

The background is a vibrant purple with numerous overlapping circles and spheres in various colors including blue, orange, green, and pink. Some spheres have a gradient, while others are solid. A black halftone pattern is visible in the upper right quadrant.

BUILDING BETTER FUTURES

ANNUAL REPORT & ACCOUNTS 2021

wpp

The background is a vibrant, abstract composition. It features a multitude of overlapping circles and spheres in various sizes. The colors are primarily deep blues, purples, and oranges, with some spheres showing horizontal or diagonal brushstrokes in contrasting colors like teal and red. A large, dark, textured circle is positioned in the center, partially obscured by the other shapes. The overall effect is dynamic and creative.

WHO WE ARE

WPP IS THE CREATIVE TRANSFORMATION COMPANY

WE USE THE POWER OF CREATIVITY TO BUILD BETTER FUTURES FOR OUR PEOPLE, PLANET, CLIENTS AND COMMUNITIES.

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This report provides an update on our strategic progress, financial performance and sustainability activities for the year ended 31 December 2021.



To learn more see wpp.com



This icon denotes more information within the report



Denotes information subject to limited assurance by PricewaterhouseCoopers LLP ('PwC')

For PwC's 2021 Limited Assurance report and the 'WPP Sustainability Reporting Criteria 2021' for assured metrics, see our Sustainability Report 2021.

ABOUT US

OUR MARKET

We operate in a fast-paced and growing market. Our clients are investing more in modern marketing – digital technologies, ecommerce and new customer experiences – and focusing on their environmental and social commitments

We based our vision and strategy on the growing demand for digital services, ecommerce solutions and simple, integrated offerings that bring together creativity and skills in technology and data, and our purpose to build better futures for all our stakeholders

[Read more on pages 24 and 25](#)

OUR PURPOSE

We use the power of creativity to build better futures for our people, planet, clients and communities

The world is changing at an unprecedented rate, requiring companies to align people and purpose to achieve sustainable profit

[Read more about our sustainability strategy on page 68](#)

OUR OFFER

WPP provides a modern, integrated offer of communications, experience, commerce and technology services across digital and traditional platforms

The breadth, depth and global scale of our offer meets clients' needs for digital technologies and new customer experiences paired with outstanding creativity

[Read more on pages 18 and 19](#)

OUR STRATEGIC APPROACH

To deliver sustainable growth, by bringing together for our clients the diverse talents and capabilities of our global integrated media and creative agencies, world-class public relations firms and specialist communications companies

Our goal is to continue to enhance WPP's proposition by investing in talented people and leveraging our industry-leading global media platform, technology capabilities and strategic global partnerships

[Read more on page 26](#)

OUR PERFORMANCE

We are benefiting from resurgent demand from clients for our services, and have made strong progress on our strategic plans

2021 was a very strong year for WPP, in which we invested more in our people and communities, delivered transformative results for our clients, set industry-leading environmental targets and achieved major new business successes and retentions. As a result, our performance was ahead of pre-pandemic levels as we saw our fastest organic growth in 20 years

[Read more on page 63](#)

HIGHLIGHTS

2021 was a year of success and momentum, thanks to our extraordinary people, agencies, clients and partners.

Our purpose

BUILDING BETTER FUTURES FOR OUR PEOPLE

Investing in our people's future

109,000

talented people in 112 countries across the globe

39%¹

Women in executive leadership roles¹
(2020: 40%)

30,000+

Technology partner accreditations and certifications awarded to our people
(2020: 21,000+)

BUILDING BETTER FUTURES FOR OUR PLANET

Including our industry-leading commitment to reduce carbon emissions from our own operations to net zero by 2025 and across our supply chain by 2030

0.32 tCO₂e

Carbon emissions per person² from direct operations (Scope 1 and 2)
(2020: 0.52 tCO₂e)

74%³

Electricity purchased from renewable sources
(2020: 65%)

A-

CDP scorecard, ranking WPP as a leader on climate change
(2020: B)

BUILDING BETTER FUTURES FOR OUR CLIENTS

Delivering transformational results for our clients

317

of the Fortune Global 500 are WPP clients, reflecting demand for our services among the world's leading companies



Most creative company of the year 2021

\$8.7bn

industry-leading net new billings³
(2020: \$4.4bn)

BUILDING BETTER FUTURES FOR OUR COMMUNITIES

Helping to bring about change for the better in society

Leader

in the Bloomberg Gender-Equality Index for the fourth year in a row

100%

in the Human Rights Campaign Foundation Corporate Equality Index for LGBTQ+ communities
(2020: 100%)

\$9.3m

committed to inclusion programmes as part of our commitment to invest \$30m over three years

FINANCIAL PERFORMANCE

In 2021, we grew at our fastest rate for over 20 years

£50.7bn

Billings³ (+14.4%⁴)
(2020: £46.9bn)

£12.8bn

Revenue (+13.3%⁴)
(2020: £12.0bn)

14.4%

Headline operating margin³ (+1.5 pt)
(2020: 12.9%)

KEY

¹ Denotes information subject to limited assurance by PricewaterhouseCoopers LLP ('PwC'). For PwC's 2021 Limited Assurance report and the 'WPP Sustainability Reporting Criteria 2021' for assured metrics, see our Sustainability Report 2021.

¹ Executive leadership roles are defined by WPP as the agency board and executive leadership population as reported through WPP's financial reporting system.

² Full Time Equivalent Employee (FTE).

³ Billings and headline operating margin are defined in the Glossary on page 222.

⁴ Like-for-like growth as defined in the Glossary on page 222.

⁵ Independent limited assurance will be sought by WPP over our percentage electricity purchased from renewable sources. The assurance report will be made available on our website.

WHAT WE DO

We provide services to clients through integrated creative agencies and media agencies, public relations agencies and specialist agencies.

REVENUE LESS PASS-THROUGH COSTS
BY BUSINESS SECTOR



GLOBAL INTEGRATED AGENCIES

Our creative services include advertising, marketing and brand strategies and campaigns across all media. We are increasing our share in targeted fast-growth areas including digital communications, healthcare, ecommerce, experience, marketing technology and production.

Our media offer includes the full range of media planning and buying services, delivered primarily through GroupM, the world's leading media investment company, and its agencies. Targeted growth segments are digital media (search, social and programmatic), new business models such as Xaxis and Finecast, and data and technology.

**WUNDERMAN
THOMPSON**



HOGARTH

groupm

Wavemaker

Ogilvy

AKQA

MINDSHARE

essence

VMLY&R

GREY

mediacom

m/SIX

PUBLIC RELATIONS

Our PR firms help clients communicate with their stakeholders, from consumers and investors to governments and NGOs. Purpose and reputation, sustainability and digital and social media are key growth areas.

bcw



**Hill+Knowlton
Strategies**

**FINSBURY
GLOVER
HERING**

SIVIC

SPECIALIST AGENCIES

Our specialist agencies provide services by region or type. Brand experience and identity, and specialist, targeted services are the principal growth segments.

suprion

LANDOR & FITCH

**CM
MEDIA GROUP**

HOGARTH: SUSTAINABLY MADE

A unique approach to creative production to help our agencies and our clients limit their carbon footprint.

Our creative production arm, Hogarth, is the world leader in producing and deploying content across all channels to drive growth and engagement for brands. Hogarth works for one in two of the world's top 100 brands, delivering to 157 markets across almost every sector, from automotive and entertainment to technology and pharmaceuticals.

However, production and content creation is responsible for a substantial proportion of the total carbon footprint of the marketing and communications process. In a typical year, the agency used to fly to around 1,500 locations all over the world, transporting talent, crew, sets and equipment in search of the perfect environment to shoot hours of footage, much of which was never used. A single hour of film typically generates five tonnes of CO₂e, resulting in estimated industry emissions of around a million tonnes of CO₂e a year.

So, as its clients and partners seek to reduce the environmental impact of their work and move towards net zero, Hogarth harnessed a new sustainable approach to content creation – 'Sustainably Made'.

Using virtual studios and real-time camera-to-cloud technology, the team removed the need for location shoots, allowing clients to see the results in real-time from wherever they are in the world. In turn, this enabled real-time feedback, minimising post-production time and expense. Duplication was reduced by using the same virtual set for different markets. And the team extended the lifecycle of assets by using AI-powered tagging throughout the production process, allowing them to identify, recycle and repurpose footage.

Sustainably Made is the future of content creation, allowing clients to produce the very highest-quality work at scale, tailored to every channel and audience, while significantly reducing its environmental impact.



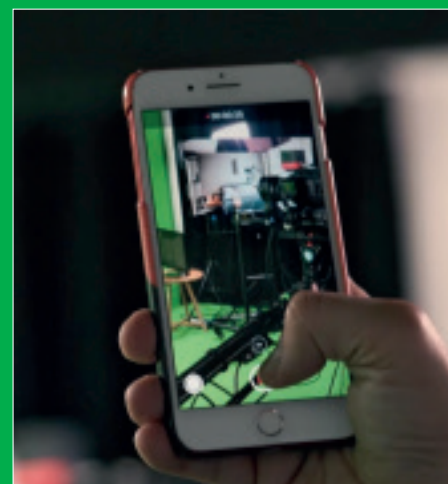
75%

Estimate of all global productions to be carbon measured, optimised and residually offset by the end of 2023



**BY CHANGING
HOW WE MAKE
WORK, WE CAN
MAKE A SIGNIFICANT
REDUCTION IN THE
ENVIRONMENTAL
IMPACT OF OUR
ACTIVITY."**

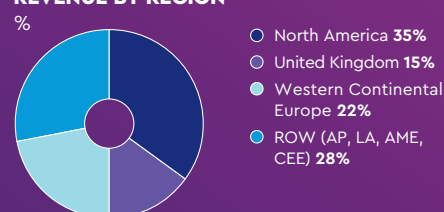
Richard Glasson
Global CEO, Hogarth



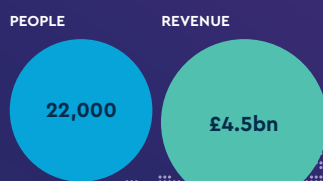
WHERE WE ARE

WPP companies operate in 112 countries, providing unrivalled global reach and scale.

REVENUE BY REGION



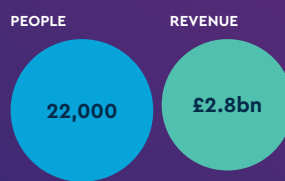
NORTH AMERICA



UNITED KINGDOM



WESTERN CONTINENTAL EUROPE



CENTRAL & EASTERN EUROPE (CEE)



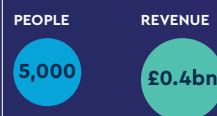
Our 20 largest markets¹

- USA
- UK
- Germany
- Greater China²
- Australia
- India
- France
- Canada
- Italy
- Brazil
- Spain
- Singapore
- Netherlands
- Denmark
- Dubai
- Belgium
- South Africa
- Japan
- Thailand
- Mexico

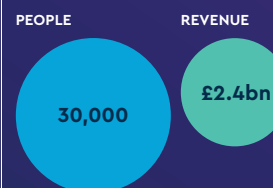
LATIN AMERICA (LA)



AFRICA & MIDDLE EAST (AME)



ASIA PACIFIC (AP)



¹ 2021 revenue less pass-through costs.

² Including Hong Kong and Taiwan.

OUR CAMPUSES

In 2018 we announced our ambition to deliver a global network of campus buildings that bring our agencies together in modern, world-class workplaces. Each location provides inspiring spaces for our people to work, learn and create, encouraging closer collaboration and giving our clients easier access to our talent and expertise.

Despite the constraints of Covid-19, we opened a further nine campuses in 2021, taking the total to 31. We aim to have at least 65 campuses, accommodating 85,000 people, by 2025, eventually replacing our smaller offices across the globe and reducing our overall need for space by 15-20%.



