company's 2023 First Quarter Trading Update.

statement on the AGM section of our website at wpp.com. The Board is satisfied that all Directors, including Jasmine, continue to make effective and valuable contributions to the Board and continue to devote sufficient time to discharging their responsibilities as Directors of WPP.

2022 BOARD EVALUATION

The Committee considered the findings of the 2022 Board evaluation.

The performance of the Committee was considered as part of the 2022 Board evaluation process, which concluded that the Committee is operating effectively and continues to successfully plan for and ensure Board composition is aligned to strategy and governance requirements, and reflects greater diversity and an enhanced mix of skills and expertise. Further details on the process and output of the Board evaluation are set out on page 116.

GOVERNANCE

The Committee has responsibility for overseeing the effective governance of the Board and its Committees and for making recommendations to the Board to ensure arrangements are consistent with emerging best practice. During the year, the Committee reviewed action taken to comply with the Code and other legal, governance and regulatory obligations. The Committee also reviewed and recommended for Board approval the Directors External Appointments Policy in December 2022.

WORKFORCE ENGAGEMENT

Cindy Rose continued to fulfil the position of designated Non-Executive Director for WPP's established UK Workforce Advisory Panel (WAP). As noted in last year's report, similar People Forums were established during 2021 in the United States and India to enable further engagement with the Company's global employee base.

Cindy regularly attends the WAP meetings and where possible, the United States and India People Forums, and presents updates on issues discussed at Board meetings as well as engaging with and hearing from our people on a broad range of topics. Agendas for the WAP meetings are set by WAP members, views and insights from the various forums are shared directly with the Board, and the Board's feedback on how the insights have informed decision making is presented back. During 2022, Jasmine Whitbread, Chair of the Compensation Committee, the WPP Chief People Officer and the Global Head of Reward attended WAP meetings as guests to engage with members on remuneration and the impact of remuneration policy and outcomes. Issues raised at the WAP meetings and People Forums included: return to office plans; cost of living concerns; employee retention; and diversity and inclusion.

The Chief Executive Officer and the Chief People Officer provided frequent people updates to the Board, including results on various employee engagement and culture monitoring surveys undertaken throughout the year on a range of topics from career growth and development to engagement, belonging and wellbeing. In addition, the Global Inclusion Council met throughout the year to support the delivery of the Company's diversity, equity and inclusion commitments. For more information on initiatives to engage with our people and actions taken, please see page 36.

CONFLICTS OF INTEREST

The Committee and the Board are satisfied that the external commitments of the Non-Executive Directors and of me, your Chairman, do not conflict with our duties and commitments as Directors of the Company, and that each Non-Executive Director is able to dedicate sufficient time to the Company's affairs.

Directors have a duty to avoid a situation in which they have, or may have, a direct or indirect interest that conflicts, or might conflict, with the interests of the Company. This duty is in addition to the existing duty owed to the Company to disclose to the Board any interest in a transaction or arrangement under consideration by the Company. Our Directors must: report any changes to their commitments to the Committee; immediately notify the Company of actual or potential conflicts or a change in circumstances relating to an existing authorisation; and complete an annual conflicts questionnaire. Any conflicts or potential conflicts identified are considered and, as appropriate, authorised by the Board in accordance with the Company's Articles of Association. A register of authorised conflicts is also reviewed periodically.

During the financial year, no actual or potential conflicts were identified.

FOCUS FOR 2023

The Committee, in conjunction with the Board, will continue to review succession plans both at the Board, Executive Committee and senior management level to develop a strong and diverse talent pipeline. In particular, the Committee, led by the Senior Independent Director, will focus on the search for a new Non-Executive Chair, in addition to building an induction and training programme to support the appointment process.

The Committee will also continue to monitor external governance developments likely to impact the operation of the Board.

TERMS OF REFERENCE

The Committee's terms of reference are reviewed annually by the Committee and adopted by the Board, most recently on 1 February 2023. A copy of the Committee's terms of reference is available on the Company's website at wpp.com/investors/corporate-governance.

BOARD DIVERSITY POLICY

In February 2023, the Committee reviewed the Board Diversity Policy and associated targets. The review recommended policy changes and proposed new diversity targets, which the Board approved on 1 February 2023. As part of Board discussions, recognition was given to the importance and benefits of greater diversity throughout the organisation. The targets of the policy and an update against each of them are set out overleaf. A copy of the Board Diversity Policy is available on the Company's website at wpp.com/investors/corporate-governance.

BOARD DIVERSITY POLICY – TARGETS

PREVIOUS POLICY TARGETS ¹	PROGRESS AGAINST TARGETS	POLICY TARGETS FOR 2023/2024	POSITION AGAINST TARGETS FOR 2023/2024 ²
33% female share of Board Directors by 2020	As at 31 December 2022, women represented 38% of the Board, as shown in the below gender identity table	To maintain a minimum of 40% female share of Board Directors	As at the date of this report, women represent 38% of the Board The Board recognises that it may fall short of the policy's stated aim for periods of time while the Board is refreshed. When Joanne Wilson succeeds John Rogers as CFO following the announcement of the Company's 2023 First Quarter Trading Update, the proportion of women on the Board will be 46%. Our ambition for Board gender diversity remains to reach parity
Minimum of one Board Director from a minority ethnic background by 2021	As at 31 December 2022, three Board Directors were from a minority ethnic background, as shown in the below ethnic background table	To maintain a minimum of 10% share of Board Directors from an ethnic minority background	As at the date of this report, there continues to be three Board Directors from an ethnic minority background, equating to a 23% share
N/A	N/A	To maintain at least one female in the senior Board positions of Chair, Senior Independent Director, Chief Executive Officer or Chief Financial Officer	As at the date of this report, one senior Board member is a woman When Joanne Wilson succeeds John Rogers as CFO following the announcement of the Company's 2023 First Quarter Trading Update, two senior Board members will be women

¹ Previously recommended by the Hampton-Alexander Review and Parker Review
² Further information on Board composition and diversity can be found on pages 115-116

TABLES PRESENTED WITH REFERENCE TO LISTING RULE 9.8.6, AS AT 31 DECEMBER 2022

GENDER IDENTITY

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	8	62%	3	12	60%
Women	5	38%	1	8	40%
Not specified/prefer not to say	-	-	-	-	-

ETHNIC BACKGROUND

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other white (including minority-white groups)	10	77%	4	16	80%
Mixed/multiple ethnic groups	1	8%	-	1	5%
Asian/Asian British	1	8%	-	1	5%
Black/African/Caribbean/Black British	-	-	-	-	-
Other ethnic group, including Arab	1	8%	-	-	-
Not specified/prefer not to say	-	-	-	2	10%

AUDIT COMMITTEE REPORT

Committee members

- Sandrine Dufour (Chair)
- Tarek Farahat
- Cindy Rose OBE
- Tom Ilube CBE
- Simon Dingemans (appointed 31 January 2022)

The Company Secretary is Secretary to the Committee and attends all meetings.

The entire Board is invited to attend the Committee meetings and typically the Chair of the Board and the Senior Independent Director attend. Other regular attendees include the Chief Executive Officer, the Chief Financial Officer, the Chief Operating Officer, the Group Chief Counsel, the Group Finance Director, the Group Finance Controller, the Global Director Risk and Controls, the General Counsel Corporate Risk, the Director of Internal Audit, and the external auditor.

The Board has determined that Sandrine Dufour is the Audit Committee financial expert as defined by the Sarbanes-Oxley Act 2002 and, together with Tarek Farahat and Simon Dingemans, has recent and relevant financial experience for the purposes of the 2018 UK Corporate Governance Code. The members of the Committee have been determined to be independent within the meaning of the applicable NYSE listing standards and rules of the Securities Exchange Act 1934, as amended. The Committee has, as a whole, competence relevant to the sectors in which the Company operates.

Key responsibilities

- Monitoring the integrity of financial information provided to shareholders, including the review of significant financial reporting judgements
- Reviewing the integrity, adequacy and effectiveness of the Company's internal financial controls and the internal control and risk management systems, including the risk management framework and related compliance activities and the assessment of principal and emerging risks
- Monitoring and reviewing the Company's internal audit function effectiveness and activities
- Reviewing the selection and appointment of the external auditor
- Reviewing the effectiveness of the external audit process and reviewing and monitoring the independence and objectivity of the external auditor

Attendance at Committee meetings during the year can be found on page 115.



SANDRINE DUFOUR
CHAIR OF THE AUDIT COMMITTEE

DEAR SHAREHOLDER

As Chair of the Audit Committee, I am pleased to present the Committee's 2022 report, my first having taken over the role of Chair from Jacques Aigrain during the year. I would like to thank Jacques for his valuable contributions to the Committee and smooth handover. In the following pages of this report, we have set out an overview of the activities undertaken or overseen by the Committee during the year.

The Committee has discharged its important oversight role, in accordance with its terms of reference, to monitor the integrity of the Company's financial reporting and the effectiveness of internal control and risk management systems on which it has reported to the Board.

Key areas of focus for the Committee in 2022 included:

- Continuing to provide oversight of the financial reporting process and integrity of the financial statements
- Monitoring the role and performance of the Risk and Controls Group against its objectives, including for the continuous improvement of the control environment
- Considering the identification and review of emerging risks, including ongoing macroeconomic uncertainty, global climate change and sustainability and associated impacts to the regulatory landscape

- Reviewing headline cyber security risks and vulnerability management capabilities
- Overseeing initial audit transition activities, following the Board's decision, subject to shareholder approval, to appoint PricewaterhouseCoopers LLP (PwC) as external auditor from the Company's 2024 financial year onwards
- Ongoing monitoring of the business integrity programme, including oversight of whistleblower reports
- Monitoring progress against the internal audit plan and reviewing the effectiveness of the internal audit function
- Providing recommendations to the Board to extend the share buyback programme

Other reviews undertaken in 2022 by the Committee included:

- Group tax strategy, performance and drivers of the Group effective tax rate;
- Reports on any actual or potential material litigation
- Group Treasury performance and risk management
- Reports on UK corporate reporting and audit reform initiatives
- Supply chain finance
- Enterprise risk management and the risk management framework
- Procurement organisational design
- Reports on data protection and data privacy

The Chief Financial Officer and Chief Information Officer provided regular updates directly to the Board on the IT and finance components of the transformation programme, as well as deep-dives on other parts. The Board also established a Transformation Board sub-Committee to oversee programme aspects in greater depth.

During 2023 the Committee will provide oversight of the CFO transition including transformation programme responsibilities following the appointment of Joanne Wilson, who will succeed John Rogers as Chief Financial Officer.

The annual Board effectiveness evaluation assessed the performance of the Committee and I am pleased that this concluded that the Committee operates effectively and the Board takes reassurance from the quality of the Committee's work. The Board is satisfied that the Committee members bring a wide range and depth of financial and commercial experience and, in addition to those members designated to have recent and relevant financial experience for the purposes of the 2018 UK Corporate Governance Code (the 'Code'), Tom Ilube and Cindy Rose bring extensive subject matter and process expertise including on emerging technologies and cyber security to the Committee's membership.

The sections that follow provide a more detailed explanation of the work of the Committee undertaken during the year.

Sandrine Dufour
Chair of the Audit Committee
23 March 2023

FINANCIAL REPORTING

The Committee is responsible for reviewing the quarterly, half yearly and annual financial results, including the Annual Report, with management, focusing on the integrity of the financial reporting process, compliance with relevant legal and financial reporting standards and application of accounting policies and judgements.

During the year, the Committee considered management's application of key accounting policies, compliance with disclosure requirements and relevant information presented on significant matters of judgement to ensure the adequacy, clarity and completeness of half yearly and annual financial results announcements. The Committee undertook a detailed review before recommending to the Board that the Company continues to adopt the going concern basis in preparing the annual financial statements.

The Committee also reviewed various materials to support the statements in the Annual Report on risk management and internal control and the assessment of the Company's long-term viability – see page 90 for more details.

FAIR, BALANCED AND UNDERSTANDABLE

To support the Board's confirmation that the Annual Report and Accounts, taken as a whole, is considered to be fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy, the Committee oversaw the process by which the Annual Report and Accounts were prepared.

The Committee received a summary of the approach taken by management in the preparation of the Annual Report and Accounts, and considered in particular: the accuracy, integrity and consistency of the messages conveyed in the Annual Report; the appropriateness of the level of detail in the narrative reporting; and that a balance had been sought between describing potential challenges and opportunities.

The Committee therefore recommended to the Board (which the Board subsequently approved) that, taken as a whole, the 2022 Annual Report and Accounts is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy.

INTERNAL AUDIT

The Internal Audit team, which reports functionally to the Audit Committee, provides independent assurance over the Company's risk management and internal controls processes via internal audits and the testing programme for the Sarbanes-Oxley Act. The Internal Audit team has unrestricted access to all Group documentation, premises, functions and employees to enable it to perform its work.

The Committee Chair met regularly with the Director of Internal Audit during the year without executive management present to discuss risk matters and the nature of internal audit findings in more depth. The Director of Internal Audit formally reports to each Committee meeting on the key internal audit findings, together with the status of management's implementation of recommendations. On a quarterly basis this includes key themes from internal audit's work. Significant issues identified were discussed in detail by the Committee along with the remediation plans to resolve them.

The annual internal audit plan includes assurance over the Group's transformation activities, other key projects and initiatives, and audits of key business risks and operating companies. It was approved by the Committee and progress against the plan was monitored throughout the year with any changes to the plan noted and approved by the Committee. The team continued to operate successfully remotely and have recommenced limited international travel in some regions to deliver audit work.

We are satisfied that the scope, extent and effectiveness of internal audit work are appropriate for the Group and that there is an appropriate plan in place to sustain and continually improve this.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for setting the Company's risk appetite and for ensuring there is effective risk management. The Committee supports the Board in the management of risk and, in 2022, was responsible for monitoring and reviewing the effectiveness of the Company's approach to risk management and the internal control framework.

Under the overall supervision of the Committee, the WPP Risk Committee, an executive committee supported by Risk Committees in each network, identifies and assesses emerging and principal risks and oversees and manages day-to-day risk in the business. The General Counsel, Corporate Risk provides regular updates to the Committee on risk matters including emerging risks, adherence to the Company's business integrity programme (including mitigating and remediation actions) and the monitoring and evolution of the Company's four risk modules: governance, culture, appetite and management.

An overview of how our risks are assessed and managed and how these were reviewed to assess the Company's viability can be found on pages 86 to 89, together with an assessment of the principal risks and uncertainties facing the Company on pages 91 to 97.

In fulfilling its responsibilities, the Committee received reports throughout 2022 to enable evaluation of the control environment and risk management framework.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Committee carried out in-depth reviews of the Group's internal controls over financial reporting, with a focus on monitoring and compliance with Section 404 of the Sarbanes-Oxley Act.

