

OUR BUSINESS MODEL

We are a creative transformation company, offering clients a comprehensive range of communications, experience, commerce and technology services.

We provide these services through a number of integrated global agencies and a client-first approach.

Our common approach to production, technology and data, fostering collaboration and the sharing of knowledge and customer insights, enhances creativity and drives efficiency for the benefit of our clients.

We also share a common purpose: to use the power of creativity to build better futures for our people, planet, clients and communities.

Our strengths

Our work depends on our creative talent, client relationships, integrated agencies and technology capabilities.

- **The creative talent of our people**
 - Strong creative reputation reflected in many industry awards, including Cannes and Effies
 - Continuing to attract top talent to WPP and its agencies
 - Deep understanding of consumers and brands

100,000
people



- **Our relationships with the world's most successful companies**
 - Global Client Leaders, providing easy access to the breadth and depth of WPP
 - Unique partnerships with leading technology companies, providing us with preferential access to training, new product development and joint go-to-market programmes

325
of the Fortune Global 500
are our clients

- **Home to many of the industry's most powerful and respected agency brands**
 - The #1 global media-buying organisation, GroupM, and its industry-leading agencies
 - Iconic creative brands: AKQA, Grey, Ogilvy, VMLY&R and Wunderman Thompson
 - Integrated agency model, meeting all the needs of clients in communications, experience, health, ecommerce, data and technology

\$4.4bn
of net new business in 2020¹

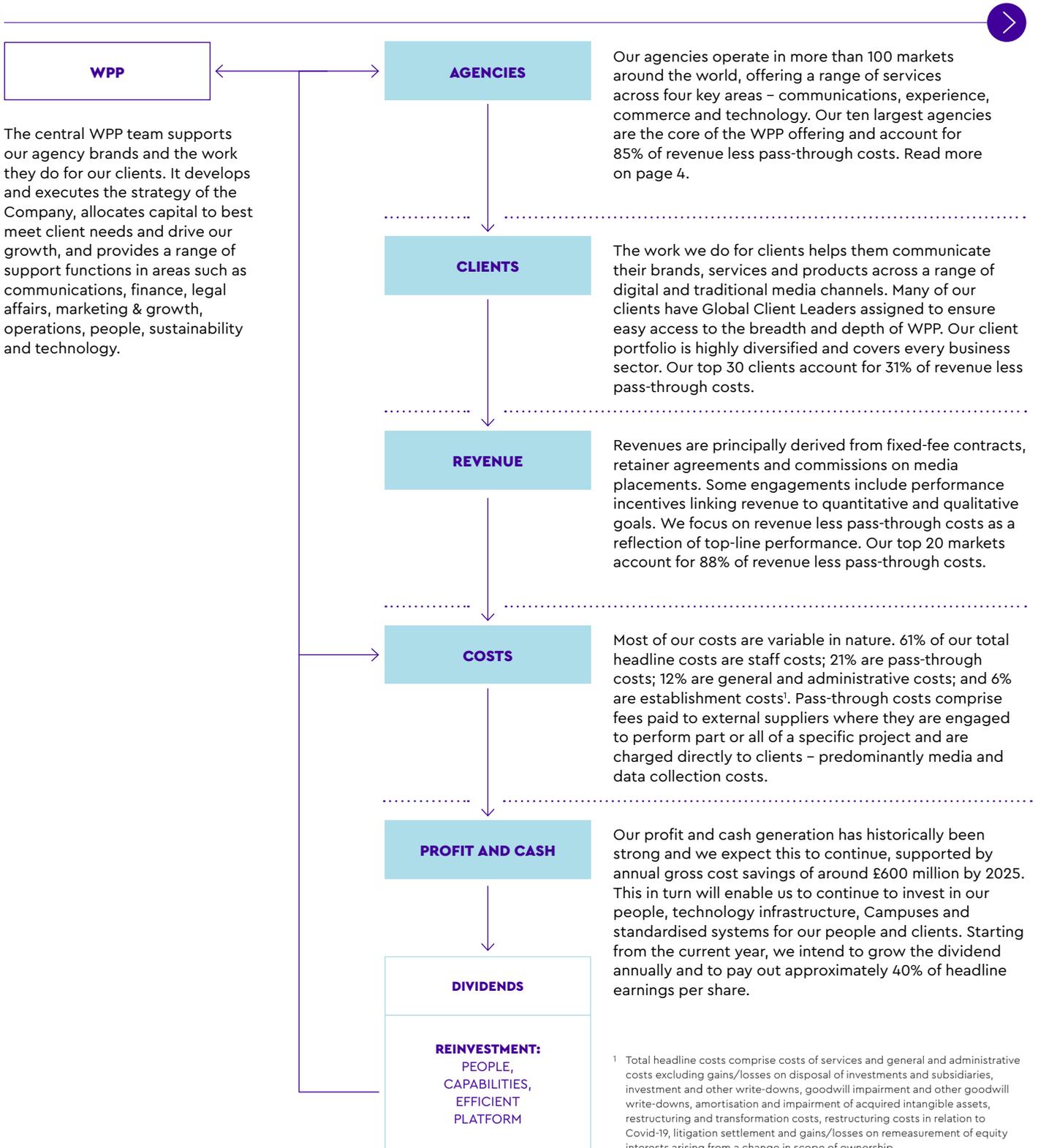
- **The technology skills and platforms to deliver modern marketing solutions**
 - Ability to deliver integrated campaigns, globally across traditional and digital platforms
 - WPP Open - a common data and technology platform for agencies and clients to share the best innovation from across WPP and its strategic technology partners