London's Rose Court Campus opened in December 2021, as the base for 2,500 people from 14 WPP companies and teams.

22

**campuses opened
by 2020**

Amsterdam	Madrid
Beijing	Mexico City
Bogotá	Montevideo
Bucharest	Mumbai
Chicago	New York –
Frankfurt	5th Avenue
Hamburg	Columbus Circle
Helsinki	3WTC
Hong Kong	Rome
Kansas	Shanghai
Lisbon	Singapore
London –	
Sea Containers	

9

opened in 2021

Brisbane	Milan
Detroit	Prague
Gurugram	San Francisco
Jakarta	Warsaw
London –	
Rose Court	

10

opening in 2022

Atlanta	Manchester
Austin	Paris
Brussels	Santiago
Düsseldorf	Tokyo
Guangzhou	Toronto

65+

**campuses to be
completed by 2025**

UKRAINE

Our response

We have all been moved by the extraordinary courage and resolve of the Ukrainian people, and horrified by the terrible human cost of the invasion. We have 200 people in the country, and their safety has been our priority. I would like to share the actions we have taken to support them, alongside our wider response to the crisis.

We have been in constant contact with our leaders in Ukraine to provide whatever help we can for our employees, including immediate financial support, assistance with evacuation and accommodation, and medical and security advice.

We have made a commitment to provide ongoing employment for all our people, whether they have left or remain in Ukraine. For employees and their families who have had to leave the country we are offering a comprehensive package of support, covering areas such as housing, living expenses, healthcare, schooling and language classes.

The reaction of our people in countries close to Ukraine was spontaneous and immediate. Employees in Poland, Romania, Hungary, Slovakia, the Czech Republic and elsewhere rushed to help. Many drove to the border to collect Ukrainian colleagues and welcomed them into their homes.

Our leaders in Central and Eastern Europe (CEE) have formed a 'United for Ukraine' taskforce to keep track of Ukrainian colleagues and their families in the region and meet their short- and medium-term needs. Given the psychological and emotional impact of these traumatic events on our people we have stepped up counselling support across the region.

Our Warsaw Campus is collecting items people need, from mattresses to children's car seats, managing a special online channel

to enable the exchange of information, and hosting Ukrainian colleagues in its new digital hub and our agencies in the city.

In Romania, our people are welcoming Ukrainian colleagues at the main railway station in Bucharest, and offering accommodation, office space and equipment. They are also donating blood to the Red Cross and organising collections for the wider Ukrainian refugee community.

In Prague, our agencies are pairing offers of support with requests for help, providing housing, workspaces and funds. And in Hungary and Slovakia they are arranging transport from the border, accommodation and essentials such as food, clothes and children's toys.

Our people around the world have made their own contribution by donating to the UNHCR appeal set up by WPP agency Blue State to support those forced to flee their homes. More than 4,000 individuals between them donated \$670,000, which WPP has matched, bringing the total to \$1.34 million.

A number of clients, inspired by our appeal, donated a further \$1.4 million. And through GroupM, we arranged \$1.5 million in pro bono media support for the UNHCR campaign, thanks to the generosity of our media partners.

The wider public campaign run by Blue State with UNHCR has generated nearly \$70 million at the time of writing. The funds raised are being used by UNHCR, the UN Refugee Agency, to provide emergency shelter, relief items such as blankets, emergency payments and community support for the millions of people displaced by the conflict.

In the UK we are working to match Ukrainian colleagues with our employees who are planning to host evacuees through the Government's Homes for Ukraine scheme.

We are also part of a coalition of businesses offering full-time English language training, recertification, resettlement skills and employment to evacuees as they settle in the UK.

On 4 March we announced that the Board of WPP had decided that we would discontinue our operations in Russia.

This followed a week of very careful consideration and internal debate focused on the impact of such a decision on our nearly 1,400 people in Russia, who have been dedicated members of the WPP family for many years. Our conclusion was that to continue operating in Russia would be inconsistent with our values as a company, and that we would do everything we can to support our Russian colleagues as we discontinued our activity in the country.

We are working to transfer our companies in Russia to local ownership to ensure continuity of employment for our people wherever possible.

I deeply regret the effect of our decision on our people in Russia, but this was a moment when we felt we had to take action. While it was not the reason we made it, we have had overwhelming support for the decision from our people, clients and partners.

As I write, the war in Ukraine continues. We all hope for a swift and peaceful resolution to this appalling conflict and humanitarian crisis. The bravery and resilience of our people in Ukraine has been truly inspiring, and we are very proud of them all. I would also like to thank our employees around the world for their instinctive generosity towards and support for their colleagues in Ukraine.

Mark Read
Chief Executive Officer

CHIEF EXECUTIVE'S STATEMENT

2021 was the year that really brought our vision to life: to make WPP the creative transformation company.



THROUGH OUR AGENCIES, WE CREATED TRULY EXTRAORDINARY WORK THAT PUSHED BACK THE BOUNDARIES OF WHAT OUR INDUSTRY IS ABLE TO ACHIEVE."

Mark Read
Chief Executive Officer

2021 was an exceptional year for WPP as we delivered growth ahead of pre-pandemic levels, built and extended our relationships with clients and continued to fulfil our purpose of using the power of creativity to build better futures for our people, planet, clients and communities.

We were named most creative company of the year at the Cannes Lions International Festival of Creativity for the first time since 2017, were appointed Global Marketing Network Partner to The Coca-Cola Company after the largest review in the history of our industry and won and retained a series of other global client assignments including with Google and Unilever.

We led the global creative new business rankings by a wide margin, and each of the top three spots in the media rankings were held by GroupM agencies.

We attracted and promoted some of the finest talent in the business, including Global Chief Creative Officer Rob Reilly and Global Chief People Officer Jennifer Remling at the WPP level, and made concrete progress towards our diversity, equity and inclusion (DE&I) goals.

We launched our industry-leading net zero commitment, becoming the only company in our sector to pledge to eliminate emissions not only from our own operations but across our supply chain by 2030.

And, through our agencies, we created truly extraordinary work that pushed back the boundaries of what our industry is able to achieve: from an audio system that transforms sports events for the visually impaired to an AI-driven predictive data model that supported more than 30 million Covid-19 vaccinations.

Three years ago, we set out a vision to make WPP the creative transformation company. 2021 was the year that really brought that vision to life, and showed what it could mean for all those with a stake in what we do.

BETTER FUTURES FOR OUR PEOPLE

It was not an easy year for our people, which is what makes their achievements all the more impressive. Through adversity, they continued to support one another, collaborate and innovate. Our strong performance is a reflection of the new spirit of partnership across our agencies, a more inclusive culture and increased investment in outstanding talent.

In 2021, given the challenges of the ongoing pandemic, new ways of working and social and environmental issues around the world, it was especially important that we focused on providing greater support and opportunities for our people.



THERE IS NO STRONGER ENDORSEMENT OF THE SUCCESS OF THE NEW WPP THAN GLOBAL MANDATES FROM THE WORLD'S LEADING MARKETERS.¹

Investing in mental health and breaking down the stigma associated with it is a personal priority of mine, and in 2021 we launched our cross-agency Mental Health Allies programme, providing training to 500 leaders, HR professionals and volunteers across the UK and US. We plan to expand the programme to more regions in 2022.

Due to our global scale and the breadth of our capabilities across our network of agencies, WPP is in a position to provide almost limitless professional development for our people. In the past people found it hard to move between our agencies and there was often little encouragement to do so. In 2021 we changed that with the launch of Career Explorer, a new platform that empowers our people to move seamlessly to the open roles that inspire them most. We hope it will result in more people staying at WPP not just for a single job but for a rewarding career.

Meanwhile, our new virtual series for students and recent graduates, NextGen Leaders, provided learning and growth opportunities for incoming talent. An important objective of the programme is to identify future leaders who are representative of the world around us. In 2021, we welcomed 1,400 participants. Of those based in the US and UK, 50% identified as Black, Asian or LatinX. Globally, 60% were female, 11% identified as LGBTQ+ and 8% identified as having a disability¹.

WPP has been recognised for its progress in DE&I. This year we were named in the Bloomberg Gender-Equality Index for the fourth year in a row and among the best places to work for LGBTQ+ equality in the Corporate Equality Index. We also entered the top 10 in the FTSE Women Leaders Review for gender representation among Executive Committee and direct reports and moved up from 10th to 8th at Board level.

The proportion of our executive leaders² who are women was 39%³ in 2021, and within this the proportion of women on the Executive

Committee grew from 29% to 35%. At Board level, the proportion of women was 43%. Our UK gender pay gap continues to fall and in the US the proportion of our senior managers who are non-white rose from 24% to 26%.

However, we know we have more work to do to ensure our organisation better reflects society as a whole, and that progress relies on accountability. So, in addition to reporting data on our gender and ethnic representation, from 2021 we included DE&I goals in the incentive plans for senior leaders across the WPP network, including mine.

We also stepped up efforts to embed DE&I into hiring processes. We implemented our diverse candidate slate policy in the US, Canada, UK and APAC, which means that for the first time roles are now specifically marketed and accessible to candidates from underrepresented groups.

We expanded development opportunities for employees of colour, including the Elevate sponsorship programme for high-potential Black female employees, and our Sayge programme which provides three months of coaching for Black mid-level employees. 72 Black leaders graduated from our 2021 McKinsey Black Leadership Academy programmes.

Our 150 active employee resource groups are centres of inspiration, passion and connection. In 2021 we created a central team to better support them, and to share best practice and guidance across the different groups. We also formally launched WPP Unite, our first Company-wide LGBTQ+ community.

Finally, our Inclusive Leadership Learning Experience pilot helped over 1,000 mid-level managers foster a culture of belonging for everyone in their teams.

BETTER FUTURES FOR OUR PLANET

In 2021 WPP became one of just 517 companies out of 13,000 to achieve an A- rating from the CDP, in its annual assessment of the environmental impact of companies globally.

The cornerstone of our sustainability programme is our pledge to achieve net zero carbon emissions in our own operations by 2025, and net zero including our supply chain

by 2030. As the world's largest buyer of advertising space and the world's largest producer of advertising content, we have the ability to make a real difference.

Our net zero commitment, announced on Earth Day 2021, is unique in our industry because it includes the emissions associated with the more than \$50 billion of advertising we place in the media each year – equivalent to 2.90 million tonnes. We are the only marketing communications company to have taken on the challenge of developing the technology and standards to identify and then dramatically reduce emissions from advertising globally.

As well as placing advertising more sustainably, we want to produce high-quality work with a much smaller carbon footprint, and in 2021 we pioneered new ways to achieve that. For example, we are using technology to create virtual production sets and now tag everything we shoot so we can use AI to search, identify and repurpose footage. This has the potential to make a significant impact because for every minute of film that is used, four hours of footage is wasted. As a founding member of AdGreen, we also helped clients to reduce their own emissions in the production of advertising, through solutions including a carbon calculator for creative work.

BETTER FUTURES FOR OUR CLIENTS

There is no stronger endorsement of the success of the new WPP than global mandates from the world's leading marketers. Our revamped offer of outstanding creativity, the world's leading media platform in GroupM, deep expertise in data and technology, and exceptional public relations and branding services resonated strongly with global brands in 2021. We registered some of our greatest ever new business wins and retentions and, at \$8.7 billion for the year, our net new business billings led the industry.

We continued to deliver work that demonstrated the power of creative transformation – whether that's bringing the iconic Wendy's persona to life on Twitch in some of the world's most popular video games (making the brand one of the top 1% of all streamers on Twitch worldwide), reinventing car ownership for Ford by giving drivers the chance to interact with their

¹ Percentages reflect those participants who responded to the survey.

² Executive leadership roles are defined by WPP as the agency board and executive leadership population as reported through WPP's financial reporting system.