During 2022, the Committee monitored the effectiveness of the internal financial controls and internal control system of the Group. This primarily consisted of reviewing assurance reports from internal audit on the effectiveness of the internal controls and being provided frequent updates of the status of and reviewing the conclusions of management's assessment of internal control over financial reporting. Management's assessment was based on the internal audit testing plan reviewed by the Committee in early 2022, which used the criteria for effective internal control reflected in the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Management evaluated all internal control deficiencies identified throughout the Group both individually and in the aggregate, to conclude on the effectiveness of the Group's internal control framework and reported these conclusions to the Committee.

BUSINESS INTEGRITY

During the year, the Committee reviewed the adherence to, and evolution of, the business integrity programme. The Company has established procedures by which all employees may, in confidence (and, if they wish, anonymously) report any concerns and more information on this can be found on page 87. The Committee received regular updates on the Company's systems and controls for ethical behaviour, which included matters reported on the Company's Right to Speak helpline and investigations and actions undertaken in response. The Committee received regular reports on the total number and nature of reports from whistleblowers and investigations by region and by network both for substantiated and unsubstantiated cases. During the year the Committee was satisfied that the Right to Speak helpline arrangements are effective and facilitate the proportionate and independent investigation of reported matters and allow appropriate follow-up action.

TERMS OF REFERENCE

The Committee's terms of reference are reviewed annually by the Committee and adopted by the Board, most recently on 1 February 2023. A copy of the Committee's terms of reference is available on the Company's website at wpp.com/investors/corporate-governance.

EXTERNAL AUDITOR

The Committee has primary responsibility for overseeing the relationship with the external auditor, including assessing its performance, effectiveness and independence annually prior to making a recommendation to the Board in respect of its reappointment or removal.

The Company has complied with the Competition and Markets Authority's Statutory Audit Services Order 2014 for the financial year under review in respect to audit tendering and the provision of non-audit services.

AUDIT TENDER

In last year's report, we advised shareholders that after the conclusion of a competitive audit contract tender and for purposes of compliance with applicable auditor rotation rules, the Board appointed, upon the Committee's recommendation, PricewaterhouseCoopers LLP (PwC) as the Company's new independent auditor commencing with the audit of the Company's 2024 financial year. PwC's appointment remains subject to shareholder approval to be obtained at the Company's 2024 AGM. Deloitte was re-elected at our 2022 AGM, will be proposed for re-election at our 2023 AGM, and will continue in office until they complete the audit for the financial year ending 31 December 2023.

A transition governance group (Governance Group) was established during 2021. It is led by the Group Finance Director and includes representation from WPP, PwC and Deloitte. Ten workstream teams, consisting of members from both WPP and PwC, have coordinated during 2022 to ensure all aspects of the transition are proactively managed. The workstreams have provided regular updates to the Governance Group, which in turn provided quarterly updates to the Committee. This has supported the Committee in overseeing the initial audit transition activities from Deloitte to PwC to ensure that:

- Deloitte continues to discharge its auditing responsibilities effectively to the end of its time in office
- PwC takes the necessary steps to ensure that it is independent of the Company and fully mobilised by the time it begins audit planning activities (including shadowing Deloitte's 2023 audit) at an appropriate juncture in 2023. It is anticipated that PwC will be independent by early Q2 2023

The Committee looks forward to further updating shareholders on discharging the activities associated with this transition in the Company's 2023 Annual Report.

EFFECTIVENESS AND INDEPENDENCE OF THE EXTERNAL AUDITOR

In 2022, the Committee evaluated the effectiveness of the external audit process through its ongoing review of the external audit planning process and discussions with key members of the Company's finance team.

The Committee also considered:

- A report from Deloitte confirming it maintains appropriate internal safeguards in line with applicable professional standards to remain independent, and mitigation actions to safeguard Deloitte's independence such as the operation of the Non-Audit Services Policy
- The Audit Quality Review's 2021/22 Audit Quality Inspection Report on Deloitte and the actions taken by Deloitte to address the findings in that report

AUDIT/NON-AUDIT SERVICES

£m



- Audit fees (2022: 36.9, 2021: 31.9)
- Non-audit fees (2022: 1.1, 2021: 1.8)

Deloitte attended all Committee meetings in 2022 and met the Committee at least once without executive management present.

Overall, the Committee concluded that:

- It continues to be satisfied with the performance of the external auditor and with the policies and procedures in place to maintain its objectivity and independence
- Deloitte possesses the skills and experience required to fulfil its duties, there was constructive challenge and appropriate scepticism where necessary to ensure balanced reporting and the audit for the year ended 31 December 2022 was effective

APPOINTMENT OF EXTERNAL AUDITOR AT ANNUAL GENERAL MEETING

The Committee has recommended to the Board, and the Board has approved, that Deloitte should be reappointed as auditor. Resolutions will be put to the 2023 Annual General Meeting proposing the reappointment of Deloitte and to authorise the Audit Committee to determine the auditor's remuneration.

NON-AUDIT SERVICES

To preserve objectivity and independence, Deloitte is not asked to provide other services unless it is in the best interests of the Company, in accordance with the Non-Audit Services Policy that sets out the circumstances and financial limits within which Deloitte is permitted to provide certain non-audit services.

All fees are summarised periodically for the Committee to assess the aggregate value of non-audit fees against audit fees. During the year, Deloitte received £36.9 million in fees for work relating to the audit services it provides to the Company. Non-audit related work undertaken by Deloitte amounted to fees of £1.1 million this year, which amounted to 3% of the total audit fees paid.

FINANCIAL REPORTING AND SIGNIFICANT FINANCIAL JUDGEMENTS

Key accounting judgements made by management were reported to and examined by the Committee and discussed with management and Deloitte. The Committee considered the following significant financial reporting judgements in relation to the financial statements:

AREA OF FOCUS	ACTIONS TAKEN/CONCLUSION
CRITICAL JUDGEMENTS AND ESTIMATES	
Goodwill impairments Estimates and judgements in relation to goodwill impairment testing	The Committee assessed the appropriateness of the assumptions used by management in the goodwill impairment assessment model, with a particular focus on the discount rate and growth assumptions
Remuneration Accounting for elements of remuneration where estimates and judgements are required	The Committee reviewed the assumptions applied by management in relation to judgemental elements of remuneration, including pensions, bonus accruals and share-based payments, and agreed that these are reasonable
Taxation The estimates and judgements made in respect of tax	The Committee considered management's assumptions, in particular in relation to the level of central tax provisions, and believes that the level of central tax provisions is reasonable
OTHER AREAS	
Headline profit Judgements relating to headline profit measures	The Committee considered the judgement applied by management in calculating headline profit, in order to present an alternative picture of performance by excluding significant, non-recurring or volatile items otherwise included in the reportable figures. The Committee reviewed management's judgements relating to restructuring and transformation costs, with particular focus on the continued rollout of the Group's ERP system and other ongoing transformation projects, including IT transformation, shared service centres and campus co-locations and right-of-use asset impairments. The Committee was satisfied that excluding these amounts from headline profit measures was reasonable and that it had been disclosed appropriately
Going concern The going concern assessment and viability statement	The Committee reviewed the scenarios modelled by management and assessed management's view that the likelihood of declines of over 28% of revenue less pass-through costs compared to 2022 was remote. The Committee has considered and concurs with management's going concern, viability and forecasting assumptions, as set out on page 90
Liabilities in respect of put options and earnouts The accuracy of the calculation of the fair value of liabilities in respect of put options and earnouts	The Committee considered management's calculations of the fair value of liabilities in respect of put option agreements and payments due to vendors (earnout agreements), including the forecasts, growth rates and discount rates used in these calculations. The Committee was satisfied that liabilities for potential future earnout payments had been accounted for appropriately
Investments The valuations of non-controlled investments	The Committee examined management's valuations, based on input from external advisors, forecasts, recent third-party investment, external transactions and/or other available information such as industry valuation multiples. The Committee considered the valuations and agreed that these were appropriate based on the information available to the Group

SUSTAINABILITY COMMITTEE REPORT

Committee members

- Keith Weed CBE (Chair)
- Angela Ahrendts DBE
- Jasmine Whitbread
- Dr. Ya-Qin Zhang
(appointed 15 March 2022)

Regular attendees include the Chief Executive Officer, the Chief Financial Officer, the Senior Independent Director, the Group Chief Counsel, the Chief People Officer, the Chief Sustainability Officer and the Director of Communications and Corporate Affairs.

The Company Secretary is Secretary to the Committee and attends all meetings.

Key responsibilities

- Understanding the sustainability risks and opportunities for the Company
- Assisting the Board in its oversight of corporate responsibility, sustainability, health and safety and reputation matters taking into account the Company's purpose, strategy and culture
- Assessing the Company's current sustainability footprint, reviewing sustainability targets and commitments and materiality
- Reviewing and considering the Company's Modern Slavery Statement and sustainability-related policies, including the Environment Policy, for approval by the Board

Attendance at Committee meetings during the year can be found on page 115.



KEITH WEED CBE
CHAIR OF THE
SUSTAINABILITY COMMITTEE

DEAR SHAREHOLDER

As the Chair of the Committee, I am pleased to present the Committee's 2022 report.

In 2022, the Committee continued to place increased focus on sustainability for the Board and the Company, monitoring sustainability performance as we strive to meet the expectations of our stakeholders as well as ensuring we are managing our risks and taking advantage of opportunities.

The ongoing impacts of the war in Ukraine, energy security, inflation, social unrest, political division and climate-related disasters around the globe continue to drive a focus on environmental, social and governance (ESG) matters, with significant risks and opportunities for our business and our clients.

A large focus for the Committee and the Company in 2022 has been the impact these different pressures have on our people, who want to work for a company that is willing to stand up for the issues they care about. The Committee has received updates on a wide range of topics throughout the year, ranging from the launch of our new Green Claims Guide to equip our people to make effective environmental claims that are not misleading in any way (page 77), to support for our people in Ukraine and the generosity of our people around the world who donated \$670,000 (matched by WPP to bring the total to \$1.34 million) to the UNHCR Ukraine appeal, and, more recently, the response to the earthquakes in Turkey and Syria.

Throughout the year, the Committee has supported management in the development of a revised Assignment Acceptance Policy and Framework, detailed on page 77, that subsidiaries are expected to follow when taking on new business. For work that may present an ethical risk, such as work for government clients or work relating to sensitive products, all potential new assignments need to be considered by our agencies' risk committees or escalated to WPP for review.

CLIMATE CRISIS

The Committee had regular in-depth progress reviews on the Company's ambitious commitments to reach net zero carbon emissions. In July, the Committee received an update on GroupM's media decarbonisation programme (page 76) and in December the Committee conducted its annual review of climate-related risks and opportunities. The planet section on pages 74 and 75 sets out the Company's net zero commitments and performance. In 2023, the Committee will receive regular updates as the Company develops a formal transition plan to deliver against these commitments.

Recognising the growing urgency of the climate crisis, in September the Board welcomed Professor Dr Johan Rockström, Director of the Potsdam Institute for Climate Impact Research and Professor in Earth System Science at the University of Potsdam, to engage with and present to the Board on climate-related issues. Several members of the Committee are also active members of Chapter Zero, an online community of non-executive directors which aims to equip NEDs to lead crucial UK boardroom discussions on the impacts of climate change.

HEALTH, SAFETY AND WELLBEING


The Committee assists the Board in its oversight of health and safety-related matters, and, during the year, received updates on the Company's investment in mental health and wellbeing, including on WPP's new Making Space campaign – an initiative focused on giving people space to look after their wellbeing (see page 72) – and regular updates on new ways of working as office occupancy levels increased. Employee mental health and wellbeing will be a continued area of focus for the Board and the Committee in 2023.

Throughout the year, the Committee, alongside the Board, received regular updates on WPP's response to disasters including the Colorado wildfires, the war in Ukraine and, in February 2023, the devastating Turkey-Syria earthquakes, including support for employees directly impacted, support through WPP's Employee Assistance Programme (page 72) and employee match-funding run in partnership with the UNHCR. Further details can be found on page 79.

The Committee will continue to monitor how well prepared WPP agencies and people are to recognise and respond to existing and emerging disruptive events, including the social and economic impacts of climate change.

TRANSPARENCY AND ENGAGEMENT

Measuring and monitoring sustainability KPIs is critical to delivering against our sustainability strategy and targets. In 2021, WPP strengthened its approach to data assurance: the Committee participated in the selection process to appoint PricewaterhouseCoopers LLP (PwC) as independent limited assurance provider over selected ESG metrics disclosed in this report. In May 2022 PwC presented their first management report to the Committee, and throughout the year management provided regular updates to the Committee on progress in addressing the weaknesses identified by PwC in the first year of their assurance programme. The 'sustainability governance and management' section of this report on page 85 outlines work undertaken during the year to strengthen data quality, including new ESG data controls, training and work to centralise data.

Throughout this report, selected content highlighted with the symbol  was subject to independent limited assurance procedures by PwC for the year ended 31 December 2022. For the details and results of the limited assurance, see our 2022 Sustainability Report.

The Committee will continue to monitor sustainability KPIs. The Committee welcomes the significant progress made during the year towards the Company's commitment to phase out single-use plastics across its offices and notes there is still work to do to meet this target. Monitoring progress on single-use plastics will remain a priority for the Committee in 2023.

Progress against our strategy also relies on accountability. Diversity, equity and inclusion goals are included in our incentive plans for senior executives and we have also included carbon-reduction targets in incentive plans for Executive Directors from 2021.

The Committee continues to support management's engagement strategy on sustainability. Employee engagement remains a high priority and this report highlights a number of initiatives, from encouraging volunteering (page 79) and taking a stand on the issues that matter to our people to building ESG capability (page 71). In January 2023, a sustainability-focused CEO townhall attracted an audience of over 8,500. During the year, I also enjoyed engaging with key investors on ESG topics and look forward to continued dialogue in 2023.

TERMS OF REFERENCE

The Committee's terms of reference are reviewed annually by the Committee and adopted by the Board most recently on 1 February 2023.

A copy of the Committee's terms of reference is available on the Company's website at wpp.com/investors/corporate-governance.

I would like to thank the members of the Committee and the management team for their commitment throughout the year and look forward to continuing our work in 2023.

Keith Weed
Chair of the
Sustainability Committee
23 March 2023

COMPENSATION COMMITTEE REPORT

Committee members

- Jasmine Whitbread (Chair)
- Jacques Aigrain (retired 24 May 2022)
- Sandrine Dufour
- Tom Ilube CBE
- Roberto Quarta
- Cindy Rose OBE
- Nicole Seligman

Attendees

Other attendees at the Committee meetings were:

- Chief Executive Officer
- Chief Financial Officer
- Chief People Officer
- Global Reward Director
- Committee advisor (WTW)

The Chief Executive Officer, Chief Financial Officer and Chief People Officer are not present when matters relating to their own compensation or contracts are discussed and decided.