\$30bn
of gross merchandise value
sales over WPP-built
ecommerce platforms

¹ Billings, as defined in the Financial Glossary on page 225.

Operating model

We meet our clients' needs through a collaborative approach that works on a global scale. This drives our revenue while controlling costs, to fund re-investment into our capabilities and technology, for our agencies, clients, people and shareholders.



Our offer

Our offer to clients covers four areas that are critical to modern marketing: communications, and the higher-growth segments of experience, commerce and technology.



COMMUNICATIONS

We create powerful ideas based on deep insights to connect brands with audiences at the right moment and in the right channels. This includes paid advertising campaigns and public relations.

EXPERIENCE

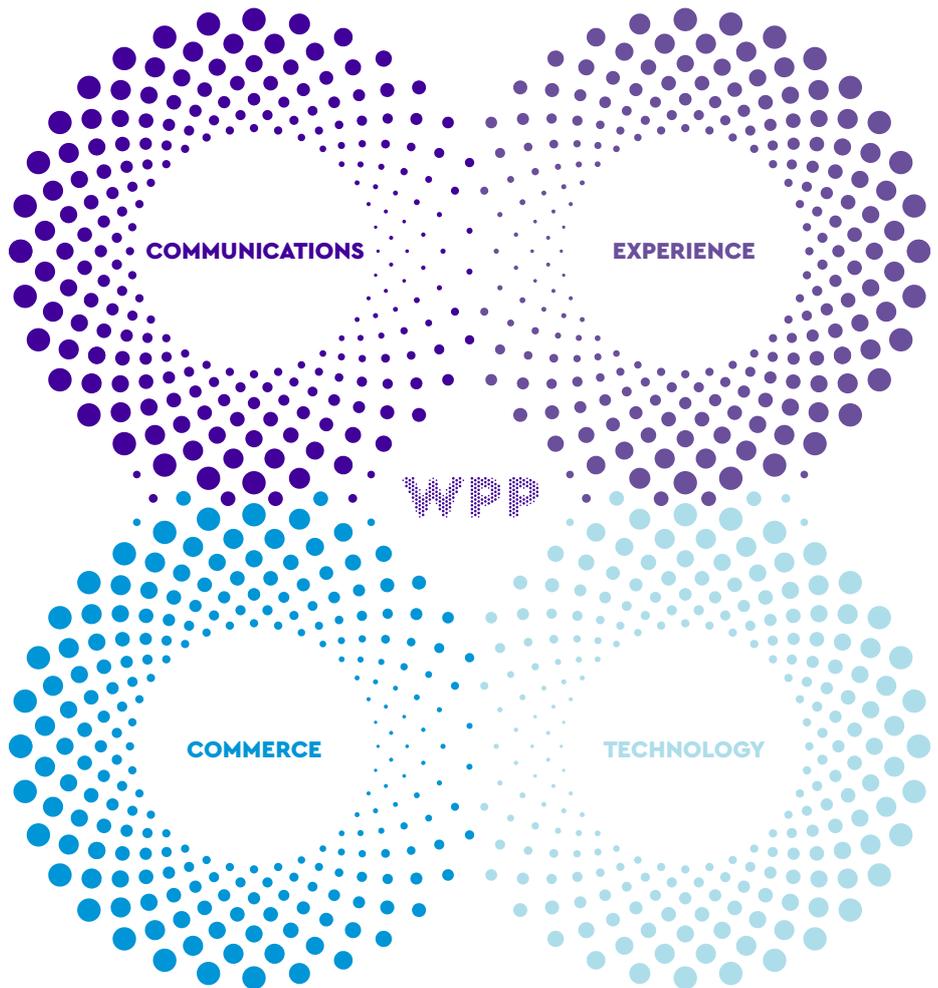
We bring brands to life through engaging, unexpected and interactive experiences. This includes customer-facing platforms, such as websites, applications and stores, as well as broader touchpoints like product design, packaging and loyalty programmes.