³ Denotes information subject to limited assurance by PricewaterhouseCoopers LLP ('PwC').

new vehicle before it is even delivered, or creating recyclable toothpaste tubes for Colgate.

A range of initiatives in 2021 enabled us to serve our clients in new and better ways. We continued to invest in our agencies' capabilities and talent, and made strategic acquisitions including DTI Digital, NN4M, Satalia, Cloud Commerce Group and Made Thought to add further dimensions to our offer. Finsbury Glover Hering merged with Sard Verbinen to create the world's leading strategic communications firm, and we combined the specialist data units of GroupM and Wunderman Thompson to form Choreograph – a new global data company. Choreograph played a key role in multiple successful pitches including Bayer, Beiersdorf, Coca-Cola, L'Oréal and Unilever.

Coca-Cola and Unilever were among the clients to recognise our progress as part of their appointments of WPP as their global agency partner. Coca-Cola said "WPP will bring creative excellence and unparalleled marketing capabilities at a global scale that no other network can deploy". Unilever said WPP now has the unique capability to address the "convergence of media, commerce, entertainment and shopping".

BETTER FUTURES FOR OUR COMMUNITIES

The greatest impact we have is through our work for clients, which reaches billions of people and – with its significant influence on consumer choice, behaviour and outlook – has the power to bring about real change for the better.

In 2021 this work included helping homeless people reconnect with society by enabling them to open bank accounts without official documents, designing the world's first carbon-neutral TV, an AI-powered campaign that supported local Indian businesses hit hard by Covid-19, and an immersive experience on the plastic crisis that helped protect over 22,000 square kilometres of ocean.

There are too many examples to mention more than a fraction, but you can read about some of them in our Sustainability Report.

One piece of work I am particularly proud of is a collaboration across many WPP agencies. Since the beginning of the pandemic we have been supporting the World Health Organization on a pro bono basis, helping them to deliver vital public health messages, tackle misinformation and encourage people to get vaccinated.

In many parts of the world, people still cannot access Covid-19 vaccines. So, in 2021, we teamed up with the WHO Foundation to create the \$5 Vaccine campaign, which gives people everywhere the chance to play their part in vaccinating the world by spending the price of a coffee on a shot that could save someone's life. The money raised is funding Covid-19 vaccines for lower-income countries where they are in short supply and needed the most.

As well as creating and delivering the \$5V campaign (thanks to Ogilvy, Blue State, Landor & Fitch and GroupM), we donated 10,000 vaccines on behalf of our clients, and are matching every \$5V bought by our own people.

We also accelerated our own community-facing initiatives in 2021. We made our first investments through our Racial Equity Programme, part of our wider anti-racism commitments announced in June 2020 and our pledge to invest \$30 million to fund inclusion programmes and support external organisations.

Under the scheme, we invited our global network of agencies to apply to receive resources to build and run "bold, audacious and creative" initiatives to advance racial equity in our communities. One of the first projects to receive funding is the Detroit Experience Studio, which focuses on empowering Detroit's Black and brown students who are exploring a creative future.

Commitments like this, and our net zero pledge, are not just the right thing to do; they are cutting through with our clients and people, who want to work with and for companies that share their values and help them to achieve their own goals. Unilever, when announcing the result of its recent media review, cited Mindshare's 'Good Growth' programme as being an important factor in WPP's retention of the account.

RECORD GROWTH

During 2021 we grew organically at the fastest rate for over 20 years. This was more than just an economic rebound, as we performed ahead of 2019 levels, demonstrating the success of the strategy we first set out in December 2018.

Organic growth (like-for-like revenue less pass-through costs growth) was 12.1% (2.9% on a two-year basis), while revenue growth was 13.3%. Headline operating margin was up 150 basis points to 14.4%, and up 170 basis points like-for-like.

Reported profit before tax was £951 million, compared to a loss of £2.8 billion in 2020, reflecting principally the £3.1 billion of impairment charges and investment write-downs and £313 million of restructuring and transformation costs during the prior period. Average adjusted net debt in 2021 was £1.6 billion, compared to £2.3 billion in the prior period, at 2020 exchange rates.

While it is right that we celebrate our success, it is equally important to recognise that 2021 held many challenges for our Company and our people. We have all had to adapt to drastically changed circumstances and many have faced suffering and loss. Our colleagues' support for one another has been a constant throughout the pandemic.

For that and many other reasons, I would like to say thank you to the 109,000 people who make up WPP and our fantastic agencies. They are the Company, and they are what makes leading it such a privilege.



Mark Read
Chief Executive Officer
31 March 2022

SUPER WENDY'S WORLD

Telling a fresh story.

OFFER
EXPERIENCE
TECHNOLOGY

AGENCY
VMLY&R, KANSAS CITY

CLIENT
WENDY'S

Wendy's sought a way to tell the story of its 'fresh, never frozen' beef to a growing generation of consumers in the gaming industry, which is bigger than the music and movie industries combined.

Of course, gamers don't just welcome anyone. As a group constantly overstimulated with messaging, gamers have naturally become sceptical of brands infringing upon their space.

So, rather than behaving like a brand with targeted ads and paid sponsorships, the VMLY&R team assumed the role of a player themselves, and transformed their brand message into interactive video game-play. Each week on Twitch, Wendy came to life in some of the most popular video games, then played each game with an 'anti-frozen' twist. VMLY&R played with gamers, created custom content for gamers and even inspired gamers to play as Wendy themselves – all in the name of getting the message out: Wendy's beef is fresh, never frozen.

1%

Wendy's became one of the top 1% of all streamers on Twitch

9.8m

minutes gamers spent watching Wendy's on Twitch

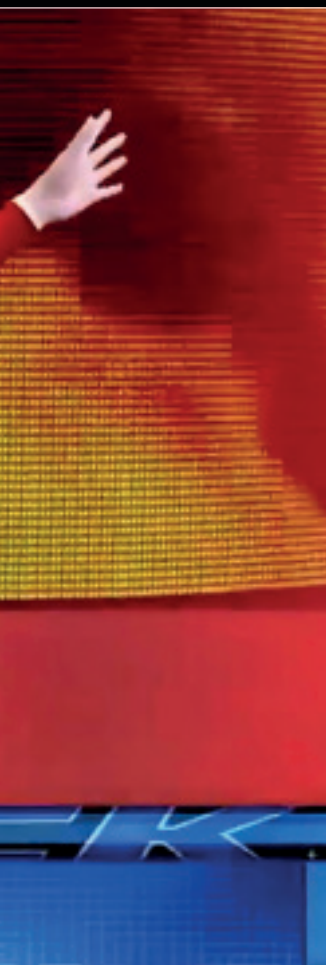
988,000+

downloads of own custom-branded in-game content

Awards

Cannes Lions, Gold and Silver





KEY EVENTS OF THE YEAR

2021 was a year of success and momentum for WPP.



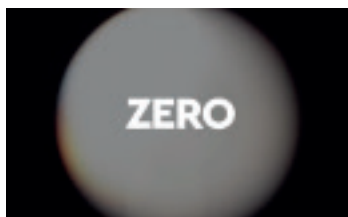
JANUARY

- WPP appoints Rob Reilly as Global Chief Creative Officer



MARCH

- Forrester Research, Inc. names WPP a leader among commerce services providers



APRIL

- WPP makes industry-leading net zero commitment

Watch video here

wpp.com/sustainability/wpp-net-zero



- WPP launches global data company: Choreograph
- WPP publishes US and UK workforce ethnic diversity data for the first time



JUNE

- WPP wins most creative company of the year at Cannes Lions

FEBRUARY

- WPP and TikTok announce strategic partnership



- WPP acquires DTI Digital
- Sam's Club names VMLY&R as its first Agency of Record



MARCH

- AKQA achieves highest position in Gartner's Magic Quadrant
- WPP acquires mobile technology provider NN4M

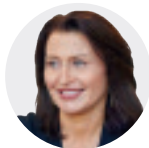


MAY

- AnnaMaria DeSalva, Chairman and CEO, Hill+Knowlton, appointed to WPP Executive Committee



- Jane Geraghty, Global CEO, Landor & Fitch, appointed to WPP Executive Committee



- WPP launches Mental Health Allies programme in the UK
- WPP acquires minority interests in WPP AUNZ, moving to 100% ownership

JUNE

190 Cannes Lions won:

1

Titanium



12

Grand Prix



28

Gold



57

Silver



92

Bronze





Unilever

SEPTEMBER

- Mindshare retains Unilever's global media account



- WPP and Snap Inc. launch Augmented Reality partnership



- TD Bank awards its North American creative accounts to Ogilvy and DAVID



NOVEMBER

- WPP appointed as The Coca-Cola Company's Global Marketing Network Partner



- Google consolidates its entire global media account with Essence and MediaCom
- WPP tops the WARC rankings for creativity, effectiveness and media
- WPP acquires Cloud Commerce Group



JULY

- WPP receives Sitecore's Global Excellence in Solution Delivery award
- WPP's second NextGen Leaders programme for early-career talent

AUGUST

- WPP acquires AI technology company Satalia



L'ORÉAL

- Wavemaker wins L'Oréal's global media account

SEPTEMBER

- Ogilvy wins Sainsbury's digital creative account

Sainsbury's

- Bayer names MediaCom as global media agency



- WPP announces first successful applications to its Racial Equity Programme



OCTOBER

- Finsbury Glover Hering and Sard Verbinen & Co merger



- WPP appoints Jennifer Remling as Global Chief People Officer



- Wavemaker wins Beiersdorf's global media planning and strategy account

DECEMBER

- #1 in R3's creative new business rankings
- WPP and WHO launch the \$5 Vaccine campaign



- WPP achieves leading A- rating in the CDP sustainability rankings



- Creative studio Made Thought joins WPP

OUR BUSINESS MODEL

WPP is the creative transformation company.

We offer clients a comprehensive range of communications, experience, commerce and technology services.

We bring together diverse capabilities from integrated and specialist agencies globally.

We enhance the impact of our agencies with scaled data and technology capabilities, partnerships and platforms, with one goal: to unleash their creativity.

OUR STRENGTHS

Our success depends on our creative talent, our client relationships, the scale and breadth of our offer, and our technology capabilities.