The Company Secretary is Secretary to the Committee and attends all meetings.

Key responsibilities

- Setting the Compensation Policy and the terms and conditions for the Chairman of the Board, Executive Committee and Company Secretary
- Designing and monitoring incentive arrangements including setting targets and assessing performance
- Maintaining an active dialogue with shareholders and ensuring WPP practice aligns with corporate governance standards



JASMINE WHITBREAD
CHAIR OF THE
COMPENSATION COMMITTEE

DEAR SHAREHOLDER

On behalf of the WPP Board, I am pleased to present the Compensation Committee report for the financial year ended 31 December 2022. In this report, I include my introductory letter which summarises the main changes proposed to the Directors' Compensation Policy, an At a Glance summary of compensation, the proposed updated Directors' Compensation Policy ('the Policy') for shareholders' consideration and the Annual Report on Compensation setting out the implementation of the existing Policy in 2022. The report also sets out the proposed implementation for 2023.

CONTINUED GROWTH AND STRONG PERFORMANCE IN 2022

WPP has delivered another year of strong performance driven by growth across all key agencies despite the macroeconomic challenges faced. As always, WPP's success is underpinned by the strength of our work and the talent of our people.

The Committee recognises the role that compensation plays in the global competition for talent within senior leadership and across the wider business, and that retention and incentivisation is key to ensure WPP continues to deliver value to clients and shareholders.

The Committee believes that the decisions made in respect of fixed compensation, the annual Short-Term Incentive Plan (STIP) and long-term Executive Performance Share Plan (EPSP) reflect the efforts and strong performance of the Executive Directors during 2022.

CFO TRANSITION

As announced on 8 November 2022, Chief Financial Officer (CFO) John Rogers decided to step down from the Board and leaves the Company during 2023.

The Committee applied the existing Directors' Compensation Policy and the terms of his employment contract in determining his compensation arrangements. John will receive salary, benefits allowance and pension allowance for the duration of his notice period. He was eligible to receive a 2022 STIP award (cash and ESA), full details of which are disclosed on pages 144-147. No EPSP awards will be granted in respect of 2023. He will not receive a STIP or other incentive award for the 2023 financial year. Any outstanding ESA awards will vest on a pro rata basis and unvested EPSP awards will lapse on his departure.

The Board has appointed Joanne Wilson to succeed John as CFO, and she will join during 2023. The Committee determined that her compensation should be set broadly in line with the current CFO. Joanne will receive fixed pay comprising a base salary of £740,000, a benefits allowance of £30,000 and a pension allowance of 10% of base salary. Joanne will participate in the STIP with a maximum award of 200% of base salary, and the EPSP with a maximum award of 300% of base salary. Joanne will also be granted cash and share awards to compensate for incentives forfeited at her previous employer. The Committee considered the value and form of the awards being forfeited to ensure that the buyout awards will be no more generous in amount or deferral schedule. Full details will be disclosed in the Compensation Committee Report for the relevant year.

COMPENSATION IN 2022 STIP 2022

The Executive Directors participated in the 2022 STIP, which was based on a combination of financial and non-financial measures aligned to the delivery of the Company strategy and purpose. This is the second year that this structure has been in place for all senior leadership, incorporating an element of bonus based on WPP financial performance as well as the performance of individual agency brands. Certain employees across the wider workforce are eligible to participate in alternative annual bonus plans. The financial measures, which determined 75% of the award, were like-for-like headline operating profit growth, headline operating margin improvement and like-for-like revenue less pass-through costs. WPP showed strong



THE COMMITTEE'S DECISIONS DURING THE YEAR REFLECT CONSIDERATION OF EXECUTIVE PERFORMANCE WITHIN THE WIDER ENVIRONMENT"

Jasmine Whitbread
Chair of the Compensation Committee



Learn more at
[wpp.com/about/
corporate-governance](https://wpp.com/about/corporate-governance)

performance in 2022 with like-for-like headline operating profit growth performance achieving maximum, and headline operating margin improvement and like-for-like revenue less pass-through costs performance between target and maximum. This resulted in an outcome of 66.56% of the 75% maximum in respect of the financial element of the STIP. See page 146 for further detail on performance against targets. The Committee felt this was an accurate reflection of performance and has made no adjustments to the outcome.

In 2022 we continued the use of a balanced scorecard to assess performance against non-financial measures, which determined the remaining 25% of the award. The scorecard is based on four categories: clients; people and diversity, equity and inclusion (DE&I); purpose and reputation; and strategic priorities.

The Committee considers performance against all four categories to be strong. From a client perspective, client satisfaction remains strong having maintained the high Likelihood to Recommend scores achieved in the prior year. From a people and DE&I perspective, we continue to see progress in diversity and an increased focus on programmes and initiatives to promote diversity and inclusion at WPP. We also launched our most comprehensive engagement survey in 2022 with 72,700 participants and we saw our Company-wide eNPS score (how likely you are to recommend WPP as a place to work) improve by 14 points.

With respect to purpose and reputation, WPP has made excellent progress on the carbon reduction targets set in 2021 (see pages 74 and 75 for further detail). WPP was awarded Most Creative Company of the Year at Cannes Lions in 2022 for the second year in a row, a testament to the creative talent of our people and their ability to help clients succeed. WPP continued to make good progress against strategic priorities, expanding capabilities in high-growth areas of experience, commerce and technology and delivering significant cost efficiencies through the transformation programme.

Full details of non-financial performance are included on pages 146 and 147.

The Committee considered the Executive Directors' non-financial performance under each of the four categories. An overall assessment of 22% for Mark Read and 20% for John Rogers out of a maximum of 25% was determined by the Committee, resulting in a total bonus of 88.56% of maximum for Mark Read and 86.56% of maximum for John Rogers.

EPSP

In 2020, the structure of the EPSP was amended from a performance period spanning five years to a more typical three-year plan with a two-year holding period. As a result, there are overlapping award cycles for two financial years. Both the 2018 EPSP and the 2020 EPSP completed their performance periods on 31 December 2022.

The 2018 EPSP has a five-year performance period with performance assessed against three measures: relative total shareholder return (TSR), average return on equity (ROE) and headline earnings per share (EPS) growth. This is a legacy plan in which targets were set prior to the CEO's appointment, Covid-19 and the launch of the strategy. Consistent with prior award cycles, the Committee did not feel it was appropriate to adjust the targets during the performance period. As a result, performance over the five-year period fell below threshold levels for each of the three performance measures resulting in no vesting in respect of the 2018 EPSP awards. This was the third EPSP cycle in which the CEO has experienced nil to minimal vesting of an LTIP based on legacy targets set prior to 2020.

The 2020 EPSP has a three-year performance period with performance assessed against three measures: TSR, return on invested capital (ROIC) and adjusted free cash flow (AFCF). Performance was above maximum for both ROIC and AFCF but below the threshold required for TSR resulting in a formulaic vesting of 66.67%. Prior to confirming the vesting of any EPSP award, the Committee considers whether there is a compelling rationale to change the formulaic outcome. For the awards vesting in 2023 the Committee was especially mindful of investor concerns around the potential risk of windfall gains for awards made in 2020 following volatility in global stock markets as a result of the emerging Covid-19 pandemic.

The Committee considered a number of factors including share price movement and volatility on an absolute and relative basis, underlying financial performance, historical award and vesting levels, and absolute award value in the context of total compensation as well as wider stakeholders (see page 148 for further detail). The Committee noted that the 2020 EPSP award was made in November 2020, more than six months after the lowest point of the market dip at a time when the share price had increased more than 50%. Having reviewed these factors, the Committee determined that the share price increase during the performance period reflects the strong underlying performance of the Company and that no adjustment to the formulaic vesting is required.

DIRECTORS' COMPENSATION POLICY REVIEW

The WPP Directors' Compensation Policy was last reviewed and approved by shareholders in 2020. During the last year, the Committee reviewed this Policy to determine whether any amendments should be considered. The Committee took into account the existing incentive structure and opportunity, market practice within the FTSE 100 and our media sector peer group, and the challenges and needs of the business at the current time. The Committee concluded that whilst the existing compensation structure and incentive model remained fit for purpose, the quantum limits presented challenges from a retention and compression perspective within the senior leadership team of the business.

We undertook an extensive shareholder consultation to seek feedback on potential Policy changes, for which I would like to thank those who participated for their considered views and constructive discussions. Views were varied but a common theme of the conversations was the uncertain macroeconomic environment and the experience of stakeholders including investors and the wider workforce. The process helped to inform the Committee's final decision to not make any significant changes to the existing Policy at this time, and to keep this under review as the landscape evolves. Shareholders are being asked to approve an updated Policy which includes only minor adjustments, further details of which are included on page 136.

CONCLUSION

I would like to thank the leadership team for its continued superior contribution and performance despite the macroeconomic challenges it faced.

Jacques Aigrain retired from the Compensation Committee and the Board at the AGM in 2022. I would like to express my thanks to him for his experienced contributions to the Committee as well as to the rest of the Committee for their continuing valued input and commitment.

Jasmine Whitbread

Chair of the
Compensation Committee
23 March 2023

2022 PERFORMANCE OUTCOMES

The information below summarises the 2022 STIP and EPSP performance outcomes for our Executive Directors. Full details of financial and non-financial performance are included on pages 145 to 149.

STIP PERFORMANCE

	WEIGHTING	WEIGHTING			OUTCOME ACHIEVED	
		Threshold (0% payable)	Target (50% payable)	Maximum (100% payable)	Mark Read	John Rogers
Like-for-like headline operating profit growth	25%	0.0%	5.0%	10.0%	25.00%	25.00%
Headline operating margin improvement	25%	0.0%	0.25%	0.5%	20.00%	20.00%
Like-for-like revenue less pass-through costs growth	25%	0.0%	4.0%	8.0%	21.56%	21.56%
Non-financial performance	25%	See pages 146 and 147 for performance against non-financial measures for both Mark Read and John Rogers			22.00%	20.00%
Total	100%				88.56%	86.56%

2018 EPSP PERFORMANCE

The performance measures for the 2018 EPSP grant were:

- Average ROE
- Headline EPS growth
- Relative TSR (based on both common and local currency)

Performance over the five-year performance period was below threshold for all three measures, resulting in no vesting for the 2018 EPSP award. For further detail of metrics and performance, see page 148.

2020 EPSP PERFORMANCE

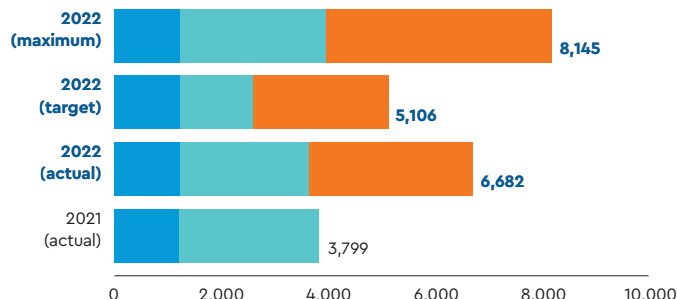
	WEIGHTING	WEIGHTING			OUTCOME ACHIEVED	
		Threshold (20% payable)	Maximum (100% payable)	Actual performance	Mark Read	John Rogers
Average return on invested capital (ROIC)	1/3	11.5%	12.9%	16.8%	1/3	1/3
Cumulative adjusted free cash flow (AFCF)	1/3	£2,300m	£3,100m	£4,081m	1/3	1/3
Relative TSR (common currency)	1/3	Below threshold	Median	Upper decile	0	0
Relative TSR (local currency)		Below threshold	Median	Upper decile		
Total	100%				66.67%	

Actual STIP performance Actual EPSP performance // Indicates a scale break

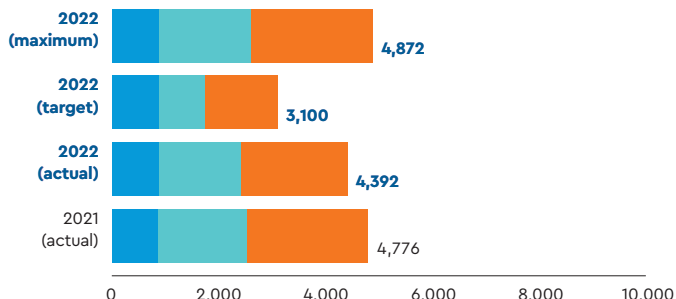
TOTAL COMPENSATION 2022

£000

Mark Read



John Rogers



- fixed compensation, consisting of base salary, benefits and pension (as set out in the single figure on page 144)
- short-term incentives (STIP)
- long-term incentives (EPSP)

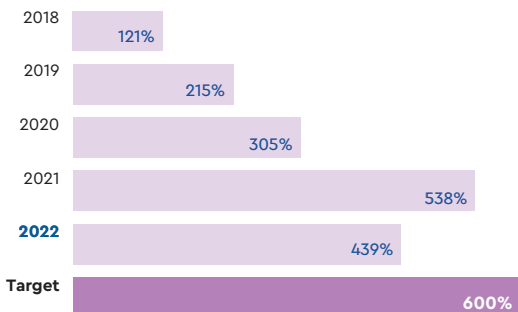
Target: 50% of maximum STIP, 60% of maximum LTIP

SHAREHOLDING REQUIREMENTS

Mark Read is on target to reach his shareholding requirement within seven years of his appointment as an Executive Director, as required by the Policy. John Rogers has achieved his shareholding requirement and will be obligated to maintain this following his departure (see page 137 for further details of the post-employment shareholding policy). Their shareholding as at 31 December 2022 and previous years is shown below as a percentage of base salary.¹ The Executive Directors have not sold shares during the year in excess of those required to settle tax obligations; the reduction in shareholding as a percentage of salary for the CEO is a result of a lower average share price than the prior year.

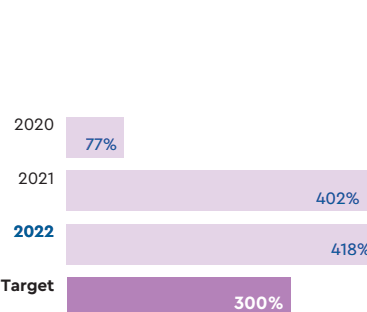
Mark Read

Appointed to the Board 3 September 2018



John Rogers

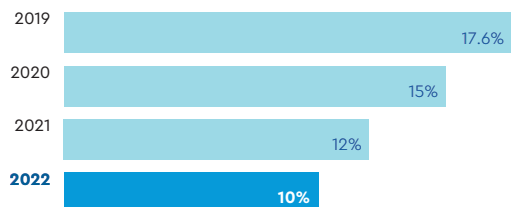
Appointed to the Board 3 February 2020



¹ The share price used for the calculation is the average share price for the last two months of the relevant financial year

PENSIONS

As set out in our 2020 report, Mark Read's pension contribution has been reduced to 10% on a phased basis to align executive pensions with the wider workforce in the UK. The chart below shows the contribution levels at the end of each year of the Policy period. John Rogers' pension contribution has been aligned at 10% of base salary since appointment.