COMMERCE

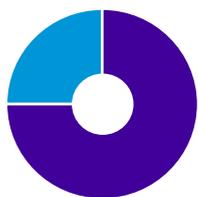
We help our clients sell wherever and however their consumers want to buy. We advise on, build, run and activate ecommerce and physical channels, from direct-to-consumer websites and stores to marketplaces and social commerce.

TECHNOLOGY

We build and optimise technology and data solutions fit for our clients' needs. Our services include enterprise systems work – architecture design, systems implementation, managed services and data analytics – and specific platforms such as CRM, content and experience management, and data management. We also use our unique relationships with the world's leading technology companies – such as Adobe, Amazon, Facebook, Google, IBM, Microsoft, Salesforce and TikTok – to create unique advantages for our clients.



REVENUE LESS PASS-THROUGH COSTS BY OFFER



- Communications **75%**
- Experience, Commerce and Technology **25%**

Stakeholder engagement

How we do business is driven by our purpose – to build better futures for our people, for the planet, for our clients and for the communities in which we live and work.



SHAREHOLDERS

Our shareholders provide the capital to invest in the business. Shareholders benefit from the Board acting in the best interests of the Company and investors for long-term value generation.

- We have an extensive investor relations programme, comprising investor days, the AGM, investor and analyst meetings, webcasts and ongoing email exchanges
- We disclose relevant information to shareholders through our annual report, quarterly financial statements and RNS announcements
- In 2020 we paid £412 million in distributions to shareholders



CLIENTS AND SUPPLIERS

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.

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.

- We engage with our major clients through our central team of Global Client Leaders, our respective CEOs, and our agency teams
- Our people regularly engage with suppliers and key technology partners in joint product development, skills development and joint go-to-market programmes
- We evaluate potential suppliers on a variety of factors including workforce diversity and carbon reduction
- In 2020 our total revenue from clients was £12.0 billion



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 impact on us and our stakeholders.

- We participate in company and industry meetings with governments and regulators to ensure policies are developed taking into account the interests of our clients and the industry
- Our public affairs agencies engage in public policy activity on behalf of clients, including direct lobbying of public officials and influencing public opinion
- In 2020 we contributed £1.3 billion in taxes to public finances



PEOPLE

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.

- We regularly survey our staff about their experiences at work
- We have extensive internal communications programmes and platforms to keep staff informed
- In 2020 we launched new wellbeing resources, including in relation to mental health, and held CEO virtual townhalls and "safe rooms" for open and candid discussions
- In 2020 we spent £19.7 million on staff training



THE 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.

- We aim to reach net zero carbon emissions across our value chain by 2030, and to reach net zero emissions across our owned operations and 100% renewable electricity by 2025.
- We engage with corporate, government and NGO clients, on issues ranging from climate action to Covid-19 and human rights, during the development of their campaigns
- We regularly meet with investors, rating agencies and benchmarking organisations on sustainability issues



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.

- Our total social contribution in 2020 was £76.2 million: including pro bono work for NGOs and charities; negotiating free media space on behalf of pro bono clients; and cash donations to charities
- We encourage our people to volunteer their time
- We contribute to early-career development through internships, apprenticeships and the WPP Foundation

For more on how the Board engages with our stakeholders, please see page 117.¹ And to find out how we engage on sustainability, please see the Sustainability Report 2020.

¹ 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.