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

109,000
people

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

317
of the Fortune Global 500, 62 of the FTSE 100, and all 30 of the Dow Jones 30 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

\$8.7bn
of net new business in 2021¹

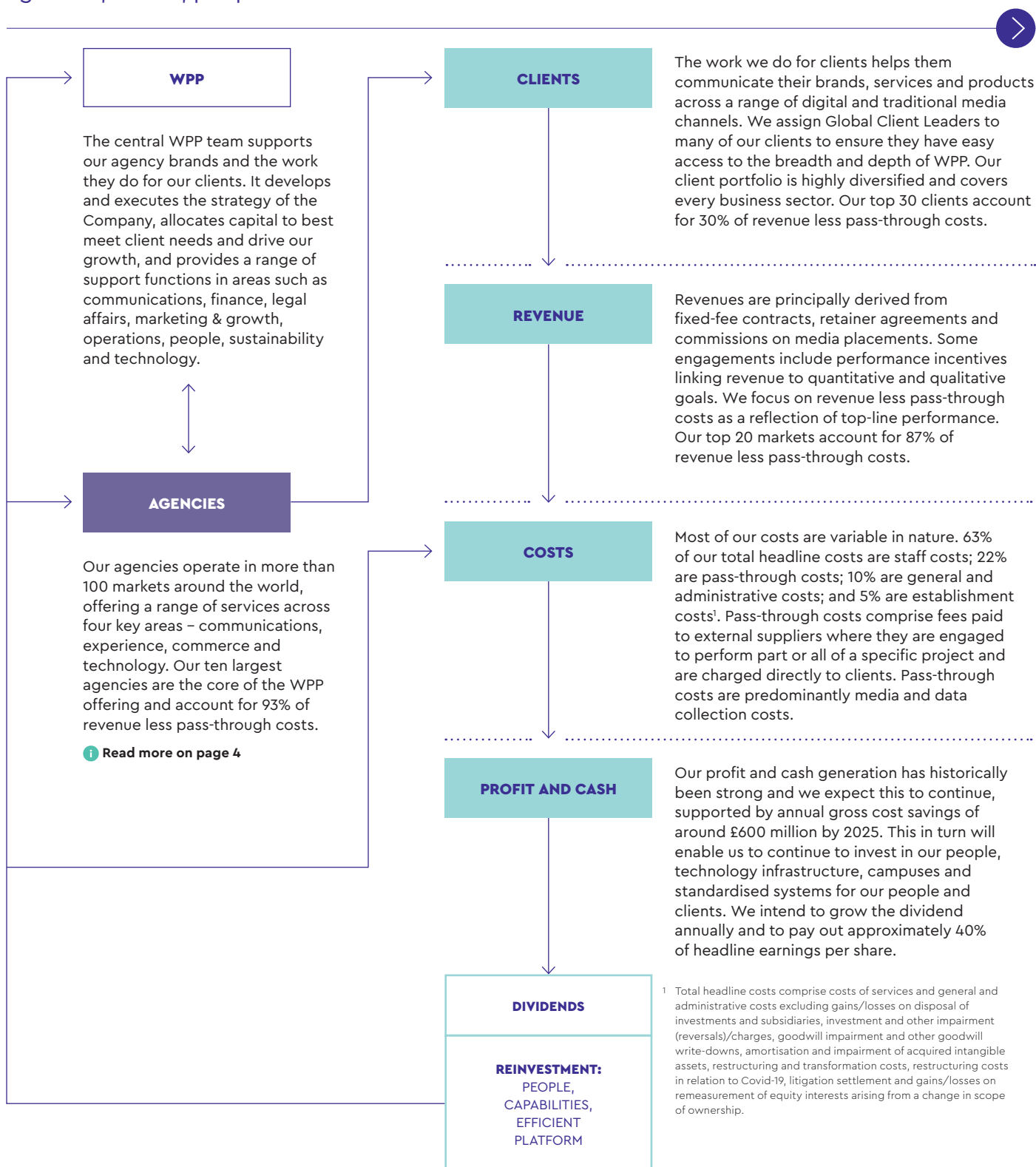
- **The technology skills and platforms to deliver modern marketing solutions**
 - Ability to deliver integrated campaigns, globally across traditional and digital platforms
 - WPP Open – a common data and technology platform for agencies and clients to share the best innovation from across WPP and its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

3,300+
Adobe-certified professionals across WPP, and over 4,500 practitioners

¹ Billings, as defined in the Glossary on page 222.

OPERATING MODEL

We meet our clients' needs through a collaborative approach that works on a global scale. This drives our revenue while controlling costs, and funds 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 and packaging.



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.



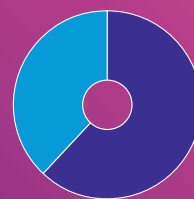
TECHNOLOGY

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.



To learn more, see wpp.com/about/our-offer-to-clients

REVENUE LESS PASS-THROUGH COSTS IN GLOBAL INTEGRATED AGENCIES, EXCLUDING GROUPM



● Communications 62%
● Experience, Commerce and Technology 38%

EXPERIENCE

COMMUNICATIONS

COMMERCE





TECHNOLOGY

INVESTING IN OUR OFFER

To support our future growth, during 2021 we invested in new strategic acquisitions and partnerships – and in our existing operations – to further modernise our offer, strengthen our capabilities and serve clients in new and better ways.



Higher-growth segments

 TECHNOLOGY	 COMMERCE	 EXPERIENCE	 COMMUNICATIONS
<p>A Satalia</p> <p>A technology company offering market-leading AI solutions for clients, to transform their business strategies and improve operational efficiency.</p>	<p>A NN4M</p> <p>A leading UK-based mobile commerce partner for global brands, offering innovative and cutting-edge commerce services for retailers.</p>	<p>P WPP TikTok</p> <p>A first-of-its-kind global agency partnership, focusing on delivering new opportunities for creative excellence.</p>	<p>A FINSBURY GLOVER HERING SIVIC</p> <p>The merger of Finsbury Glover Hering and Sard Verbinen & Co (SVC) to create the world's leading board-level strategic communications firm.</p>
<p>A dti</p> <p>A Brazilian digital innovation and software engineering business, helping clients become more efficient, digitalised and fully connected to their customers.</p>	<p>A Cloud Commerce Group Omnichannel eCommerce Solutions</p> <p>A leading UK-based provider of omnichannel ecommerce platforms and marketplaces globally.</p>	<p>P WPP Microsoft</p> <p>Developed on Microsoft Azure, WPP's new platform, Cloud Studio, enables greater collaboration between creative teams, regardless of location.</p>	<p>A MADE THOUGHT</p> <p>A UK-based branding and design agency, providing clients with transformational design and creative thinking.</p>
<p>M choreograph</p> <p>A global data company, bringing together the specialist data units of GroupM and Wunderman Thompson.</p>	<p>P WPP Snapchat</p> <p>A global partnership (The AR Lab) delivering state-of-the-art marketing and commerce solutions for brands using augmented reality.</p>	<p>I proto</p> <p>A new innovation consultancy that helps brands find growth amid disruption.</p>	<p>M BAVGROUP</p> <p>A global strategic consultancy, with expertise in consumer insights, brand and marketing strategy, formed by combining separate WPP operations into a single platform.</p>
<p>A Numerator</p> <p>A United States-based technology-driven consumer and market intelligence company (acquired by Kantar, which is 40% owned by WPP).</p>			

A Acquisition

P Partnership

M Merging of WPP capabilities

I Investment

STAKEHOLDER ENGAGEMENT

We rely on active engagement with our stakeholders to drive our business.

Our approach to engagement is driven by our values – openness, optimism and a commitment to extraordinary work.

i For more on how the Board engages with our stakeholders, please see page 113.¹ And to find out how we engage on sustainability, please see the Sustainability Report 2021

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.



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 investing for long-term value generation.



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.



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.



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.



THE PLANET

We are committed to responsible and sustainable business practices. We take steps to reduce 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.



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.

HOW WE ENGAGE WITH OUR STAKEHOLDERS

SHAREHOLDERS

- We have an extensive investor relations programme, comprising quarterly results presentations, 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

CLIENTS AND SUPPLIERS

- We engage with our major clients through our central team of Global Client Leaders, our agency CEOs, and their 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, carbon reduction and human rights

GOVERNMENTS AND REGULATORS

- 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

PEOPLE

- We regularly survey our staff about their experiences at work
- We have extensive internal communications programmes and platforms to keep staff informed, including a regular series of CEO virtual townhalls with our people
- Employees' development needs are assessed during formal appraisal processes

THE PLANET

- 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 work closely with communities and NGO partners to increase our understanding, and amplify the impact, of their work
- We encourage our people to volunteer their time
- We contribute to early-career development through internships, apprenticeships and the WPP Foundation

HOW WE REACT TO STAKEHOLDERS

- In response to feedback, we established a series of webinars in 2021 designed to give investors and analysts deeper insight into individual agencies, products and services within WPP. We also increased disclosure on GroupM, our largest business unit
- In June, we held our first environmental, social and governance investor event to share our strategy on these areas with investors
- In March we met our goal to recommence the share buyback scheme, after a pause due to the economic impact of the pandemic
- In 2021, we returned over £1 billion in cash to shareholders through dividends and share buybacks (2020: £412 million)

- We are investing in innovation to deliver high-quality work for clients, while reducing emissions by using cloud-based and virtual solutions to create content
- In 2021, we created the Sustainability Playbook to help clients in their sustainability transformation
- We partnered with Unilever, Google and Dow to launch the UK's first accelerator programme to help minority-owned businesses become supply chain ready
- We undertook more work for clients addressing the growing importance of reputation and purpose

- In November we attended COP26 in Glasgow, participating in discussions with the United Nations and NGOs on the climate crisis
- In 2021, we contributed £1.4 billion in taxes to public finances

- In response to our first global people survey, with more than 43,000 participants, we established a people strategy based on career growth, investment in learning, and fostering the best possible culture. See page 52 for more details
- To support our people's wellbeing, in 2021 we launched our Mental Health Allies programme, comprising employees who volunteer to be trained to support others
- In 2021, we invested £29.7 million in learning and development opportunities for our people

- In response to the climate crisis, we established an industry-leading target to reach net zero carbon emissions in our operations by 2025 and across our supply chain by 2030, including emissions from media buying
- Following investor interest, in November 2021 we amended and supplemented our \$2.5 billion revolving credit facility, linking its margin to specific sustainability measures

- In partnership with the WHO Foundation, we commenced the \$5 Vaccine campaign to raise funds for Covid-19 vaccines in low-income countries
- Our total social contribution in 2021 was £41 million, including: pro bono work for NGOs and charities; negotiating free media space on behalf of pro bono clients; and cash donations to charities
- As part of our commitment to invest \$30 million over three years in racial equity programmes, in 2021 we invested \$5.9 million[●] and committed a further \$3.4 million, taking our first-year total to \$9.3 million

● Denotes information subject to limited assurance by PricewaterhouseCoopers LLP ('PwC').

INVESTMENT CASE

The unrivalled combination of our deep client relationships, global scale and value-creating growth strategy underpins the attractiveness of our investment proposition.

In 2021, the attractiveness of our investment proposition was demonstrated by our performance. Our top-line growth, driven by strong demand for our services in digital marketing, media, ecommerce and technology, resulted in our fastest organic growth for over 20 years. As a result, we are two years ahead of our plan, hitting our 2023 revenue target in 2021.

We look forward to 2022 with confidence, reflected in our guidance of strong top-line growth, improving profitability and continued investment in our people and services.

We have also reconfirmed our medium-term financial targets for 2023, which allow us to invest in talent, incentives and technology, improve our competitive position, and deliver sustainable long-term growth.

FINANCIAL TARGETS AND PERFORMANCE

	Revenue less pass-through costs growth	Headline operating margin	Capital expenditure	Average adjusted net debt/ EBITDA
2021 actual	12.1%	14.4%	£293m	0.9x
2022 targets	around 5%	+50 bps YoY	£350-400m	N/A
2023 targets	3-4%	15.5-16.0%	£300-350m	1.5-1.75x

i Read more about our outlook and guidance on page 67

1 UNRIVALLED GLOBAL REACH AND SCALE

2 ATTRACTIVE AND GROWING ADDRESSABLE MARKETS

3 DEEP CLIENT RELATIONSHIPS WITH LEADING GLOBAL BUSINESSES

4 SIGNIFICANT STRENGTHS IN TECHNOLOGY AND DATA

5 A STRONG FINANCIAL POSITION

6 VALUE CREATION FROM STRATEGIC PLANS TO ACCELERATE GROWTH

UNRIVALLED GLOBAL REACH AND SCALE

- A global network of leading agencies, providing the broadest geographic reach
- Home to GroupM, the number one media-buying operation globally, accounting for 30% of global media billings, providing value and premium inventory
- Present in 112 countries worldwide, providing deep in-market expertise

112countries in our
global network**\$50bn+**GroupM global
billings**ATTRACTIVE AND GROWING ADDRESSABLE MARKETS**

- Extended our offer to high-growth areas of commerce, experience and technology
- Repositioned traditional communications offer to faster-growth digital communications
- Over half of revenue is from companies in the consumer packaged goods, technology and healthcare & pharma sectors, which were the least impacted by Covid-19
- Strong exposure to faster-growing economies such as China, India and Brazil