DIRECTORS' COMPENSATION POLICY

This section of the report sets out the proposed new Directors' Compensation Policy ('the Policy'). The Policy will take effect from the date of the 2023 AGM, subject to approval by shareholders.

REVIEW OF EXISTING POLICY

During the year the Committee undertook an extensive review of the existing Directors' Compensation Policy, which was approved by shareholders at the AGM in 2020. The Committee considered the extent to which the existing compensation structure and performance-related pay remain fit for purpose, as well as how appropriate the compensation opportunity is, from both a market competitive and internal relativity basis.

The Committee concluded that, whilst the existing compensation structure and incentive model remain appropriate, as a global business operating in a competitive talent market, achieving competitive market positioning in respect of our executives and senior leadership team is more challenging. The Committee is mindful of both retention of top talent and the increasing compensation compression at leadership levels.

CONSULTATION WITH SHAREHOLDERS

The Committee Chair consulted with a significant number of our largest shareholders to seek their views on potential changes to the Policy. This was a valuable exercise in which shareholders provided thoughtful views and opinions which allowed for a useful and constructive conversation around the challenges and possible solutions. Whilst there were differing views among the shareholder group involved in the consultation, a common theme of the conversations related to the uncertain macro-economic environment and the experience of stakeholders, including the investors and wider workforce.

CHANGES TO DIRECTORS' COMPENSATION POLICY

The Committee considered these views and determined that it would not propose significant changes to the Policy at this time. The Policy will be kept under review and the Committee will undertake further consultation with shareholders if changes to the Policy are proposed.

This section of the report sets out an updated Directors' Compensation Policy which shareholders will be asked to approve at the 2023 AGM. This Policy includes only minor changes with no changes to compensation structure or incentive opportunity.

HOW THE POLICY ADDRESSES THE FACTORS SET OUT IN THE UK CORPORATE GOVERNANCE CODE

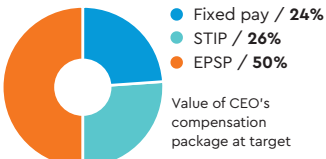
The table below summarises how our Directors' Compensation Policy and practices support the expectations of Provision 40 of the 2018 UK Corporate Governance Code.

Clarity	Our Policy, how it is implemented and the decisions the Committee makes are transparent and clearly disclosed. The Committee engages with shareholders on key compensation matters to ensure the rationale for any proposed decisions is clearly communicated and understood.
Simplicity	The performance measures used in our incentive plans are aligned with our strategy and are transparent to stakeholders and participants. We have a simple compensation structure that is familiar to stakeholders comprising the following elements: fixed pay – base salary, a benefits allowance and pension; short-term variable pay – an annual bonus with a combination of financial and non-financial metrics paid partly in cash and partly in deferred shares; and long-term variable pay – a three-year Executive Performance Share Plan subject to the achievement of stretching performance conditions.
Risk	The Directors' Compensation Policy includes elements designed to mitigate any risks including: deferral and additional holding period; malus and clawback provisions on all incentive plans; shareholding requirements including post-employment requirements; and Committee discretion to adjust the formulaic outcome of incentive plans.
Predictability	Target payouts and maximum available opportunity, including potential share price appreciation, have been considered by the Committee and are disclosed in the scenario charts.
Proportionality	The Committee has a pay-for-performance philosophy. A large proportion of Executive Directors' compensation is variable and linked to the achievement of stretching performance conditions based on a combination of financial and strategic non-financial measures.
Alignment to culture	The incentive schemes are designed to underpin the Company's culture and strategy, using measures that are aligned to our overall purpose and WPP's values of being open, optimistic and extraordinary. The inclusion of both financial measures and a scorecard of non-financial strategic measures enables us to ensure alignment.

GUIDING PRINCIPLES

Our Directors' Compensation Policy is designed in the context of the UK Corporate Governance Code to attract and retain best-in-class talent and incentivise Directors to deliver growth, creativity and outstanding performance, thereby producing long-term value for shareholders.

The WPP Directors' Compensation Policy is determined by the following guiding principles:

<p>1</p> <p>PERFORMANCE-DRIVEN REWARD</p> <p>Our compensation structure has a high proportion of performance-based variable compensation</p>  <p>Value of CEO's compensation package at target</p> <ul style="list-style-type: none"> ● Fixed pay / 24% ● STIP / 26% ● EPSP / 50% 	<p>2</p> <p>COMPETITIVENESS</p> <p>Director compensation is designed to attract and retain best-in-class talent</p>	<p>3</p> <p>LONG-TERM ALIGNMENT WITH SHAREHOLDER INTERESTS</p> <p>Executive Directors have a large portion of their compensation paid in the form of shares as well as significant share ownership requirements both during and post-employment</p>	<p>4</p> <p>ALIGNMENT TO WPP STRATEGY AND VALUES</p> <p>Our incentive plans contain metrics linked to WPP strategy and values. These measures are regularly reviewed by the Committee to ensure continued performance in line with strategy</p>
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ALIGNING COMPENSATION WITH STRATEGY

Performance measures are selected to align to our business strategy and include a range of financial and non-financial measures. Non-financial measures are set out in a scorecard based on role and accountabilities of the Executive. There are four categories: client – relating to new business and client satisfaction; people and DE&I – this will include improvements in relation to diversity as well as the delivery of our broader people strategy; purpose and reputation – aligned to the Company's sustainability strategy, the management of governance and controls as well as industry achievements and awards; and strategic priorities – in relation to our Group-wide transformation.

		STRATEGIC ELEMENTS				
		Vision & offer	Creativity	Data & technology	Simpler structure	People
Short-term incentive plan (STIP)	Financial measures					
	Like-for-like headline operating profit growth	●	●	●	●	●
	Headline operating profit margin improvement	●	●	●	●	●
	Like-for-like revenue less pass-through costs growth	●	●	●	●	●
	Non-financial scorecard					
	Client	●	●	●	●	●
	People and DE&I	●	●			●
Purpose and reputation	●	●	●	●	●	
Strategic priorities	●	●	●	●	●	
Long-term incentive plan (EPSP)	Return on invested capital			●	●	
	Adjusted free cash flow	●			●	
	Relative TSR	●	●	●	●	●

REMUNERATION POLICY TABLE

The table below summarises the new proposed Policy. Whilst no significant changes have been made to the existing Policy, some minor adjustments have been made to the core elements of compensation and to the Executive Director appointment and loss of office provisions to ensure alignment with the wider workforce and good governance. These changes include: updating the default base salary review period for Executive Directors and Executive Committee to be annual to align to the wider workforce cycle; clarification on buy-out policy; inclusion of the ability to provide one-off benefits on appointment; inclusion of a payment in lieu of notice provision to align with executive contracts; clarification of incentive treatment for leavers including full vesting of the deferred element of the STIP (ESA) and aligning the Policy around Good Leaver treatment for EPSP awards to the updated EPSP rules (approved by shareholders at the 2022 AGM).

FIXED ELEMENTS

BASE SALARY

Purpose and link to strategy	To maintain package competitiveness and reflect skills and experience; to enable recruitment and retention.
Operation	<p>Base salary is typically reviewed annually to align with the wider workforce.</p> <p>The Committee may realign base salary over a phased period for new Board appointees who start on a below-market salary.</p> <p>Salary levels and increases take into consideration:</p> <ul style="list-style-type: none"> - Salary increases awarded across the Group - Individual performance - Levels in other companies of similar size, scope and complexity
Opportunity	<p>Increases for Executive Directors will usually be aligned to the wider workforce which will reflect the performance of the Company, the individual and local economic factors.</p> <p>Increases above the normal level may be made to take into account special circumstances such as:</p> <ul style="list-style-type: none"> - Increase in nature and scope of the role - To reflect development in a role such as in the case of an Executive Director appointed at a below-market salary

BENEFITS

Purpose and link to strategy	Provide an annual fixed and non-itemised allowance, to enable the Executive Director to ensure their wellbeing and security.
Operation	<p>The fixed annual allowance will be reviewed periodically by the Committee. The allowance is set with regard to the individual concerned and the role they undertake.</p> <p>Should the Executive Director be required to move to a different country, a relocation benefit may be provided in addition to the usual benefit allowance over and above the maximum stated opportunity.</p>
Opportunity	Maximum opportunity: the maximum fixed annual benefit allowance payable is £50,000 (excluding relocation benefit).

PENSIONS

Purpose and link to strategy	To enable provision for retirement benefits.
Operation	Pension is provided by way of a contribution to a defined contribution retirement arrangement, a cash allowance or a combination of the two. Determined as a percentage of base salary.
Opportunity	Maximum opportunity: Executive Director: 10% of base salary.

VARIABLE ELEMENTS

SHORT-TERM INCENTIVE PLAN (STIP)

The STIP is an incentive plan designed to reward annual performance. The plan makes awards in cash and Executive Share Awards (ESA)

Purpose and link to strategy	To drive the achievement of strategic priorities for the financial year and to motivate, retain and reward executives over the short and medium term; the ESA element of the incentive aligns executives with shareholder interests.
Operation	<p>Targets are set early in the year. The Committee determines the extent to which these targets have been achieved at the end of the year based on the performance and has discretion to adjust the formulaic outcome both upwards and downwards (including to zero) to ensure the outcome reflects underlying Company performance and value creation for shareholders.</p> <p>At least 40% of the STIP pay-out is delivered in the form of conditional deferred shares (ESA) which will be released after a period of two years. STIP is subject to the malus and clawback policy as may be amended from time to time.</p>
Opportunity	<p>Maximum opportunity: 250% of base salary.</p> <p>Target opportunity: 50% of the maximum opportunity.</p> <p>Dividends will accrue on the ESA during the deferral period.</p>
Performance	<p>Performance measures and targets are reviewed and set annually to ensure continued strategic alignment.</p> <p>Financial measures represent a minimum of 75% of the award; individual strategic or non-financial objectives may represent up to 25% of the award. These might include Company-wide priorities tied to ESG, individual performance goals and/or other individual or Company-wide non-financial objectives.</p>

LONG-TERM INCENTIVE PLAN – EXECUTIVE PERFORMANCE SHARE PLAN (EPSP)

The EPSP is an incentive plan that rewards long-term performance. Awards are made in shares which vest subject to the achievement of certain metrics over a three-year period

Purpose and link to strategy	To drive the achievement of long-term strategic priorities, to aid retention and to align Executive Director and shareholder interests over the long term.
Operation	<p>The EPSP comprises a grant of performance share awards which will vest subject to the achievement of performance conditions. The Committee has the discretion to adjust the formulaic outcome of the award to ensure that vesting reflects underlying Company performance and value creation for shareholders.</p> <p>The EPSP has a performance period of three years, followed by a two-year holding period of the vested shares.</p> <p>EPSP is subject to the malus and clawback policy as may be amended from time to time.</p>
Opportunity	<p>Maximum opportunity: 400% of base salary.</p> <p>Less than the maximum opportunity may be applied to Executive Directors.</p> <p>Dividends will accrue on awards during the performance period.</p>
Performance	<p>Vesting of the EPSP is subject to the achievement of stretching performance targets.</p> <p>Performance measures and targets are reviewed and set annually by the Committee to ensure continued strategic alignment. These may be a mix of market, financial and non-financial measures.</p> <p>Threshold performance will produce an award of 20% of the award granted and increase on a sliding scale to 100% for maximum performance achievement.</p> <p>Full details of the awards are in the Annual Report on Compensation.</p>

SHAREHOLDING REQUIREMENTS

Purpose and link to strategy	To align the interests of Executive Directors with shareholders.
Operation	<p>Executive Directors and other members of the senior management team are subject to share ownership requirements which seek to reinforce the WPP principle of alignment of management's interests with those of shareholders.</p> <p>Executive Directors are required to hold 100% of their shareholding requirement, or their shareholding at the date of departure, for a period of one year following cessation of employment, reducing to 50% for a second year.</p> <p>If an Executive Director fails to achieve the required level of share ownership, the Committee will decide what remedial action or penalty is appropriate. This may involve a reduction in future share awards or requiring the Executive Director to purchase shares in the market to meet the ownership requirements.</p> <p>If an Executive Director fails to maintain their shareholding requirement post-employment, this may result in a reduction of outstanding awards.</p>
Opportunity	<p>Chief Executive Officer: 600% of base salary; Chief Financial Officer: 300% of base salary; minimum for any other new Executive Director appointed to the Board: 200% of base salary.</p> <p>Executive Directors will be permitted a period of seven years from the date of their appointment to achieve the required level.</p>

NOTES TO THE POLICY TABLE

Plan rules

Copies of the various plan rules are available for inspection at the Company's registered office and head office.

The Directors' Compensation Policy table for Executive Directors provides a summary of the key provisions relating to their ongoing operation.

The Committee has the authority to ensure that any awards being granted, vested or lapsed are treated in accordance with the plan rules which are more extensive than the summary set out in the table.

Selection of performance measures

Performance measures are selected by the Committee based on their alignment with strategic priorities and the key metrics used across the business.

STIP

STIP measures are reviewed annually by the Committee taking into account business performance and priorities. The performance targets for the STIP are set to incentivise and reward strong, sustainable performance. The Committee is of the view that the targets for the STIP are commercially sensitive and it would be detrimental to the Company to disclose them in advance of or during the relevant performance period. The Committee will disclose these targets at the end of the relevant performance period in that year's Annual Report, if these targets are no longer commercially sensitive.

EPSP

The EPSP performance measures are selected to complement the annual STIP measures and capture the longer-term performance of the Company.

When setting targets, the Committee takes into account a combination of factors including internal forecasts, analysts' expectations and historical performance relative to budgets.

Cascade to WPP Group pay policy

As well as setting the policy for the Executive Directors, the Committee is also responsible for managing the compensation of the Executive Committee and the Company Secretary.

Compensation packages for these individuals are typically reviewed annually to align with the Executive Directors and the wider workforce. As is the case for Executive Directors, the WPP Group pay policy ensures a clear and direct link between the performance of the Group or relevant operating company and compensation. Substantial use of performance-driven compensation not only ensures the continued alignment of the interests of shareholders and senior individuals within the Group, but also enables the Group to attract, retain and motivate the talented people upon whom its success depends.

Stock Plan 2018

The WPP plc Stock Plan 2018 is used to satisfy awards under the short-term incentive plans (including ESAs) as well as to grant awards to management under the WPP Leadership Award programme. In this programme, awards are made to participants that vest three years after grant, provided the participant is still employed within the Group.

Executive Directors, and other senior management employees, may receive part of their annual bonus entitlement as a deferred share award (ESA) under the Stock Plan 2018. Executive Directors are ineligible to participate in any other aspect of the management share award programme, other than in relation to awards granted prior to appointment or in relation to awards granted to buy-out previous awards on appointment.

Share Option Plan 2015

The WPP plc Share Option Plan 2015 is an all-employee plan that makes annual grants of stock options to employees with two years of service who work in wholly-owned subsidiaries. This plan replaced the legacy Worldwide Ownership Plan.

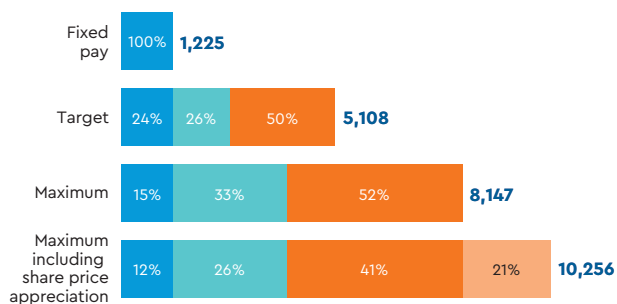
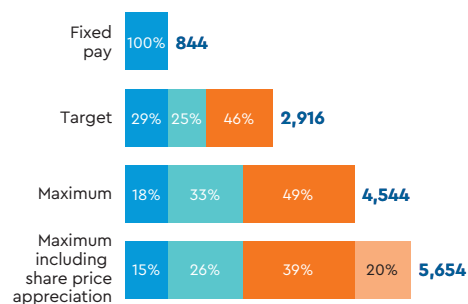
The WPP plc Share Option Plan 2015 has the capability to make grants of executive share options.

ILLUSTRATIONS OF TOTAL COMPENSATION

The charts below provide an illustration of the potential future total remuneration of the Executive Directors. Four scenarios of potential outcomes are provided based on the assumptions set out in the notes on the following page. The charts are reflective of the Policy that is being presented for approval at the 2023 AGM.

COMPENSATION SCENARIO

£000

Mark Read**Joanne Wilson (incoming CFO announced 8 November 2022)**

- Fixed, consisting of base salary, benefits and pension
- Short-term incentives (STIP)
- Long-term incentives (EPSP)
- 50% share price appreciation






NOTES TO THE COMPENSATION SCENARIO CHARTS

The scenarios in the charts on the previous page have been calculated based on the following assumptions:

Fixed pay	Consists of base salary, benefits and pension Base salary as at 1 January 2023 (or date of appointment if later) Pension at 10% of base salary
Target	Assumes STIP of 50% of maximum Assumes EPSP vesting of 60% of maximum
Maximum excluding any share price growth	Assumes maximum STIP and maximum EPSP
Maximum including 50% share price growth	Assumes maximum STIP, maximum EPSP and 50% share price appreciation on the EPSP element of the package

HOW WE WILL IMPLEMENT OUR PROPOSED COMPENSATION POLICY IN 2023

On the assumption that the proposed Policy is approved at the 2023 AGM, the table below demonstrates how we plan to implement the Policy specifically for 2023.

	Policy	2023	2024	2025	2026	2027	Implementation for 2023
Base salary	Typically reviewed annually to align with the wider workforce.						Mark Read: £1,081,600 John Rogers: £784,400 Joanne Wilson: £740,000 Salary levels may be reviewed in 2023
Benefits	Provide an annual fixed and non-itemised allowance, to enable the Executive Director to ensure their wellbeing and security.						Mark Read: £35,000 John Rogers: £30,000 Joanne Wilson: £30,000
Pension	Pension is provided by way of a contribution to a defined contribution arrangement, or a cash allowance, or a combination of the two. Determined as a percentage of base salary.						All Executives: 10%
Short-term incentives	<ul style="list-style-type: none"> - 75%-100% financial - 0%-25% individual strategic objectives - One-year performance period - At least 40% delivered in the form of deferred shares released after a period of two years 	Cash	Deferred shares				Mark Read: 0-250% John Rogers: N/A Joanne Wilson: 0-200% 75% financial and 25% non-financial targets 60% cash/40% deferred shares
Long-term incentives	<ul style="list-style-type: none"> - Performance measures may be a mix of market, financial and non-financial measures - Three-year performance period - Two-year holding period 	Performance period			Holding period		Mark Read: 0-390% John Rogers: N/A Joanne Wilson: 0-300% Performance measures: TSR, ROIC and AFCF

APPOINTMENTS TO THE BOARD

This section sets out details with respect to the appointment of a new Executive Director to the Board of WPP, whether it is an external or internal appointment.

FIXED COMPENSATION

Base salary will be set considering a range of factors, including the profile and prior experience of the candidate, internal relativities, cost and external market data. If base salary is set at a lower initial level, contingent on individual performance, the Committee retains the discretion to realign the base salary over a phased period of one to three years following appointment, which may result in an exceptional rate of annualised increase in excess of that set out in the Policy table.

Other elements of fixed pay will be set in accordance with the Policy table. The Committee may also provide one-off benefits such as reasonable relocation expenses and assistance with visa applications. Short-term benefits, such as accommodation following appointment and tax filing assistance may also be provided.

ONGOING VARIABLE COMPENSATION

The Committee will seek to pay only that level of reward necessary to recruit the exceptional talent needed to lead such a broad and diverse global group. The actual level of incentive offered will be in accordance with the Policy limits and will be dependent on the role and existing package of the candidate.

The Committee retains the discretion to make awards on recruitment, within the Policy limits, to provide an immediate alignment with the interests of shareholders.

BUY-OUT AWARDS

In addition to the above (and outside the Policy limits) the Committee may consider buying-out compensation entitlements that the individual has had to forfeit by accepting the appointment. The structure and value of the awards will generally be made on a like-for-like basis and will be informed by the structure and value of those entitlements being forfeited, unless the Committee consider it not to be practical or appropriate. The performance targets, time horizon and method of payment will be set in an appropriate manner at the discretion of the Committee and may or may not reflect the vesting, deferral and holding requirements in the Policy.

SERVICE CONTRACTS

The following terms will apply for any new Executive Director role appointed to the Board in the future:

- Executive Directors will normally be appointed on a notice period of up to 12 months from both parties
- Remuneration terms include base salary, benefits allowance, pension, holidays and participation in the short and long-term incentive plans
- At the Committee's discretion, the Executive Director's employment may be terminated by making a payment in lieu of notice of fixed compensation (base salary, benefits and pension) either in a lump sum or by monthly instalments rather than as a lump sum. The Committee has the discretion to reduce or stop the monthly instalment payments if alternative employment is taken up or other remuneration is received for the provision of services during the period when monthly instalments are due. Current Executive Directors' contracts align to the above
- More detail on the loss of office provisions are included on page 141

TERMS SPECIFIC TO INTERNAL APPOINTMENTS

The Committee can honour any pre-existing commitments if an internal candidate is appointed to the Board.

SERVICE CONTRACTS

Executive Directors' service contracts are on a rolling basis without a specific end date.

The effective dates and notice periods under the current Executive Directors' service contracts are shown in this table:

Name	Effective from	Notice period
Mark Read	3 September 2018	12 months
John Rogers	27 January 2020	12 months

The Executive Directors' service contracts are available for inspection at the Company's registered office and head office. Joanne Wilson's contract also includes a 12 months' notice period that will be effective from her commencement of employment.

LOSS OF OFFICE PROVISIONS

FIXED COMPENSATION ELEMENTS

As noted on page 140, the service contracts of Executive Directors provide for notice to be given on termination.

The fixed compensation elements of the contract will continue to be paid in respect of any notice period. Alternatively, a payment in lieu of notice (as described on page 140 under 'Service Contracts') may be made at the Committee's discretion. If an Executive Director is placed on garden leave, the Committee retains the discretion to settle benefits in the form of cash.

The Executive Directors are entitled to compensation for any accrued and unused holiday although, to the extent it is possible and in shareholder interests, the Committee will encourage Executive Directors to use their leave entitlements prior to the end of their notice period. Except in respect of any remaining notice period, no aspect of any Executive Director's fixed compensation is payable on termination of employment.

VARIABLE COMPENSATION ELEMENTS

The table below summarises the policy on short-term and long-term incentives in certain leaver scenarios. As noted on page 138, the Committee has the authority to ensure that any awards that vest or lapse are treated in accordance with the plan rules, which are more extensive than the summary set out in the table below.

STIP	<ul style="list-style-type: none"> The Executive Directors are entitled to receive their short-term incentive (cash element and/or ESA element) for any particular year provided they are employed on the last date of the performance period. If they are not employed they will not receive it unless the Committee decides to award a pro rata bonus in respect of the period worked
ESA (unvested existing awards)	<ul style="list-style-type: none"> Provided the Executive Director is a Good Leaver, awards will vest in full on the normal vesting date subject to their terms. If the Executive Director is not a Good Leaver, unvested awards will lapse. Good Leaver for these purposes includes leaving on retirement, ill health, injury or disability, as a result of death in service and other circumstances determined by the Committee. In exceptional circumstances, the Committee may determine that an award will vest on a different basis
EPSP	<ul style="list-style-type: none"> Provided the Executive Director is a Good Leaver, awards will vest subject to performance to the end of the performance period and (unless the Committee decides otherwise) time pro-rating. Awards will vest on the normal date. If the Executive Director is not a Good Leaver, unvested awards will lapse. Good Leaver for these purposes includes leaving on retirement, ill health, injury or disability, as a result of death in service and other circumstances determined by the Committee Generally, awards will vest on the date of death, having regard to the extent to which any performance conditions have been achieved and any holding period will come to an end (and subject to time pro-rating unless the Committee decides otherwise) Awards will vest immediately on a change of control subject to performance and time pro-rating will be applied (unless the Committee decides otherwise) unless the outstanding shares are exchanged for equivalent new awards In exceptional circumstances, the Compensation Committee may determine that an award will vest on a different basis

OTHER COMMITTEE DISCRETIONS NOT SET OUT ABOVE

Leaver status: the Committee has the discretion to determine an Executive Director's leaver classification considering the guidance set out within the relevant plan rules.

Settlement agreements: the Committee is authorised to reach settlement agreements with departing Executive Directors, informed by the default position set out above.

EXTERNAL APPOINTMENTS

Executive Directors are permitted to serve as non-executives on the boards of other organisations. If the Company is a shareholder in that organisation, non-executive fees for those roles are waived. However, if the Company is not a shareholder in that organisation, any non-executive fees can be retained by the office holder.

PAYMENTS IN EXCEPTIONAL CIRCUMSTANCES

In unforeseen and exceptional circumstances, the Committee retains the discretion to make emergency payments which might not otherwise be covered by this Policy. The Committee will not use this power to exceed the recruitment policy limit, nor will awards be made in excess of the limits set out in the Directors' Compensation Policy table. An example of such an exceptional circumstance could be the untimely death of a Director, requiring another Director to take on an interim role until a permanent replacement is found.

DIRECTORS' COMPENSATION POLICY TABLE – CHAIR AND NON-EXECUTIVE DIRECTORS

The following table sets out details of the ongoing compensation elements for WPP's Chair and Non-Executive Directors. No element of pay is performance-linked.

<p>Base fees To reflect the skills, experience and time required to undertake the role.</p>	<p>The Chair and Non-Executive Directors receive a 'base fee' in connection with their appointment to the Board.</p> <p>Fees are typically reviewed annually and consider the skills, experience and time required to undertake the role, as well as fee levels in similarly-sized UK companies.</p>	<p>An overall cap on all non-executive fees, excluding consultancy fees, will apply consistent with the prevailing and shareholder-approved limit in the Articles of Association.</p>
<p>Additional fees To reflect the additional time required in any additional duties for the Company.</p>	<p>Non-Executive Directors are eligible to receive additional fees in respect of serving as:</p> <ul style="list-style-type: none"> – Senior Independent Director – Chair of a Board Committee – Member of a Board Committee – Consultancy fees in respect of other work that falls outside the remit of their role for the Company 	<p>An overall cap on all non-executive fees, excluding consultancy fees, will apply consistent with the prevailing and shareholder-approved limit in the Articles of Association.</p> <p>Consultancy fees will be set on a discretionary basis, taking account of the nature of the role and time required.</p>
<p>Benefits and allowances To enable the Chair and Non-Executive Directors to undertake their roles.</p>	<p>The Company will reimburse the Chair and Non-Executive Directors for all reasonable and properly documented expenses incurred in performing their duties of office.</p> <p>The Company may provide additional allowance to facilitate the operation of the Board such as a travel allowance for attendance at international meetings.</p> <p>In the event that the reimbursement of these expenses gives rise to a personal tax liability for the Chair or Non-Executive Director, the Company retains the discretion to meet this cost (including, where appropriate, costs in relation to tax advice and filing).</p> <p>While not currently offered, the Company retains the discretion to pay additional benefits to the Chair including, but not limited to, use of car, office space and secretarial support.</p>	<p>Benefits and allowances for the Chair and Non-Executive Directors will be set at a level that is appropriate for the performance of the role.</p>

OTHER CHAIR AND NON-EXECUTIVE DIRECTOR POLICIES

LETTERS OF APPOINTMENT FOR THE CHAIR AND NON-EXECUTIVE DIRECTORS

Letters of appointment have a one- to two-month notice period and there are no payments due on loss of office.

APPOINTMENTS TO THE BOARD

Letters of appointment will be consistent with the current terms as set out in this Annual Report. The Chair and Non-Executive Directors are not eligible to receive any variable pay. Fees for any new Non-Executive Directors will be consistent with the operating policy at their time of appointment. In respect of the appointment of a new Chair, the Committee has the discretion to set fees considering a range of factors including the profile and prior experience of the candidate and external market data.

SHAREHOLDING

Non-Executive Directors are encouraged to hold shares in the Company. The ownership guideline is to reach a shareholding equal to 1 x annual base fee within a three-year period.

ANNUAL REPORT ON COMPENSATION

This section of the report sets out details of how the Directors' Compensation Policy was implemented in 2022.

Payments have been made in accordance with the current Directors' Compensation Policy, approved by shareholders at the 2020 AGM. The information included in this section has been audited where stated.

GOVERNANCE IN RELATION TO COMPENSATION

During 2022, there were five scheduled and five unscheduled Compensation Committee meetings. A table of Board and Committee attendance can be found on page 115 and the detail of key activities discussed is set out below.

The Committee members have no personal financial interest (other than as a shareholder as disclosed on page 154) in the matters to be decided by the Committee, potential conflicts of interest arising from cross-directorships, or day-to-day involvement in running the Company's businesses. The terms of reference for the Compensation Committee are available on the Company's website.

ADVISORS TO THE COMPENSATION COMMITTEE

The Committee invites certain individuals to attend meetings, including the Chief

Executive Officer, Chief Financial Officer, the Company Secretary, the Chief People Officer (who are not present when matters relating to their own compensation or contracts are discussed and decided) and the Global Reward Director. The latter two individuals provide a perspective on information reviewed by the Committee and are a conduit for requests for information and analysis from the Committee's external advisors.