60%GroupM's estimate of
global retail
ecommerce spend
growth in 2021**30.5%**GroupM estimates
of global digital
advertising spend
growth in 2021¹**DEEP CLIENT RELATIONSHIPS WITH LEADING GLOBAL BUSINESSES**

- Partner to most of the world's largest companies, including 317 of the Fortune Global 500
- Strong and enduring CEO, CMO and CIO relationships
- Global Client Leaders provide easy access to the breadth and depth of WPP

30%of our revenue less
pass-through costs
comes from our top
30 clients**8.1**Average client
satisfaction score
(out of 10)**SIGNIFICANT STRENGTHS IN TECHNOLOGY AND DATA**

- Scaled global partnerships with 25 leading technology companies
- WPP Open, our common data and technology platform for sharing innovations across WPP and its strategic technology partners, agencies and clients
- Deep specialisation in technical capabilities in advertising and marketing technology
- Strong data and digital capabilities

43%GroupM's proportion
of digital media
billings (2020: 41%)**5,000+**data practitioners,
who build our
proprietary models**A STRONG FINANCIAL POSITION**

- Resilient revenue streams from a varied client base that covers all business sectors
- Predominantly variable cost structure, which protects profitability during a downturn
- Attractive margin, with scope to improve through our transformation programme
- Low adjusted net debt and ample liquidity, after significant growth investments and shareholder returns, reflecting strong cash generation

£1.3bn

Free cash flow

14.4%Headline operating
margin**0.9x**

Average adjusted net debt/Headline EBITDA

VALUE CREATION FROM STRATEGIC PLANS TO ACCELERATE GROWTH

- Expanding further the proportion of our business in high-growth areas
- Our transformation programme has delivered £245 million of gross cost savings, towards our 2025 annual run rate target of £600 million. We aim to reinvest £400 million into talent, technology and incentives to drive growth
- Intention to grow dividend annually with a pay-out ratio around 40% of headline EPS

£245mTransformation
programme gross
savings since 2019**31.2p**Dividend per share
(+30.0% on 2020)¹ Excluding US political advertising.

THE MARKET

Fast-paced, growing and global.

MARKET ENVIRONMENT

2021 was an extraordinary year for our industry. Growth in spend was supported by a stronger-than-expected macroeconomic environment, a consumption boost from pent-up saving and structural growth in digital channels. According to GroupM estimates, global advertising spend¹ grew by 22.5% in 2021, a considerably better outcome than the 12.3% forecast in December 2020.

The pace of growth in digital advertising has continued to accelerate, reflecting the seismic shift in the way people consume media. GroupM estimates that global digital advertising spend grew by 30.5% in 2021, and now accounts for 64.4% of total spend, up from 59.3% in 2020.

ECOMMERCE DEMAND IS EXPLODING

Within digital, one of the big drivers of growth has been the explosion in ecommerce. The pandemic accelerated a widespread shift towards shopping online, amplifying the number of opportunities for brands to connect with consumers on digital channels, while also levelling the playing field for challenger brands. GroupM estimates that global retail ecommerce advanced 20.4% in 2021.

Two other factors are playing a significant role in the growth in advertising spend. New, app-based or digital-first businesses are able to afford to invest a greater proportion of their income into marketing to grow scale fast because they lack the physical presence (and associated costs such as rent) of traditional businesses. In turn, more traditional advertisers such as consumer packaged goods companies are investing in retail and commerce media – engaging with customers closer to the digital point of sale. This is blurring the lines between the marketing budget and the sales promotion budget, significantly growing the addressable market for marketing services businesses.

GROWING TV MARKET

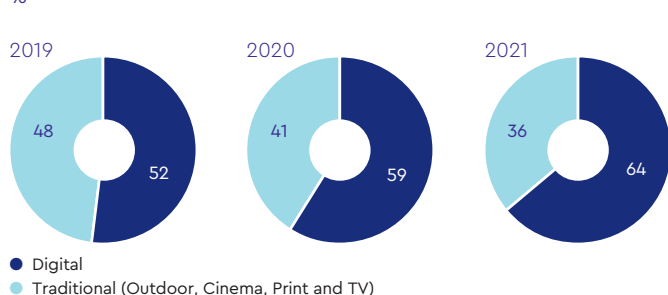
By medium, TV had a strong year with global advertising spend on TV growing by 11.7% in 2021, as advertisers invested in their brand-building strategies. It also reflects the growth of connected TV and the increased targeting and measurement potential this brings to advertisers. Despite restrictions on mobility, spend on outdoor also grew, supported by the increasing availability of digital screens and programmatic options. Audio also saw some growth reinforced by

podcasting, while cinema has been slower to recover. Print was the only medium to decline, reflecting the trends in circulation.

COUNTRY TRENDS

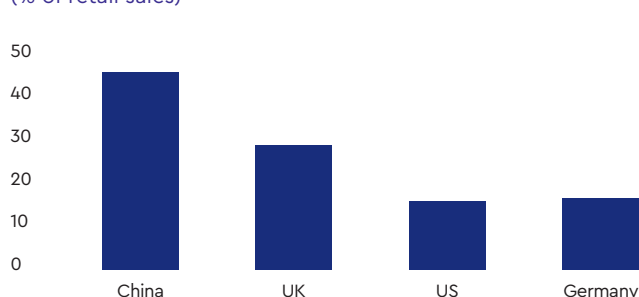
The UK, United States and China remain the largest contributors to growth in advertising spend, spurred by their exposure to digital. Based on GroupM findings, the UK has been the fastest growing among major markets, growing 35.7%, while spend in the US, excluding political advertising, grew by 28.4%. China saw growth in advertising spend of 18.8% in the year, against a tougher comparative, with digital accounting for nearly 90% of the market. Our fastest-growing Western European market was France where advertising spend grew by 19.0%. Germany's growth was tempered by lingering Covid-19 restrictions and less favourable comparatives, with advertising spend advancing 10.5%.

GLOBAL ADVERTISING SPEND BY MEDIA¹



¹ All references to estimates and forecasts for advertising spend exclude US political advertising. Source: GroupM This Year Next Year report.

ECOMMERCE PENETRATION²



² Source: Wunderman Thompson Commerce, Dec 2021.

MARKET TRENDS

The outlook for growth remains positive.

WPP provides services in a global market, with an estimated addressable fee income of \$329 billion in 2021. Demand in this market is expected to continue to grow, to over \$410 billion by 2025, representing cumulative annual growth of around 6%. Just over half of the addressable market is in our core communications services of media, creative and PR, which are forecast to grow at around 2% annually until 2025.

The balance of spend is in the higher-growth areas of experience, commerce and technology. These are forecast to grow at 10% due to rising consumer expectations of seamlessly blended online and physical environments, sustained expansion and use of ecommerce channels, and the need for client businesses to rapidly adapt in a fast-changing market.

Sector

KEY TRENDS IN OUR MAIN OFFER AREAS

WHY WPP IS WELL POSITIONED TO MANAGE AND BENEFIT FROM THIS

COMMUNICATIONS



Communications is our largest sector, accounting for two-thirds of our business mix in our Global Integrated Agencies, excluding GroupM¹. The growth opportunity in digital communications remains attractive, driven by continued consumer migration to digital behaviours and channels, and clients' need for high volumes of content to fill new channels and touchpoints across consumer journeys. Global digital ad spend grew by 30.5% in 2021². Although traditional communications is a mature market, we continue to see increased demand for services related to digital communications, purpose, the environment and reputation, notably driven by the impact of the pandemic, a growing awareness of the need for racial equity and concern for the safety of social media platforms. 85% of consumers believe brands should be about something more than profit³.

- 43% of GroupM's media billings were digital in 2021
- We are investing for growth in specialist digital platforms, such as Xaxis, our programmatic business, Finecast, our market-leading addressable TV platform, and DTI Digital, a digital innovation and software engineering business
- In 2021 Superunion was engaged on sustainability-related workstreams with 80% of its top 20 global clients

EXPERIENCE



Experience is a rapidly growing area driven by the increasing number of people online and the hybrid blend of physical and digital channels. According to Forrester, brands with superior customer experience deliver five times the revenue growth of other brands⁴.

- Ogilvy was named a Loyalty Service Providers Leader by Forrester⁵
- AKQA ranked highest in Gartner's Magic Quadrant for Global Marketing Agencies, 2021

COMMERCE



Commerce is being driven by the shift to digital and omnichannel commerce, including the adaptation of physical commerce post Covid-19. 73% of consumers believe ecommerce is more important post pandemic⁶, and ecommerce is now 45% of retail sales across China and 28% in the UK (two of our largest markets)⁷.

- We have 13,500 commerce experts in the Company
- WPP was named as Leader in the Gartner Magic Quadrant study of commerce leaders in Q1 2021

TECHNOLOGY



Growth for technology services continues due to demand for data and analytics, and managed services offerings with lengthier contracts. We believe technology remains the engine behind delivering better customer experiences. 76% of businesses aspire to create more personalised experiences, but just 14% are doing so. Data and technology are central to closing this gap⁴.

- We possess extensive modern marketing technology expertise, including 6,000+ creative technologists bringing ideas to life
- We are a top-three global partner to Adobe and Salesforce in marketing technology

¹ Revenue less pass-through costs in our Global Integrated Agencies, excluding GroupM.

² Excluding US political advertising. Source: GroupM, *This Year, Next Year* report, December 2021.

³ Source GenerationZ: Wunderman Thompson Intelligence, December 2020.

⁴ Source: WPP Customer Experience Playbook, January 2022.

⁵ Source: Forrester Wave, Loyalty Service Providers, Q3 2021.

⁶ Source: Wunderman Thompson, *The Future Shopper Report*, 2021.

⁷ Source: Wunderman Thompson Commerce, Investor Webinar, December 2021.

OUR STRATEGIC PROGRESS

A strategy for growth: for our people, our clients, our agencies and our shareholders.

It has been three years since we set out our strategy to return WPP to growth. Our top-line performance is ahead of plan, with like-for-like growth of 12.1% in 2021, which is 2.9% over 2019.

2021 was an outstanding year for WPP.

As clients seek to accelerate their growth and transform how they reach customers, the depth, breadth and global scale of our offer – which combines creativity with technology and data, through Choreograph, and the largest global media platform in GroupM – is proving its value for existing and new clients. The talent, dynamism and commitment of our people have also shone through. Our extensive partnership with The Coca-Cola Company, the expansion of our work with Google and the continuation of our longstanding relationship with Unilever demonstrate the value that three of the world's leading marketing organisations place in WPP.

We have made substantial strategic progress, creating the world's leading board-level communications firm through the merger of Finsbury Glover Hering and Sard Verbinen & Co, and acquiring capabilities in AI, commerce and technology services to leverage across all of WPP for future growth. Cash generation continues to be very strong, underpinned by efficiencies achieved in our transformation programme, allowing us to make significant investments in our offer and reward our people for their huge contribution, while returning over £1 billion in cash to shareholders through dividends and share buybacks.

VISION & OFFER

[Read more from page 28](#)

CREATIVITY

[Read more from page 32](#)

DATA & TECHNOLOGY

[Read more from page 36](#)

SIMPLER STRUCTURE

[Read more from page 40](#)

PEOPLE

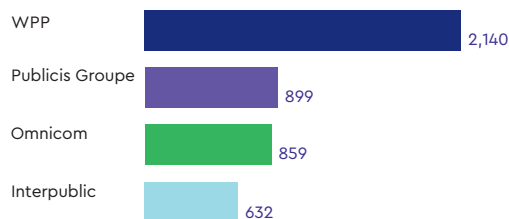
[Read more from page 52](#)

VISION & OFFER

A vision developed with our people and clients and a modern offer to meet the needs of a rapidly changing market.

- Increased the share of revenue from the high-growth, future-facing areas of experience, commerce and technology to 38%¹
- Industry-leading net new business in 2021 of \$8.7 billion
- Continued investment in client offer, through acquisitions including Sard Verbinen, Satalia, Cloud Commerce and Numerator (Kantar)

¹ Global Integrated Agencies, excluding GroupM.