EXTERNAL ADVISORS

The Committee retains WTW to act as independent advisor. WTW provides advice to the Compensation Committee and works with management on matters related to our compensation policy and practices. WTW is a member of the Remuneration Consultants Group and has signed the code of conduct relating to the provision of advice in the UK. Considering this, and the level and nature of the service received, the Committee remains satisfied that the advice is objective and independent. WTW provides limited other services at a Group level and some of our operating companies engage WTW as advisor at a local level. In 2022, WTW received fees of £147,570 in relation to the provision of advice to the Committee. The Committee receives external legal advice, where required, to assist it in carrying out its duties.

DIRECTOR CHANGES DURING THE YEAR

As referenced in the Committee Chair's letter, it was announced in 2022 that John Rogers would step down as Chief Financial Officer. Mr Rogers will be succeeded by Joanne Wilson, following the announcement of the Company's 2023 First Quarter Trading Update.

John Rogers will be treated in accordance with WPP's shareholder-approved Directors' Compensation Policy for the remaining term of his employment. He was eligible to receive a STIP award (cash and ESA) for the 2022 financial year, details of which are included on page 145. He will not receive a STIP or other incentive award for the 2023 financial year. Any outstanding ESA awards will vest on a pro rata basis. All long-term incentive (EPSP) awards which are unvested at the point that John leaves WPP will lapse in full. No further EPSP awards will be granted. John will be subject to post-employment shareholding requirements as set out in the Policy.

A summary of Joanne Wilson's compensation arrangements is included in the press release of 8 November 2022. Further detail will be disclosed in next year's Compensation Committee Report following her appointment in 2023.

ACTIVITY DURING THE YEAR

The key activities of the Compensation Committee are set out below. In addition to the specific items outlined, the Committee reviews any compensation matters relating to the Executive Directors and the Executive Committee, as well as all compensation governance matters.

2022

Q1

- Determined performance outcomes for 2017-2021 EPSP
- Consideration of 2021 STIP in the context of performance during the year
- Setting targets for 2022 EPSP
- Reviewed and approved 2021 Compensation Committee Report

Q2

- Reviewed the CEO and CFO's salaries
- Reviewed and approved proposed changes to Executive Committee salaries and compensation structure
- Set targets for 2022 STIP
- Directors' Compensation Policy review

Q3

- Received an update on the wider workforce providing an overview of the diversity demographics and compensation of employees at WPP
- Continued review of Directors' Compensation Policy

Q4

- Shareholders' consultation in respect of proposed changes to Directors' Compensation Policy
- Reviewed outcome of consultation and finalised proposed Policy changes
- Agreement of terms for CFO transition
- Corporate governance update



To learn more, see wpp.com/about/corporate-governance

STATEMENT OF SHAREHOLDER VOTING

The result of the shareholder vote at the Company's 2022 AGM in respect of the 2021 Compensation Committee Report is set out below along with the result of the most recent vote on the Directors' Compensation Policy at the 2020 AGM:

Voting outcome for 2021 Compensation Committee Report (at 2022 AGM)

Resolution	Votes for		Votes against		Votes cast	Votes withheld
	Number	%	Number	%	Number	Number
To approve the Compensation Committee Report	841,723,026	93.41	59,344,966	6.59	901,067,992	137,143

Voting outcome for 2020 Compensation Policy (at 2020 AGM)

Resolution	Votes for		Votes against		Votes cast	Votes withheld
	Number	%	Number	%	Number	Number
To approve the Compensation Policy	885,129,086	90.76	90,096,398	9.24	975,225,484	14,009,046

2022 COMPENSATION

The decisions made with respect to 2022 compensation were made in line with the 2020 Directors' Compensation Policy, approved by shareholders at the AGM in 2020.

EXECUTIVE DIRECTORS' TOTAL COMPENSATION RECEIVED (AUDITED)

Single total figure of compensation

		Base salary	Benefits	Pension	Total fixed	Short-term incentive £000		Long-term incentive	Total variable	Total annual compensation
		£000	£000	£000	£000	Cash	Deferred	£000	£000	£000
Mark Read	2022	1,061	36	125	1,222	1,437	958	3,065	5,460	6,682
	2021	1,013	37	149	1,199	1,560	1,040	0	2,600	3,799
John Rogers ¹	2022	762	32	76	870	917	611	1,994	3,522	4,392
	2021	740	32	74	846	999	666	2,265	3,930	4,776

¹ John Rogers received buy-out awards to compensate for the forfeiture of incentive awards from his previous employer. In 2021 this comprised an EPSP which vested in March 2022 based on a performance period of 1 Jan 2019 to 31 Dec 2021 with a final vesting value of £2,265,468. See page 147 of 2021 Annual Report and Accounts for further details

FIXED ELEMENTS OF COMPENSATION (AUDITED)

BASE SALARY

	Effective date	Annual base salary	Base salary received in 2022 £000
Mark Read	1 July 2022	£1,081,600	£1,061
John Rogers	1 July 2022	£784,400	£762

The CEO and CFO's salaries were reviewed in 2022 in line with a salary review which took place throughout the organisation. When reviewing executive salaries in 2022, the Committee took into consideration the external market in the UK as well as the global advertising and media sector; performance in role; time since previous review; and salary increases across the wider workforce during the year.

For the CEO, the Committee agreed an increase of 4.0% to £1,081,600. This is in line with average annual salary increases in the UK of around 3.6%. The CFO's salary has not been reviewed since his appointment in January 2020 and the Committee agreed an increase of 6.0% to reflect performance and the 30-month period since appointment without review.

BENEFITS

In addition to the allowance received, the values disclosed include the value of expenses related directly to attendance at Board meetings. The expenses for Mark Read and John Rogers were £1,347 and £2,169 respectively (£2,431 for both Executive Directors in 2021). These values include the grossed-up cost of UK income tax and national insurance paid by the Company on behalf of the Directors.

	2022 Benefits £000
Mark Read	36
John Rogers	32

PENSION

In line with the plan to reduce Mark Read's pension to ensure alignment with the wider workforce by the end of the policy period, the final reduction was made to reduce his pension to 10% during 2022.

	Contractual pension (% of base salary)	2022 Pension £000
Mark Read	10	125
John Rogers	10	76

SHORT-TERM INCENTIVE (AUDITED)

2022 STIP OUTCOME

	Maximum bonus (% of salary)	2022 STIP (% of maximum)	2022 STIP (% of base salary)	2022 STIP (£000)
Mark Read	250	88.56	221.40	2,395
John Rogers	225	86.56	194.76	1,528

In accordance with the 2020 Directors' Compensation Policy, 60% of the total STIP was paid in cash and 40% deferred into an ESA.

PERFORMANCE AGAINST 2022 FINANCIAL OBJECTIVES (75% OF AWARD)

The financial bonus targets and outcomes for the year are set out in the table below. Performance against all financial objectives is calculated on a 'like-for-like' basis other than headline operating margin, which is calculated on a constant currency basis.

Measure	Weighting (as portion of financial element)	Threshold (0% payable)	Target (50% payable)	Maximum (100% payable)	Actual performance	% of award achieved
Like-for-like headline operating profit growth	1/3	0.0%	5.0%	10.0%	10.0%	25.00%
Headline operating margin improvement	1/3	0.0%	0.25%	0.5%	0.4%	20.00%
Like-for-like revenue less pass-through costs growth	1/3	0.0%	4.0%	8.0%	6.9%	21.56%
Total achieved						66.56%

PERFORMANCE AGAINST 2022 INDIVIDUAL STRATEGIC OBJECTIVES (25% OF AWARD)

Non-financial performance is assessed using a scorecard of measures with four categories: client; people and DE&I; purpose and reputation; and strategic priorities. The Committee has assessed performance against these targets holistically to inform its decision on each Executive Director's non-financial performance and determined an award of 22% for Mark Read and 20% for John Rogers, out of a maximum of 25%.

NON-FINANCIAL PERFORMANCE APPLICABLE TO BOTH EXECUTIVE DIRECTORS

Category	Area	2022 performance
Purpose and reputation – Aligned to the Company's sustainability strategy, the management of governance and controls as well as industry achievements and awards	Progress on carbon reduction	<ul style="list-style-type: none"> Carbon reduction targets: We have reduced our total market-based Scope 1 and 2 carbon emissions by 28% year-on-year and by 71% versus our 2019 baseline, driven by energy savings from our campus programme and increased purchasing of renewable electricity (see pages 74 and 75 for further detail) Media decarbonisation: GroupM developed and released a methodology for calculating emissions from media, launched a coalition of leading advertisers – \$10 billion in global advertising investment – with a shared commitment to accelerate the decarbonisation of the world's media supply chain, and in February 2023 launched a new media carbon calculator for clients See pages 74 and 75 for further detail on carbon reduction progress
	Creative reputation	<ul style="list-style-type: none"> WPP awarded Most Creative Company of the Year in 2022 at the Cannes Lions International Festival of Creativity, for the second year in a row WPP agencies collected a total of 176 Lions including one Titanium, four Grand Prix, 36 Gold, 47 Silver and 88 Bronze, with winners representing 40 different countries. Ogilvy was recognised as Network of the Year
	Governance and controls	<ul style="list-style-type: none"> SOX testing improvements have continued across 2022, with enhanced key financial controls tests finding reductions in deficiencies from 2021 ESG data controls have been built into the Group's Risk and Control matrix and rolled out to leaders to embed Software Development Lifecycle controls were introduced into the control framework in 2022
Strategic priorities – In relation to our growth strategy and Group-wide transformation	Focus on high-growth areas	<ul style="list-style-type: none"> Expanded our offer in experience, commerce and technology through a number of acquisitions and partnerships (see page 14 for further detail) Revenue less pass-through costs growth in experience, commerce and technology was an estimated 9% in 2022, increasing their share of our global integrated agencies, excluding GroupM, business mix to 39% in 2022
	Transformation programme	<ul style="list-style-type: none"> Delivered £375m of gross annual savings against a 2019 base, ahead of the planned £300m with savings in property, procurement and our operating model

MARK READ – NON-FINANCIAL PERFORMANCE

Category	Area	2022 performance
Client – Relating to new business and client satisfaction	Client satisfaction	<ul style="list-style-type: none"> The high client satisfaction levels achieved in 2021 have remained high with an average Likelihood to Recommend of 8.0 overall in 2022, with Quality of Work at 8.1 and DE&I at 8.2. See page 53 for further detail
	New business	<ul style="list-style-type: none"> New business performance continues to be strong at \$5.9billion of net new billings in 2022, including new assignments with a range of major brands from Audible, Danone and SC Johnson to Nationwide and Verizon. We grew relationships with existing clients and our unprecedented global partnership with The Coca-Cola Company continued to expand

People and DE&I – Improvements in relation to diversity and delivery of our people strategy	Inclusive culture	– Continued improvements in our journey to achieve greater gender balance throughout the Company, particularly at the senior leadership level. Women represent 45.8% of our Executive Committee and Direct Reports (42.9% in 2021) as reported in the FTSE Women Leaders Review – Continued to develop a number of initiatives to foster an open and inclusive culture – Additional details on the diversity of our leadership and our inclusion initiatives are included on pages 36-37
	Employee engagement	– In 2022 we launched the refreshed All In survey, an engagement survey which helps us better support staff, hold ourselves accountable and create an inclusive culture – We achieved our highest ever participation levels, with 72,700 employees taking part, an increase of 65% from 2021. We were pleased to see our Company-wide eNPS score (how likely you are to recommend WPP as a place to work) increase by 14 points from 2021 (see page 36 for more details)
Strategic priorities – In relation to our growth strategy and Group-wide transformation	Continued simplification of WPP	– Announced several business combinations in 2022: fusion of two agencies to create EssenceMediacom with 10,000 employees in over 100 offices; brought together three agencies to create GroupM Nexus; merged two agencies to create a new design company, Design Bridge and Partners

JOHN ROGERS – NON-FINANCIAL PERFORMANCE

Category	Area	2022 performance
Client – Relating to new business and client satisfaction	Commercial insights	– A focus on supporting client commercial insights with the roll-out of Quantum technology tool across top 20 markets in a global integrated agency, providing leading indicators data
People and DE&I – Improvements in relation to diversity and delivery of our people strategy	Inclusive culture	– Continuing focus on diversity in the finance leadership team with development a priority. Over 60% of the female leaders in the finance function (representing 35% of the leadership team) are new in role
	Employee engagement	– Engagement in the finance team was 84% favourable, with an eNPS of 18, which reflected strong engagement in the finance team
	Campus programme	– The transformation of our property estate continues, with a further five campuses opened in 2022 (Brussels, Düsseldorf, Santiago, Tokyo, Toronto) and another in Guangzhou, China, in January, taking the global total to 37. These campuses now accommodate around half our people around the world
Strategic priorities – In relation to our growth strategy and Group-wide transformation	Continued simplification of WPP	– Shared services roll-out continued with operation rolled out in five locations across APAC and the Americas. Finance shared services are now live in 20 markets, providing efficient scaled resources – Successful roll out of Maconomy Finance tool to over 20,000 people in several Asia Pacific markets, with further planned rollouts in Latin America in 2023 – Established 24/7 global IT services capabilities for the Group, with global hubs in Bucharest, Chennai, Kuala Lumpur and Mexico

SHORT-TERM INCENTIVE WEIGHTINGS AND MEASURES FOR 2023

The Committee has reviewed the performance objectives for 2023 to ensure continued alignment with Company strategy. The Group financial measures remain headline operating profit growth, headline operating profit margin improvement and revenue less pass-through costs growth. Non-financial performance continues to be measured based on a scorecard including the following metrics: client – relating to new business and client satisfaction; people and DE&I – this will include improvements in relation to diversity as well as the delivery of our people strategy; purpose and reputation – aligned to the Company's sustainability strategy, the management of governance and controls as well as industry achievements and awards; and strategic priorities – in relation to our Group-wide transformation.

The Committee is of the view that the specific targets for the STIP are commercially sensitive and it would be detrimental to the Company to disclose them in advance of, or during, the relevant performance period. To the extent targets are no longer commercially sensitive they will be disclosed at the end of the relevant performance period in that year's Annual Report, as has been done in previous years.

LONG-TERM INCENTIVES (AUDITED)**VESTING OF 2018-2022 EPSP AWARDS**

Vesting of the 2018 legacy EPSP awards was dependent on performance against three measures, all assessed over a five-year period:

- WPP's relative TSR, measured in common and local currency, against a custom group of WPP's comparators (Dentsu, Interpublic, Ipsos, Nielsen, Omnicom and Publicis, weighted by their respective market capitalisation)
- Compound annual growth in headline EPS
- Average ROE

The targets were set prior to the CEO's appointment, Covid-19 and the launch of the strategy. Consistent with prior award cycles, the Committee did not feel it was appropriate to adjust the targets during the performance period. As a result, performance against all three measures was below the threshold required for vesting.

Performance measure	Weighting	Threshold %	Maximum %	Actual %	% of maximum achieved
Relative TSR (common currency)	1/3	50% of weighted peer group outperformed	90% of weighted peer group outperformed	27%	0%
Relative TSR (local currency)				26%	
Headline EPS growth	1/3	7.0	14.0	-3.9%	0%
Average ROE	1/3	15.0	18.0	14.6%	0%
Total vesting (% of maximum)					0%

	Number of shares awarded	Additional shares in respect of dividend accrual	Number of shares vesting	Share price on vesting	Value of vested 2018-2022 EPSP awards £000
Mark Read	396,617	0	0	n/a	0

VESTING OF 2020-2022 EPSP AWARDS

Vesting of the 2020 EPSP award was dependent on performance against three measures, all assessed over a three-year period:

- WPP's relative TSR, measured in common and local currency, against a custom group of WPP's comparators (Dentsu, Interpublic, Omnicom, Publicis and the FTSE 100 index). Each comparator carries an equal weighting
- Cumulative ACF
- Average ROIC

The performance against ROIC and ACF was above maximum for the performance period, resulting in maximum vesting for those elements of the award. The relative TSR was below threshold on both a local and common currency basis resulting in zero vesting for the TSR element and a total formulaic vesting of 66.7% for the award.

The Committee is mindful of investor concerns around windfall gains for awards made in 2020 following reductions in share price across the market as a result of the emerging Covid-19 pandemic. The Committee undertook a review of the extent to which the gain over the performance period was due to a market recovery rather than Company performance. The Committee considered share price movement and volatility on an absolute basis and compared to peers and the market, underlying financial performance, historic award and vesting levels, and absolute award value in the context of total compensation as well as wider stakeholders. The Committee deferred making the EPSP awards in March 2020 due to the uncertainty surrounding the emerging Covid-19 pandemic. The awards were made in November 2020 following a consultation with key shareholders concerning the definition and quantum of the EPSP targets. By this point the share price had shown signs of recovery having increased c.50% since mid-March 2020. Vesting of the EPSP awards in recent years has been at or close to zero and the Committee has not adjusted these historic awards to take account of the economic situation at the time to allow for a higher vesting. Having reviewed these factors, the Committee determined that the gain generated during the performance period is a fair reflection of performance and that a consistent approach of making no adjustment to the formulaic vesting of the 2020 EPSP is required.

Performance measure	Weighting	Threshold %	Maximum %	Actual %	% of maximum achieved
Relative TSR (common currency)	1/3	Median	Upper decile	Below median	0%
Relative TSR (local currency)				Below median	0%
AFCF	1/3	£2,300m	£3,100m	£4,081m	100%
ROIC	1/3	11.5%	12.9%	16.8%	100%
Total vesting (% of maximum)					66.67%

	Number of shares awarded	Additional shares in respect of dividend accrual	Number of shares vesting	Share price on vesting ¹	Value of vested 2020-2022 EPSP awards £000
Mark Read	460,464	21,637	328,628	£9.3278	3,065
John Rogers	299,554	14,075	213,787	£9.3278	1,994

¹ The share price increased 25.86% between the grant and vest dates for this award. £629,914 and £409,787 of the total value of vested shares for the CEO and CFO respectively is attributable to share price appreciation

GRANTING OF 2022-2024 AWARDS

In 2022, the Executive Directors were granted awards under the EPSP as approved by shareholders in 2020. The performance measures are ROIC, AFCF and relative TSR. Proposed targets were developed based on detailed medium-term financial plans and robust modelling, with reference to analyst consensus estimates.

Definition of measure

Relative TSR	TSR performance is compared to that of five comparators: Dentsu, IPG, Omnicom, Publicis and the FTSE 100 Index. Each comparator carries an equal weighting. TSR performance is calculated both in common and local currency (weighted equally). Using a dual basis ensures that the interests of both local and international investors are reflected in the performance measures.
AFCF (Adjusted free cash flow)	A cumulative AFCF for each of the three years in the performance period. Adjusted free cash flow is calculated as cash generated by operations plus dividends received from associates, interest received, investment income received, and proceeds from the issue of shares, less interest and similar charges paid, dividends paid to non-controlling interests in subsidiary undertakings, repayment of lease liabilities (including interest), and purchases of property, plant and equipment and purchases of other intangible assets over the course of the performance period.
ROIC (Return on invested capital)	An average of the year end ROIC for each of the three years in the performance period calculated as: Headline operating profit/Invested capital Where invested capital = (Opening net assets + closing net assets)/2 + average net debt + average lease liabilities (opening lease liabilities + closing lease liabilities)/2

The table below summarises the awards granted and the performance conditions against which participants will be measured.

Awards granted in 2022	Basis and level of award (% of salary)	Number of shares awarded	Face value at date of grant ¹ £000
Mark Read	390	384,746	4,056
John Rogers ²	300	210,586	2,220

¹ Awards were granted on 25 March 2022. Face value is calculated based on the five-day average share price preceding the date of award (£10.5421)

² Awards for John Rogers will lapse on leaving the Company

Performance measure	Relative TSR	AFCF	ROIC
Weight	One-third	One-third	One-third
Nature	Relative to peers	Cumulative	Average
Performance zone (threshold to maximum)	Median to upper decile	£2,300m-£3,100m	16.5%-18.5%
Payout	For performance below threshold there is nil vesting. 20% vesting occurs at threshold performance, 100% vesting at maximum performance and straight-line vesting between threshold and maximum		
Performance period	1 January 2022 to 31 December 2024		
Holding period	1 January 2022 to 31 December 2024		

EPSP MEASURES AND TARGETS FOR 2023

The table below shows the targets against which performance will be measured for the awards granted in 2023. The Committee considers the measures and targets set to be appropriate and challenging.

Performance measure	Relative TSR	AFCF	ROIC
Weight	One-third	One-third	One-third
Nature	Relative to peers	Cumulative	Average
Performance zone (threshold to maximum)	Median to upper decile	£3,500m-£4,500m	17.5%-19.5%
Payout	For performance below threshold there is nil vesting. 20% vesting occurs at threshold performance, 100% vesting at maximum performance and straight-line vesting between threshold and maximum		
Performance period	1 January 2023 to 31 December 2025		
Holding period	1 January 2026 to 31 December 2027		

A 2023 award will not be made to John Rogers. Joanne Wilson is eligible for a 2023 EPSP award upon commencement of employment at the first available opportunity.

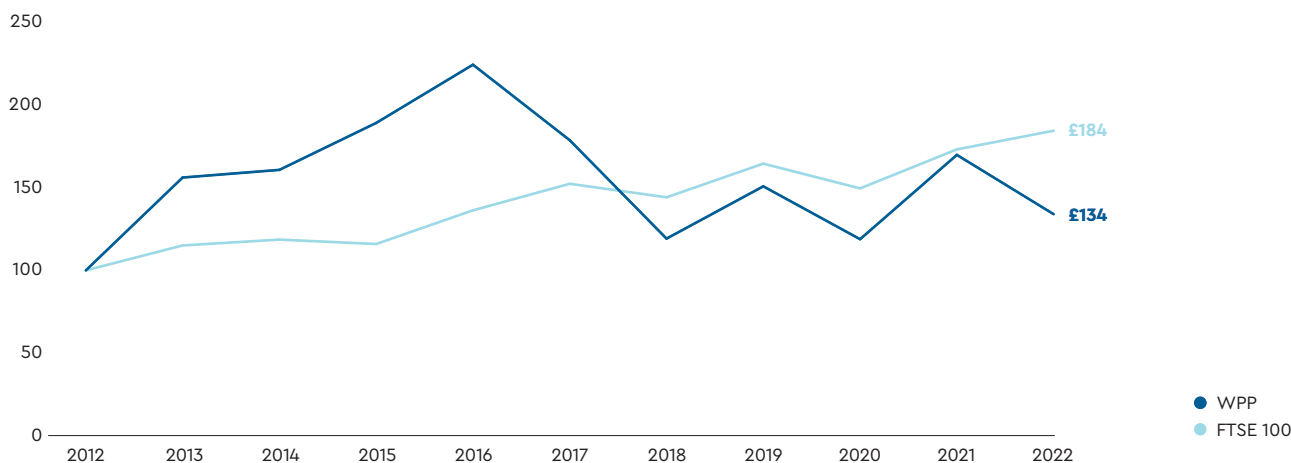
In 2022, an increased EPSP award was made to Mark Read of 390% of base salary following consultation with shareholders. The award was within the range approved by shareholders under the 2020 Policy. The Committee considered performance, the competitive nature of the global talent market and the interests of wider stakeholders and determined that the award will remain at 390% of salary.

ALIGNING PAY AND PERFORMANCE

As set out in the Directors' Compensation Policy, the Committee's objective is to align variable compensation with the key strategic priorities of WPP, maximising the link between pay and performance.

The following graph and table demonstrate the relationship between pay and performance over the last ten years for the CEO. The graph shows WPP's performance against the performance of the FTSE 100 over the ten-year period to 31 December 2022. TSR is rebased to £100 from 1 January 2012 to show the value of a hypothetical £100 holding. The FTSE 100 has been chosen as a comparator as the Company has been a constituent member throughout the period. With respect to 2018, the pay for both the current and previous CEO is included separately.

HISTORICAL TSR PERFORMANCE¹



Source: S&P Capital IQ.

	2013	2014	2015	2016	2017	2018 MSS ³	2018 MR ³	2019	2020	2021	2022
CEO total compensation (£000) ²	29,846	42,704	70,409	48,148	13,930	3,085	965	2,594	1,136	3,799	6,682
Short-term incentive award against maximum (%)	82	72	86	60	0	0	30	55	0	100	89
Long-term incentive award against maximum (%)	87	100	100	100	73	33	33	15	5	0	2018: 0 2020: 67

¹ Growth in the value of a hypothetical £100 holding over ten years versus the FTSE 100 (the broad market equity index of which WPP is a constituent) based on one month average of trading day values. Source: CapIQ

² Calculated based on the methodology used for disclosing compensation in the single figure of compensation table

³ Sir Martin Sorrell (MSS) left the company on 14 April 2018; Mark Read (MR) was appointed as Chief Executive Officer from 3 September 2018

NON-EXECUTIVE DIRECTORS' FEES

The fees due to Non-Executive Directors were reviewed and increased in 2021. The Chair of the Sustainability Committee's fee was reviewed and increased effective June 2021 and the Senior Independent Director's fee was reviewed and increased effective October 2021. The fees are shown in the table below:

	£000
Chairman	525
Non-Executive Director	85
Senior Independent Director	40
Chair of Audit or Compensation Committee	40
Chair of Nomination and Governance Committee ¹	15
Chair of Sustainability Committee ²	40
Member of Audit or Compensation Committee	20
Member of Nomination and Governance Committee	10
Member of Sustainability Committee	10

¹ The Nomination and Governance Committee is chaired by Roberto Quarta as part of his role as Chairman; no additional fee is paid

² In prior years the Sustainability Committee has been co-chaired with each Chair receiving a fee of £15,000. The Committee now has a single Chair, who receives a fee of £40,000

NON-EXECUTIVE DIRECTORS' TOTAL COMPENSATION RECEIVED (AUDITED)

The single figure table below details the value of fees and taxable benefits received by the Non-Executive Directors during 2022 while they held a position on the Board. The benefits amounts include the grossed-up cost of UK tax and national insurance paid by the Company on behalf of the Directors where applicable.

	Fees £000		Benefits £000		Total £000	
	2022	2021	2022	2021	2022	2021
Roberto Quarta	525	525	32	33	557	558
Angela Ahrendts ¹	103	95	42	1	145	96
Jacques Aigrain, retired 24 May 2022	58	145	9	3	67	148
Simon Dingemans, appointed 31 January 2022	97	n/a	6	n/a	103	n/a
Sandrine Dufour ¹	140	125	6	0	146	125
Tarek Farahat	105	105	18	0	123	105
Tom Ilube	135	133	7	5	142	138
Cindy Rose	125	123	5	6	130	129
Nicole Seligman	155	147	24	0	179	147
Sally Susman, retired 24 May 2022	42	107	15	0	57	107
Keith Weed	125	114	7	8	132	122
Jasmine Whitbread	135	135	5	6	140	141
Dr. Ya-Qin Zhang ¹	93	85	20	0	113	85

¹ Angela Ahrendts joined the Nomination and Governance Committee in March 2022; Dr. Ya-Qin Zhang joined the Sustainability Committee in March 2022. Sandrine Dufour took on the role of Chair of the Audit Committee during 2022

PAYMENTS TO PAST DIRECTORS

No payments were made to past directors during the year.

EXECUTIVE DIRECTORS' INTERESTS (AUDITED)

Executive Directors' interests in the Company's ordinary share capital are shown in the following table. Other than as disclosed in this table, no Executive Director had any interest in any contract of significance with the Group during the year. Each Executive Director has a technical interest as an employee and potential beneficiary in shares in the Company held under the Employee Share Ownership Plan Trusts (ESOPs). More specifically, the Executive Directors have potential interests in shares related to the outstanding awards under the EPSP and outstanding ESAs. As at 31 December 2022, the Company's ESOPs (which are entirely independent of the Company and have waived their rights to receive dividends) held in total 1,211,974 shares in the Company (5,803,641 in 2021).

Director		Total beneficial interests	Shares without performance conditions (unvested) ¹	Shares with performance conditions (unvested) ^{2,3}	Total unvested shares	Shareholding requirements	
						% of base salary	Achieved/ On track
Mark Read	At 31 December 2022	566,060	109,220	1,951,164	2,060,384	600%	✓
	At 16 March 2023 ⁴	739,923	109,220	1,094,083	1,203,303		
John Rogers	At 31 December 2022	391,715	69,943	750,373	820,316	300%	✓
	At 16 March 2023 ⁴	391,715	69,943	450,819	520,762		

¹ Shares due pursuant to the 2021 Executive Share awards. Additional dividend shares will be due on vesting

² Maximum number of shares due on vesting pursuant to the outstanding EPSP awards, full details of which can be found below. Additional dividend shares will be due on vesting

³ As noted in footnote 2 above, reduced by the maximum due under the 2018 EPSP award, which lapsed on 15 March 2023, and the 2020 EPSP, which vested on 15 March 2023 (full details can be found on page 149)

⁴ Total beneficial interests calculated at the last practicable date for this Annual Report

SHAREHOLDING REQUIREMENTS

As detailed in the Directors' Compensation Policy, the Executive Directors are required to achieve a minimum level of shareholding of WPP shares. The Chief Executive Officer and Chief Financial Officer are required to hold shares to the value of 600% and 300% of base salary respectively. Both Executive Directors have seven years from the date they were appointed to their respective roles in which to reach the required level.