R3'S NEW BUSINESS LEAGUE (2021 WINS)**CREATIVITY**

A renewed commitment to creativity, WPP's most important competitive advantage.

- Recognised as the most creative company of the year at the 2021 Cannes Lions Festival
- Topped the WARC 2021 global agency rankings across creativity, effectiveness and media excellence
- Invested in leading creative talent



WPP was named the most creative company of the year at the Cannes Lions International Festival of Creativity. WPP agencies collected a total of 190 Lions

DATA & TECHNOLOGY

Harnessing the strength of marketing and advertising technology, and our unique partnerships with leading technology firms.

- Continued to enhance our technical expertise and gained over 30,000 accreditations and certifications with our technology partners
- Developed new IT platforms to enhance productivity and collaboration
- Nearly 6,000 of our people are certified Google Marketing Platform consultants

4 out of 12

Gartner Magic Quadrant Leaders are WPP digital agencies (March 2021)

SIMPLER STRUCTURE

Reducing complexity and ensuring our clients can access the best resources from across the Company.

- All-time high client satisfaction score
- Combined the specialist data units of GroupM and Wunderman Thompson to form Choreograph – a new global data company
- Increased the number of WPP campuses to 31, providing more collaborative workspaces for our agencies and clients

8.1

(out of 10)

Client satisfaction score. See page 40

47,500

people based in our campuses
(2020: 34,000)

PEOPLE & CULTURE

Investment in our people, culture and values to ensure WPP is the natural home for the best and brightest talent.

- Listened to our people more and supported their wellbeing
- Provided greater opportunities for career development
- Continued to build an inclusive culture

100%

of our people have access to wide-ranging support from our Employee Assistance Programme

OUR STRATEGY – VISION AND OFFER

A modern offer for the future.

A FOCUS ON HIGHER-GROWTH AREAS

In 2018 we set out a new vision and contemporary offer, building on our core strengths in communications, by expanding our capabilities in the higher-growth and future-facing areas of experience, commerce and technology.

The attractiveness of our offer – outstanding creativity combined with strong capabilities in data and technology, the leading global media platform and exceptional PR and branding services – continues to attract and retain clients. This is reflected in our industry-leading new business performance for 2021: \$8.7 billion of net new billings, surpassing the (also industry-leading) \$4.4 billion achieved in 2020.

INVESTING IN OUR OFFER

As we look to accelerate growth at WPP, we continue to make strategic investments to build capabilities in key areas. During 2021, we acquired a number of technology, digital innovation and data companies. These include Satalia, a market-leading artificial intelligence business; Cloud Commerce Group, a technology company helping brands to market, sell and deliver products across ecommerce platforms globally; and Made Thought, a London-based branding and design agency. In addition, Kantar, in which we own a 40% stake, acquired Numerator, a technology-driven consumer and market intelligence company.

We also merged Finsbury Glover Hering and Sard Verbinen & Co, creating the world's leading board-level strategic communications firm.

We have simplified our business to allow us to share resources better across the Company. In 2021, this simplification included the formation of Choreograph, from two separate data units in GroupM and Wunderman Thompson, to unify and accelerate our data capabilities. And Satalia's highly specialised artificial intelligence capabilities have been leveraged across WPP to solve a range of complex optimisation challenges for clients and our own business.

We have stepped up internal investment to drive significant long-term growth opportunities. For example, we have created a commerce-as-a-service platform to complement our broader expertise in commerce, and we are driving further innovation in our market-leading programmatic and connected TV businesses, Xaxis and Finecast.

A REFLECTION OF OUR SIMPLE, INTEGRATED, MODERN OFFER

Our strategy gave us our greatest ever new business achievement – WPP's 2021 appointment as the Global Marketing Network Partner for The Coca-Cola Company.

The company was looking for a partner able to build its brands in the digital age and transform its marketing for the future. Our data and technology capabilities through Choreograph were a critical factor in our success. The Coca-Cola Company operates in over 200 markets across 200 brands and WPP's solutions and global scale will unleash the potential of data-driven marketing for this iconic organisation.

LOOKING AHEAD

Just under half of the addressable market in which we operate is in the higher-growth sectors of experience, commerce and technology, where client spend is forecast to increase by some 10% annually until 2025. The balance of spend is in our core communications services, which are expected to grow by around 2% annually.

Given these trends, our goal is sustainable growth in our core communications business, through a focus on digital communications, and further expansion into the higher-growth areas (whose share of our business mix increased to 38% in 2021). We aim to do this by building on our strengths, and by investing in our talent and market-leading technology and data capabilities.

\$8.7bn

of net new business in 2021¹

¹ Billings as defined in the Glossary on page 222.

VISION AND OFFER

As The Coca-Cola Company's Global Marketing Network Partner, our role is to be a catalyst for transformation and a pillar for growth in a new age of connected experiences.



WPP WILL BRING CREATIVE EXCELLENCE AND UNPARALLELED MARKETING CAPABILITIES AT A GLOBAL SCALE THAT NO OTHER NETWORK CAN DEPLOY."

Manuel Arroyo
Global Chief Marketing Officer,
The Coca-Cola Company

200+

Markets

200

Brands

OpenX

OpenX, the bespoke WPP team, will provide global end-to-end capabilities across media, creative, data, production, technology, social and PR

SUCCESS IN THE LARGEST PITCH...

The Coca-Cola Company's global marketing review is widely regarded as the biggest pitch in the history of our industry. So succeeding in the pitch and being appointed as Global Marketing Network Partner, after nine months and a Company-wide effort involving hundreds of our colleagues, means the world to us.

DUE TO OUR GLOBAL REACH...

WPP will handle nearly all of The Coca-Cola Company's media worldwide and the large majority of its creative work. We will also be responsible for production, data, technology, PR and social, globally. Our work will span the client's 200-plus markets, five categories and nine geographical operating units.

...AND OUR MODERN OFFER

The Coca-Cola Company was looking for a partner with modern capabilities to build its brands in the digital age and help transform its marketing. Critical to our success were our simple, integrated offer, and our data and technology capabilities through our newly created Choreograph business. The depth, breadth and scale of our expertise is what set us apart from our peers.

THE
Coca-Cola
COMPANY

WPP

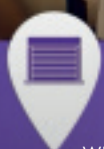




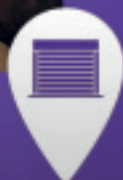
इस दिवाली,
कुछ अच्छा हो जाये
कुछ मीठा हो जाये.



Shivam Electronics



400012





CADBURY – SHAH RUKH KHAN, MY AD

The small stores around us deserve to have a happy Diwali.

OFFER
COMMUNICATIONS
TECHNOLOGY

AGENCY
OGILVY, MUMBAI & WAVEMAKER

CLIENT
CADBURY (MONDELEZ)

The Covid-19 pandemic has had a particularly severe impact on smaller businesses in India. So Ogilvy and Wavemaker, together with Cadbury Celebrations, worked side-by-side in 2020 on the #NotJustACadburyAd campaign to lend a helping hand.

In 2021, the team updated the data-driven campaign, using machine learning to create advertisements that served both Cadbury and thousands of local businesses, all given support with the enthusiastic help of Cadbury's brand ambassador and Bollywood's biggest star, Shah Rukh Khan.

Ogilvy produced ads for small stores that 'featured' the famous actor asking passers-by to shop locally for Diwali. The AI-powered, hyper-personalised ads featured more than 2,000 grocery, retail, consumer electronics, home décor, clothing, furniture and jewellery stores across the country. Wavemaker developed the media plan and worked with Google and YouTube to optimise ad reach and engagement.

Ads were targeted to consumers based on their geolocation, promoting only nearby small businesses. Since it's impossible to cover all the stores across the country, the team created a microsite that allowed small business owners to generate their own versions of the ads, with Shah Rukh Khan 'himself' using owners' stores' names in ads that could be easily posted on social media and other platforms.

130,000 **94m**
total ads created views on Facebook
and YouTube

2,000
stores featured

CREATIVITY

The driving force behind our competitiveness.

CREATIVITY: IT'S WHAT WE DO

Creativity is our differentiator. It is at the heart of what we do, and – combined with our global media platform, and leading technology and data capabilities – is what delivers results for our clients. During 2021, we continued to bolster our creative capabilities – by investing in talent, adopting new ways of working and utilising new technologies – to help our clients and grow our business.

First, we focused on hiring great creative talent. This included the appointment of Rob Reilly as WPP's Global Chief Creative Officer, and Dave Rolfe in the new role of Global Head of Production for WPP and Hogarth, our creative production arm. We promoted Devika Bulchandani, the force behind several iconic campaigns, to Global President of Ogilvy (while retaining her position as CEO of Ogilvy North America) and welcomed the return of Liz Taylor as Ogilvy's new Global Chief Creative Officer. This year we appointed Mehta Mehta to the new position of Global Executive Creative Director for Hogarth.

Second, we found creative new ways to run pitches and win business. We led the industry on new business wins in 2021, often working remotely throughout the pitch process. And rather than flying around the world to find 'just the right location', we pivoted to producing film and content remotely, using virtual technology and AI. We also partnered with Microsoft to launch Cloud Studio, an innovative cloud platform that allows creative teams from across WPP's global network to produce campaigns for clients from any location.

Third, we invested in new creative businesses such as Made Thought, a branding and design agency, which is now part of The New Standard, an industry-leading collective

that provides clients with transformational design and creative thinking. And this year we announced the acquisition of Village Marketing in North America, the industry leader in influencer marketing and creator economy partnerships.

Fourth, we continued to push the boundaries and expand the definition of creativity itself. The metaverse, for example, brings countless new opportunities for creative expression and for brands to connect with consumers. To capture those opportunities, this year Hogarth launched The Metaverse Foundry, a global team of over 700 creatives, producers, visual artists and technologists focused on delivering the most creative and compelling metaverse experiences for our clients.

OUR AGENCIES

During 2021, we continued to help clients tell their stories in new and imaginative ways. This included helping Under Armour celebrate Stephen Curry's three-point world record score in basketball, through the sale of 2,974 NFT sneakers in the metaverse (read more on page 50). We helped Degree, one of Unilever's key brands, raise awareness of its mission to create suitable products for those living with a disability (you can see the campaign on page 69). We helped Volvo remind consumers that the biggest threat to our safety isn't on the road, it's climate change (read more on page 80). And we helped tell the compelling story of how Black men are often misrepresented in modern media (see page 75).

Due to our global scale, breadth and scope, we have a real opportunity to use the power of our creativity to support our communities, not least by helping governments, vaccine-makers, health authorities and brands to deliver their communications during the pandemic. For example, we worked with the World Health Organization Foundation

to fund Covid-19 vaccines for lower-income countries, and collaborated with Pfizer to encourage Grand Theft Auto players in Brazil to get a vaccine shot, both in the metaverse and in the real world.

RECOGNITION

Awards are the by-product of doing the right thing for our clients, never the motivation. But winning awards is a validation that our agencies are at the pinnacle of creativity. We were honoured to be recognised as the most creative company at the 2021 Cannes Lions Festival, with our agencies receiving 190 Lions and representing 38 different countries. In addition, WPP topped WARC's 2021 global agency rankings across all three categories – creative, media and effectiveness – reflecting the breadth of our capabilities.

We were recognised for our industry-leading new business performance, with GroupM agencies – MediaCom, Mindshare and Wavemaker – ranked as the top three, respectively, in R3's 2021 global media league table. And as you can see on the following page, our agencies won many other plaudits for their work and achievements.

LOOKING AHEAD

Investing further in creativity is key to our future success. To that end, we are using part of the savings from our transformation programme to invest in creative talent – supporting and developing our existing people and attracting the next generation of makers and creators. You can read more about our people strategy on page 52.