As at 31 December 2022, the Chief Executive Officer held shares to the value of 439% of his base salary. At the same date, the Chief Financial Officer held shares to the value of 418% of his base salary. This was calculated based on the average share price for the last two months of the year.

OUTSTANDING SHARE-BASED AWARDS

The table below shows outstanding shares as at 31 December 2022. ESAs (Executive Share Awards) are granted under the WPP Stock Plan 2018. This is the stock component of the annual short-term incentive plan and granted subject to the achievement of performance measures prior to grant. EPSP awards (Executive Performance Share Plan) are subject to performance measures over the period stated below. Dividend shares will accrue on these awards.

	Award type	Grant date	Performance period	Share price on grant date	No. of shares granted	Vesting date
Mark Read	ESA	10.05.22	n/a	£9.522	109,220	10.03.2024
	EPSP	06.12.18	01.01.18-31.12.22	£8.604	396,617	15.03.2023
		24.09.19	01.01.19-31.12.23	£10.035	340,059	15.03.2024
		24.11.20	01.01.20-31.12.22	£7.411	460,464	15.03.2023
		28.03.21	01.01.21-31.12.23	£9.241	369,278	15.03.2024
		25.03.22	01.01.22-31.12.24	£10.542	384,746	15.04.2025
John Rogers	ESA	10.05.22	n/a	£9.522	69,943	10.03.2024
	EPSP	24.11.20	01.01.20-31.12.22	£7.411	299,554	15.03.2023
		28.03.21	01.01.21-31.12.23	£9.241	240,233	15.03.2024
		25.03.22	01.01.22-31.12.24	£10.542	210,586	15.04.2025

NON-EXECUTIVE DIRECTORS' INTERESTS (AUDITED)

Non-Executive Directors' interests in the Company's ordinary share capital are shown in the following table. Except as disclosed in this table, no Non-Executive Director had any interest in any contract of significance with the Group during the year.

Non-Executive Director	Total interests at 31 December 2022 ¹	Total interests at 16 March 2023 ²
Roberto Quarta	87,500	87,500
Angela Ahrendts	12,571	12,571
Jacques Aigrain, retired 24 May 2022	34,000	n/a
Simon Dingemans, appointed 31 January 2022	6,000	6,000
Sandrine Dufour	15,000	15,000
Tarek Farahat	3,775	3,775
Tom Ilube	6,335	6,335
Cindy Rose	8,000	8,000
Nicole Seligman	8,750	8,750
Sally Susman, retired 24 May 2022	5,000	n/a
Keith Weed	8,424	8,424
Jasmine Whitbread	8,735	8,735
Dr. Ya-Qin Zhang	0	10,000

¹ Or at date of retirement if retired during the year

² Total beneficial interests calculated at the last practicable date for this Annual Report

COMPENSATION IN THE WIDER CONTEXT

When setting the Directors' Compensation Policy and making decisions in relation to executive compensation, the Compensation Committee considers the wider workforce and the broader compensation context. The Committee places significant value on the views of employees and has facilitated the engagement with the Workforce Advisory Panel (WAP) on compensation matters at the executive level and throughout the organisation. This included the Compensation Committee Chair and the Global Reward Director's attendance at a WAP meeting to discuss how executive compensation aligns with wider Company compensation policies. Further information on the Workforce Advisory Panel can be found in the Nomination Committee report on page 120.

The Committee also receives regular updates on compensation for the wider workforce to ensure that pay for Executive Directors is set against this backdrop. In 2022, the Committee was particularly mindful of the challenges faced by employees as a result of increased inflation in many parts of the world, and the resulting actions taken including making more funds available for annual salary review budgets and importance of wider programmes to support our people in areas such as financial education and mental wellbeing. The Committee also noted the comprehensive support offered throughout 2022 to colleagues in Ukraine since the war began in February 2022. This has included financial support packages, medical and wellbeing care, relocation support and other practical resources.

RELATIVE IMPORTANCE OF SPEND ON PAY

The following table sets out the percentage change in total staff costs, headcount, dividends and share buybacks.

	2022	2021	% change
Total staff costs (continuing operations)	£8,165.8m	£7,166.7m	13.9
Headcount – average over year	114,129	104,808	8.9
Dividends and share buybacks	£1,228.1m	£1,133.2m	8.4

ANNUAL PERCENTAGE CHANGE IN COMPENSATION OF DIRECTORS AND EMPLOYEES

The table overleaf shows the annual change in each individual Director's pay for 2022 and 2021. Since WPP plc, the statutory entity for which this disclosure is required, does not have any employees, the table includes a voluntary disclosure of the annual average change for employees of the UK head office.

Mark Read and John Rogers received salary increases of 4.0% and 6.0% respectively, effective 1st July 2022 (see page 145 for further detail). The difference between this and the increase disclosed in the table on the following page reflects the timing of salary reviews for Executive Directors.

Directors are reimbursed for expenses that directly relate to attendance at Board meetings, including the grossed-up cost of UK income tax and national insurance paid by the Company on behalf of the Directors. Directors returned to travel in 2022 to attend Board meetings in WPP key locations following a reduction in travel during the Covid-19 pandemic. This has resulted in increased benefits for some Directors. Other than travel-related expenses, no additional benefits were provided.

	Year-on-year change in pay								
	2021-2022			2020-2021			2019-2020		
	Base salary/ Fees % change	Benefits % change	Annual bonus % change ¹	Base salary/ Fees % change	Benefits % change	Annual bonus % change ²	Base salary/ Fees % change	Benefits % change	Annual bonus % change
Executive Directors									
Mark Read ³	4.7	(2.9)	(7.9)	11.3	4.0	-	(6.7)	0.0	(100)
John Rogers ⁴	3.0	(0.8)	(8.2)	15.1	8.1	-	n/a	n/a	n/a
Non-Executive Directors									
Roberto Quarta	0.0	(3.0)		7.1	19.6		(2.0)	(51.9)	
Angela Ahrendts ⁵	8.4	4,100.0		131.2	n/a		n/a	n/a	
Jacques Aigrain ⁵	(60.0)	200.0		7.1	53.1		(6.9)	(73.3)	
Simon Dingemans ⁵	n/a	n/a		n/a	n/a		n/a	n/a	
Sandrine Dufour ⁵	12.0	-		40.1	(48.4)		n/a	n/a	
Tarek Farahat	0.0	-	Non-Executive Directors do not receive variable compensation	7.1	(65.0)	Non-Executive Directors do not receive variable compensation	(6.7)	(57.2)	Non-Executive Directors do not receive variable compensation
Tom Ilube ⁵	1.5	40.0		554.5	429.6		n/a	n/a	
Cindy Rose	1.6	(16.7)		25.6	21.5		24.1	113.8	
Nicole Seligman	5.4	-		8.7	(78.6)		(6.9)	47.2	
Sally Susman ⁵	(60.7)	-		4.4	(71.3)		5.1	135.3	
Keith Weed	9.6	(12.5)	22.2	40.2	447.1	820.9			
Jasmine Whitbread	0.0	(16.7)	14.5	21.6	218.9	1,318.1			
Dr. Ya-Qin Zhang ⁵	9.4	-	n/a	n/a	n/a	n/a			
Average UK head office employees⁶	6.0%	0.0%	316.3%	2.5%	0.0%	(49.5)%	1.2%	0.0%	23.6%

¹ The annual percentage change in bonus is calculated by reference to the bonus payable in respect of the financial year ended 31 December 2022 compared to the financial year ended 31 December 2021 for Executive Directors, and by reference to cash bonus payments received during the financial year ended 31 December 2022 in comparison to the financial year ended 31 December 2021 for the UK head office employees. Non-Executive Directors do not receive variable compensation

² As the Executives did not receive a bonus in respect of the financial year ended 31 December 2020, it is not possible to calculate a percentage change between 2020 and 2021

³ Mark Read took a voluntary 20% salary reduction for a period of four months in 2020 as part of cost-reduction targets implemented during Covid-19; this, together with a salary increase after three years, explains the changes shown between 2020 and 2021. Mark Read received a salary increase of 4.0% in 2022 (see page 145)

⁴ John Rogers joined the Company on 27 January 2020 and his salary and benefits in 2020 were prorated accordingly. Changes between 2020 and 2021 were a result of a prorated salary in 2020 and a voluntary 20% salary reduction for a period of four months in 2020 as part of cost-reduction targets implemented during Covid-19. John Rogers received a salary increase of 6.0% during 2022 (see page 145)

⁵ Jacques Aigrain and Sally Susman retired from the Board on 24 May 2022. Simon Dingemans was appointed 31 January 2022. Angela Ahrendts, Sandrine Dufour, Tom Ilube and Dr. Ya-Qin Zhang were appointed to the Board on 1 July 2020, 3 February 2020, 5 October 2020 and 1 January 2021 respectively

⁶ Based on full-time equivalent comparisons. Average is calculated by reference to the median percentage change. Due to the timing of annual bonus payments, the change in average employee annual bonus of 316.3% reflects the change between the bonus paid in respect of 2021 performance (paid in 2022) and 2020 performance (paid in 2021) and is therefore not directly comparable to Executive Director bonus awards made in respect of 2022 performance (paid in 2023) and 2021 performance (paid in 2022)

SHARE-BASED COMPENSATION BELOW THE BOARD

The Company uses share-based compensation programmes to incentivise and retain employees, recruit new talent and encourage a strong ownership culture among employees. The use of the core share plans in 2022 is described below.

WPP STOCK PLAN 2018 (WSP)

The WPP Leader programme made awards under the WSP to around 1,900 of our key leaders in 2022. Awards vest three years after grant, provided the participant is still employed within the Group. In addition, senior executives have part of their annual bonus paid in the form of Executive or Performance Share Awards that vest two years after grant.

The Executive Directors' Executive Share Awards are granted under the WSP. No further awards are made to Executive Directors.

All awards granted under the WSP are subject to malus and clawback conditions.

WPP SHARE OPTION PLAN 2015

During 2022, the WPP Share Option Plan 2015 was used to make awards to over 43,500 employees. By 31 December 2022, options under this plan, and its predecessor, the Worldwide Ownership Plan, had been granted to approximately 215,500 employees over 110.5 million shares since March 1997.

While the Share Option Plan provides the authority to make executive option awards, in addition to all employee awards, no awards were granted in 2022. The Executive Directors do not participate in this plan.

CEO PAY RATIO

The ratios shown in the table below compare the total compensation of the CEO (as shown in the single figure table on page 144) to the compensation of the median UK employee and those at the lower and upper quartile.

Year		Methodology used	25th percentile pay ratio	50th percentile pay ratio	75th percentile pay ratio
2022	Total compensation	Option B	154:1	118:1	81:1
2021	Total compensation	Option B	101:1	79:1	55:1
2020	Total compensation	Option B	36:1	24:1	15:1
2019	Total compensation	Option B	79:1	55:1	34:1

The pay ratio reflects how the structure and approach to compensation changes with increased seniority and accountability within the Group and is therefore consistent with pay, reward and progression policies. The CEO's pay is significantly weighted towards performance-related pay with a focus on aligning with long-term performance and the interests of shareholders. In prior years, the CEO has not received significant value from the vesting of long-term incentive plans due to legacy targets that were set prior to the CEO's appointment, Covid-19 and the launch of the strategy. This year the 2020 EPSP, the first of the newly structured EPSP awards more closely aligned with the strategy, vested at 66.67% resulting in an increase in the CEO's total compensation compared with the prior year, reflecting WPP's pay-for-performance philosophy and focus on rewarding long-term performance. At the 25th, 50th and 75th percentile employee level, variable compensation carries a much smaller weighting. As a result, the CEO pay ratio has increased since 2021.

The salary and total pay and benefits for the 25th, 50th and 75th percentile employees are shown in the table below:

Year		Methodology used	25th percentile pay	50th percentile pay	75th percentile pay
2022	Salary	Option B	£39,292	£51,985	£74,250
	Total pay and benefits	Option B	£43,417	£56,460	£82,551
2021	Salary	Option B	£32,067	£44,250	£61,500
	Total pay and benefits	Option B	£37,606	£48,293	£68,583
2020	Salary	Option B	£30,000	£45,000	£71,000
	Total pay and benefits	Option B	£31,800	£46,800	£73,840
2019	Salary	Option B	£31,000	£44,739	£70,000
	Total pay and benefits	Option B	£32,636	£46,975	£77,416

Given the number of payrolls used across the UK Group, Option B (using the gender pay gap information to identify three employees as the best equivalents of the 25th, 50th and 75th percentile employees) was the most appropriate methodology to use to determine the CEO pay ratio. We believe this approach provides accurate information and representation of the ratios. The latest data collected as part of gender pay reporting was used, with a snapshot date of 5 April 2022. The ratio has been computed taking into account the pay and benefits of over 10,000 UK employees, other than the role of the CEO. Where an employee works part-time, fixed pay, benefits, and any variable pay were adjusted, where appropriate, to reflect full-time equivalent compensation. The 25th, 50th and 75th percentile employees were determined based on this adjusted data and are considered to be representative. Total compensation for 2022 was calculated using single-figure table methodology for these employees in order to provide a meaningful comparison with the CEO. We are satisfied that the median pay ratio is consistent with the compensation policies for our UK workforce taken as a whole and our objective of delivering market competitive pay for each role.

SHARE INCENTIVE DILUTION FOR 2012 TO 2022

The share incentive dilution level, measured on a ten-year rolling basis, was at 3.2% at 31 December 2022 (2021: 2.9%). It is intended that awards under all plans, other than share options, will all be satisfied with purchased shares held either in the ESOPs or in treasury.

Jasmine Whitbread

Chair of the Compensation Committee
on behalf of the Board of Directors of WPP plc
23 March 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations. The Directors have elected to prepare financial statements for the Group in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) as they apply to the financial statements of the Group for the year ended 31 December 2022. Under company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's "Framework for the Preparation and Presentation of Financial Statements".

In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. Directors are also required to:

- Properly select and apply accounting policies
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- Provide additional disclosures, when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance
- Make an assessment of the Company's ability to continue as a going concern

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a Directors' report and Directors' Compensation Report.

The Directors are responsible for the maintenance and integrity of the Company website. Jersey legislation and UK regulation governing the preparation and dissemination of financial statements differs from legislation in other jurisdictions.

The Directors confirm that so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all the steps that he or she ought to have taken, as a Director, in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

In accordance with the principles of the UK Corporate Governance Code, the Board has established arrangements to evaluate whether the information presented in the Annual Report is fair, balanced and understandable; these are described on page 125.

The Board considers the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

The letters from the Chairs of the Sustainability, Nomination and Governance, Audit and Compensation Committees, the statements regarding Directors' responsibilities and statement of going concern set out above and the Directors' remuneration and interests in the share capital of the Company are included in the Directors' report, which also includes the Strategic Report and Corporate Governance sections.

By Order of the Board

Balbir Kelly-Bisla
Company Secretary
23 March 2023