DELIVERING EXCELLENCE

WELCOME RECOGNITION

The work we do for clients is to meet their specific business needs. We don't do it for the awards, but we like winning them because they're a testament to the talent of our people and the excellence of our agencies.

Here are just a few of the many won in 2021 by our creative, media, public relations and specialist agencies. These awards, from the industry's pre-eminent voices, recognise the breadth of our work across every discipline of marketing.



SKY GLASS

Say goodbye to the satellite dish,
say hello to Sky Glass.

OFFER
TECHNOLOGY

AGENCY
MAP PROJECT OFFICE LONDON

CLIENT
SKY

Sky collaborated with AKQA's pre-eminent industrial design studio, Map, to create Sky Glass, the world's first carbon-neutral TV, requiring 50% less energy than a typical TV and soundbar set-up.

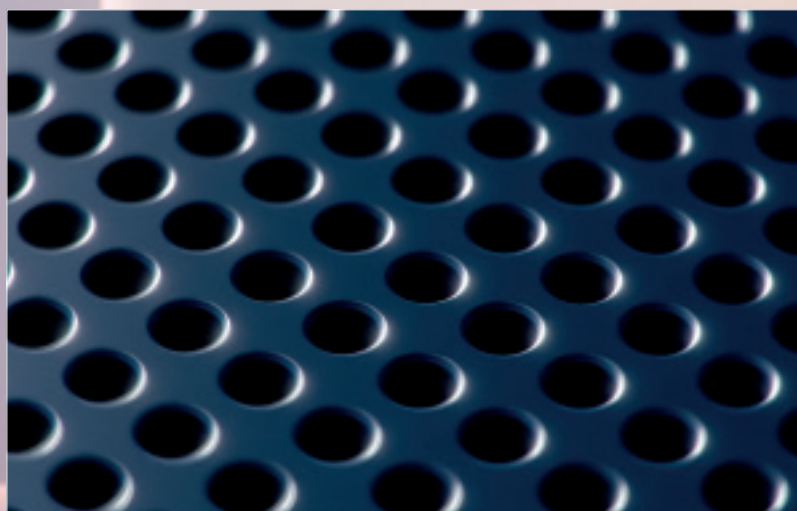
One wire and one plug – Sky Glass breaks with the tired conventions of television design. Typically, televisions sit at the heart of a complex ecosystem of surrounding technologies including multiple remotes, set-top box, soundbars and smart speakers. With Sky Glass, however, Map designed a television that integrates hardware, software and content into a single unit, as well as creating an immersive home cinema experience straight out of the box.

By combining industrial design with Sky's service, Glass also takes a first step towards imagining a more environment-friendly future for televisions. While most televisions and related devices quickly end up in landfill as technology advances, Glass can add new features as technology is upgraded – extending the product's lifespan, as well as cutting down on waste.

**Carbon
Neutral®**

The first TV to be
certified carbon-
neutral by Natural
Capital Partners





DATA & TECHNOLOGY

Technology powering creativity.

TECHNOLOGY AT WPP

We use technology and data to augment creativity, and to deliver it faster with more impact and insight. Technology is critical to what we do: it helps us to understand markets, consumers and behaviours; delivers the channels for consumers to engage with a campaign; and provides the technical data or insights to inspire and measure our marketing success.

CLIENTS' TECHNOLOGY NEEDS

For the past decade, our clients' businesses have been undergoing digital transformation, but the events of the past two years have accelerated this trend and created several permanent structural changes:

- The emergence of omni-channel commerce as a competitive imperative
- The integration of physical and digital customer experiences
- A build-once, use-many-times approach to content production and distribution across all channels
- An increased reliance on first-party data and direct consumer relationships with the deprecation of third-party cookies

WPP has been partnering with our clients on the strategic imperative to transform their businesses through technology and data so that they can engage with consumers and then, on an ongoing basis, build the capability in their businesses to allow them to take advantage of those opportunities. Fundamentally, this means that we are helping clients to transform their businesses with new technology, new data, new business processes and new skillsets.

A TECHNOLOGY STRATEGY THAT SETS US APART

Our comprehensive marketing technology offering, scaled globally, means we can match clients' ambitions with capabilities

and services, whether that is in commerce, consulting or systems integration. Our commitment to distributed innovation – where innovation takes place closest to our clients, in our agencies and disseminated across the Company through our technology platform, WPP Open – means that we are innovating at the edges. We are driving this innovation by investing \$300 million annually (the equivalent of 2% of sales) in internal product development to differentiate our proposition and offer to clients. We are also automating repetitive and manual processes so that we can free up creativity, enabling our people to focus on delivering true value to clients.

Our technology strategy builds on our capabilities and is focused on three core components: our platform, WPP Open; our people; and our partners.

PLATFORM

WPP Open, our common data and technology platform, offers 50 scaled data and technology products. We have begun building the technology chassis that underpins WPP Open, allowing for a network-wide, interoperable operating system. Through WPP Open, we are seeking to integrate marketing silos, reducing time to value for our clients – a position that is resonating and has been instrumental in our most significant account wins in 2021. The launch of Choreograph, our new data services business, in April 2021 epitomises our data philosophy: that clients should own their own data to future-proof their businesses.

PEOPLE

Key to our future success is ensuring that our people have the skills and curiosity to deliver creative transformation. Our Commerce and MarTech Academies have been completed by all Global Client Leaders along with other participants from across the Company. We

proudly continue to invest in training on partner technologies, with over 30,000 accreditations and certifications achieved this year by our people.

PARTNERSHIPS

We have key strategic partnerships with 25 of the world's largest and most innovative technology companies. At the heart of each partnership is a joint business plan covering product development, preferential access to data and technology, globally scaled enablement programmes for our teams (for example, providing us with over 3,300 Adobe-certified professionals across WPP), and joint go-to-market approaches. We are expanding and strengthening our partnership ecosystem to ensure our offerings contain innovative and leading-edge elements, and address clients' rapidly changing needs. The focus in 2021 has been on new ad-supported platforms (eg TikTok and Instacart), new formats (eg Augmented Reality), commerce (eg Shopify) and new managed service business lines (eg Google Cloud Premier Partner).

RECOGNITION

WPP was named a leader among commerce services providers by Forrester Research, Inc. in Q1 2021, reflecting the capabilities of the 13,500 commerce service experts we employ across the globe. And we were named Adobe's Digital Partner of the Year in the UK.

LOOKING AHEAD

Our priorities for the year ahead are delivery of the WPP Open technology platform, commerce-as-a-service, optimisation and intelligent decision-making in our products and operations, and the democratisation of data – all to drive creativity.

PLATFORM, PEOPLE & PARTNERSHIPS

PLATFORM

WPP Open, our common data and technology platform, showcases the best data, technology products (tools, apps and services) and partnerships from across WPP – all in one place.

WPP Open

DRIVING GROWTH AND INNOVATION WITH WPP OPEN

WPP Open has become a key competitive advantage – both in terms of how we build proprietary products and how we integrate creativity, data and technology for our clients.

50

scaled data and technology products

PEOPLE

Our partner enablement programmes help to develop our people by focusing on three high-growth areas: modern marketing technology, creative and production, and digital media platforms.

OUR CAPABILITY IN TECHNOLOGY AND DATA STARTS WITH OUR PEOPLE

Across WPP, we have 13,500 colleagues delivering commerce services, 5,000+ data practitioners – leading specialists who build our proprietary models, and 6,000+ creative technologists, bringing great ideas to life using technology.

30,000+

accreditations and certifications earned from our technology partners during 2021 – that's 1 in 3 of our people (2020: 21,000+)

PARTNERS

Our technology partners are some of our largest and fastest-growing clients. By developing solutions using their technology, and enabling our teams, we become strategic partners, driving joint innovation, deeper access, and new opportunities.

GLOBAL PARTNERSHIPS AND STRATEGIC RELATIONSHIPS

Our partnerships comprise four areas: marketing technology (such as Adobe and Salesforce), digital media platforms (including Facebook and Instacart), cloud and AI (such as Amazon and Google) and creative and production (TikTok and Snap, for example). During 2021, we added one new strategic partnership to our ecosystem (Instacart), taking the total to 25.

25

global strategic partnerships

VACCINE READINESS MODEL

Helping to vaccinate the United States against Covid-19.

OFFER
COMMUNICATIONS DATA

AGENCY
MEDIACOM, CHICAGO

CLIENT
WALGREEN BOOTS ALLIANCE

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

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

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

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

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

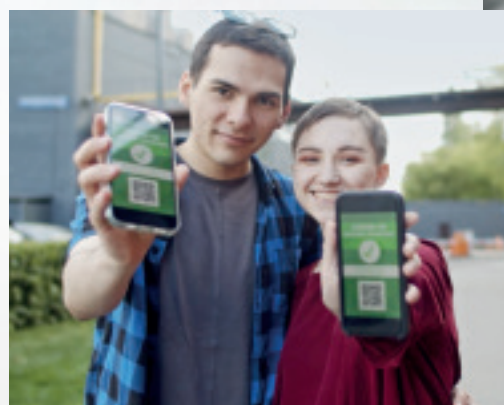
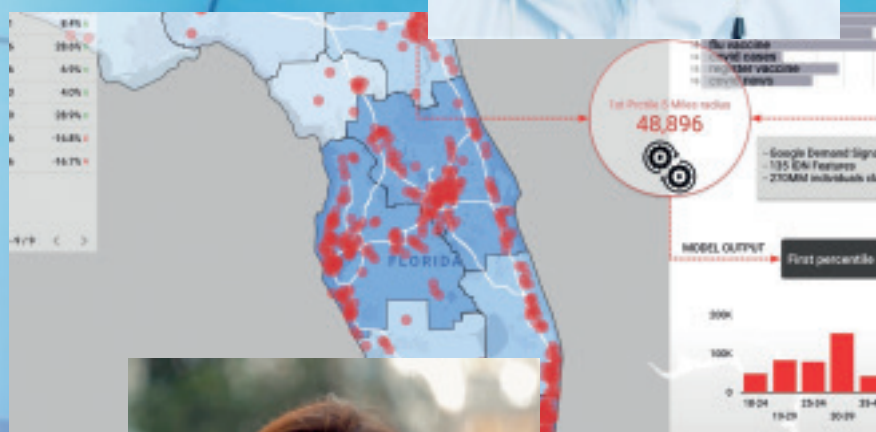
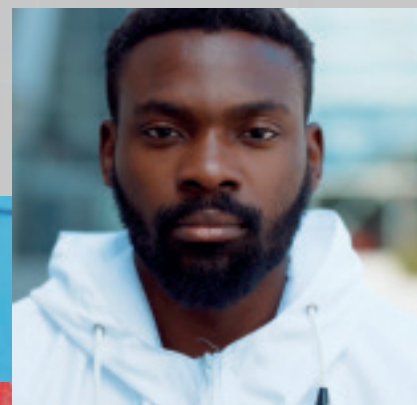
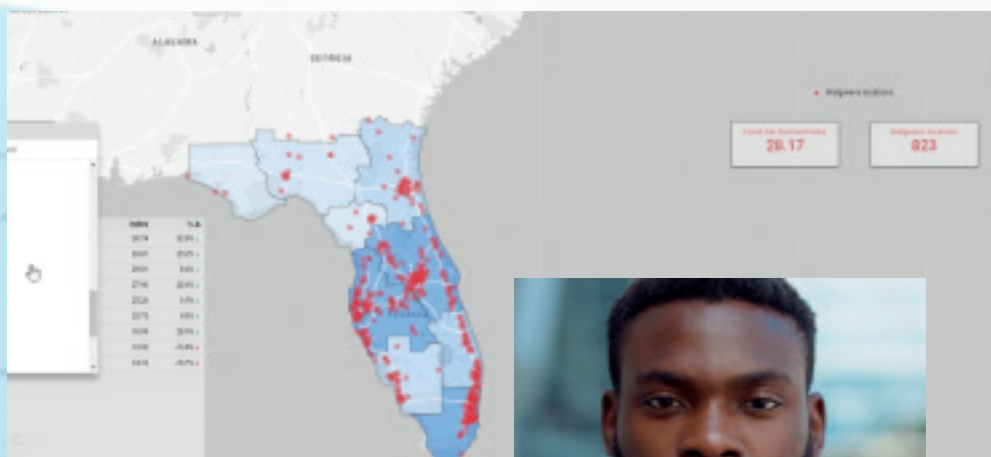
Through the combination of integrated data insight, modelling and media message delivery via programmatic platforms, the team created one of the most successful data-led campaigns in the world, achieving its objectives and providing millions of Americans with protection against Covid-19.

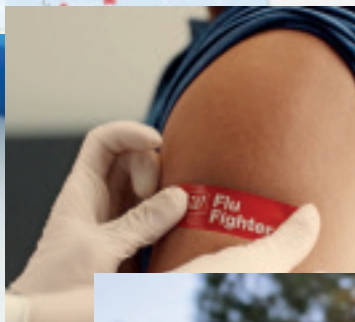
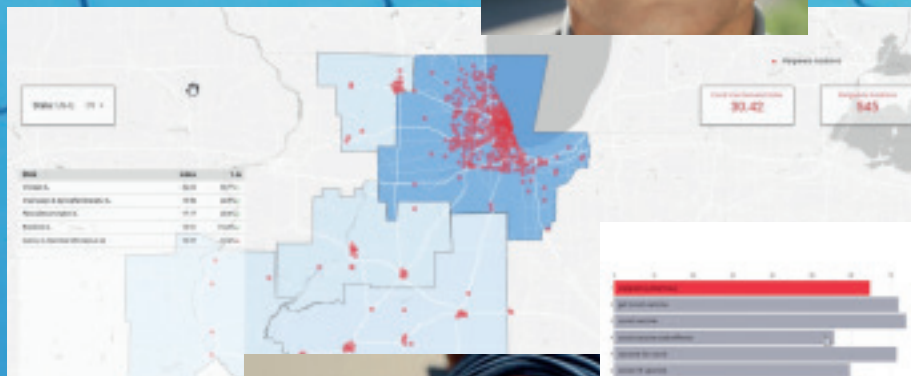
34.6m
people vaccinated at
August 30, 2021

43%
increase in
appointments

47%
increase in media
engagement

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





SIMPLER STRUCTURE CLIENTS

Bringing the best of WPP to our clients.

A GROWTH MARKET

The global advertising market is growing and we have benefited: we have seen record growth across our largest clients in terms of their spend with WPP. According to GroupM estimates, global ad spend grew by 22.5%¹ in 2021, and 18 out of our top 30 clients achieved double-digit two-year growth in the year. These trends are driven by increased demand for our digital and commerce expertise; the greater integration of media, creative, data and technology services; and clients reinvesting in marketing for growth.

INTEGRATED APPROACH

Our leadership team is dedicated to ensuring integrated and collaborative service across our global clients. Our Global Client Leaders, responsible for being a single point of entry into WPP and acting as trusted advisors to our largest clients, focus on how we can help power their business.

Our Global Client Leaders help to deliver our core communications offer, and further develop client relationships across our higher-growth capabilities in experience, commerce and technology. Each of our top 10 clients work with us in at least three of our four capability areas of communications, technology, experience and commerce.

We are driving high levels of integration across our network. Over 95% of our top 50 clients work with at least five of the agencies in our network and have rewarded us with an average score of 8.1 (on a 10-point scale) for 'Collaboration' in our 2021 client satisfaction programme.

OUR COMPETITIVENESS

Clients today are increasingly looking for a partner that can provide a suite of services across media, creative, data and technology – simply and seamlessly. We have positioned WPP to meet these needs, which has resulted in our improved performance.

The combination of our outstanding creativity, leading technology and data expertise, and the strength and scale of GroupM – both at the global and local level – is proving its value for existing and new clients.

During 2021 we achieved many significant wins in pitches, from media, creative and PR to design, technology and production, culminating in WPP's appointment as The Coca-Cola Company's Global Marketing Network Partner. Other major cross-agency wins included AstraZeneca, Beiersdorf, L'Oréal, Sainsbury's, TD Bank and Under Armour.

Overall, on new business in 2021, we ranked as number one for both creative and media wins according to R3, with a total of \$8.7 billion of net new business won.

According to independent research consultancy COMvergence, GroupM led the industry in total media wins and retentions globally in 2021. Among the rankings of individual agencies MediaCom secured second place and Mindshare was third.

Clients are seeking our help across their businesses. Digital transformation, reputation, DE&I, ESG, privacy and data management are central to commercial success for many clients and we are well equipped to deliver services that address these needs. During 2021, we worked with many of our biggest clients in these areas – scoring 8.2 (on a

10-point scale) for client satisfaction on 'ESG achievement', for example. All of this work and more contributed to an all-time high 'Likelihood of recommending WPP' score from our clients – an average of 8.1 out of 10, up from 7.5 in 2018.

LOOKING AHEAD

Our focus is on continuing to increase our impact for clients, using our creativity and technology to support their transformation journeys. Choreograph, our new data company, is designing innovative ways to future-proof our clients' approach to data. We anticipate more client assignments in the ever-more important areas of business transformation, sustainability, DE&I and cultural change management.

We are deeply committed to the success of our clients and grateful to them for the trust they continue to place in us.

18 out of 30
of our top clients achieved double-digit
two-year growth in 2021

¹ Excludes US political advertising.

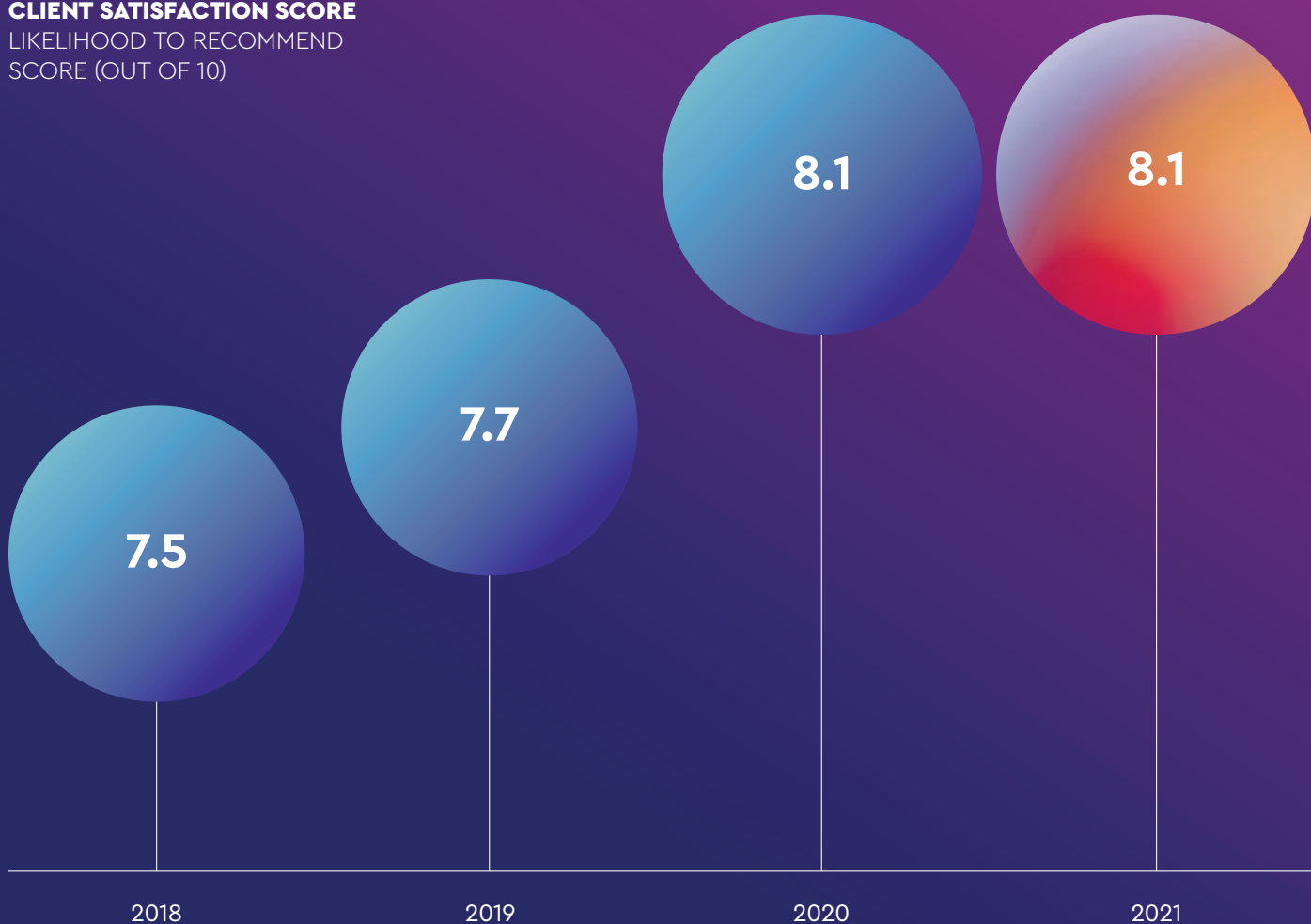
HAPPY CLIENTS

During 2021, we registered a record-high client satisfaction score.

Key to this was the work of our Global Client Leaders (GCLs), who provide a single point of access to WPP and our agencies for a number of our largest clients.

GCLs lead these relationships as the client's business partner for growth, making sure they can easily see and experience the best of what WPP can do across its agencies – in terms of capabilities, expertise and talent – and ensuring effective collaboration on behalf of those clients.

CLIENT SATISFACTION SCORE LIKELIHOOD TO RECOMMEND SCORE (OUT OF 10)



REINVENTING CAR OWNERSHIP

Ford customer experience transformation.

OFFER
EXPERIENCE
COMMERCE
TECHNOLOGY

AGENCY
VMLY&R, KANSAS CITY

CLIENT
FORD

For as long as vehicles have been made, the primary focus of automakers has been on selling the vehicle – a limited, singular interaction in a years-long ownership experience. Ford's goal was to change this. So when it came to launching the new all-electric Mustang Mach-E, instead of planning to market another new vehicle, Ford and VMLY&R worked together to, reimagine the entire Ford ownership experience.

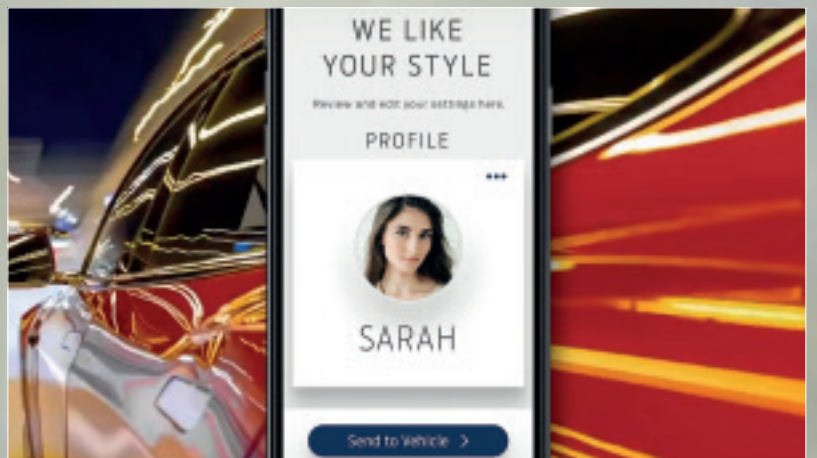
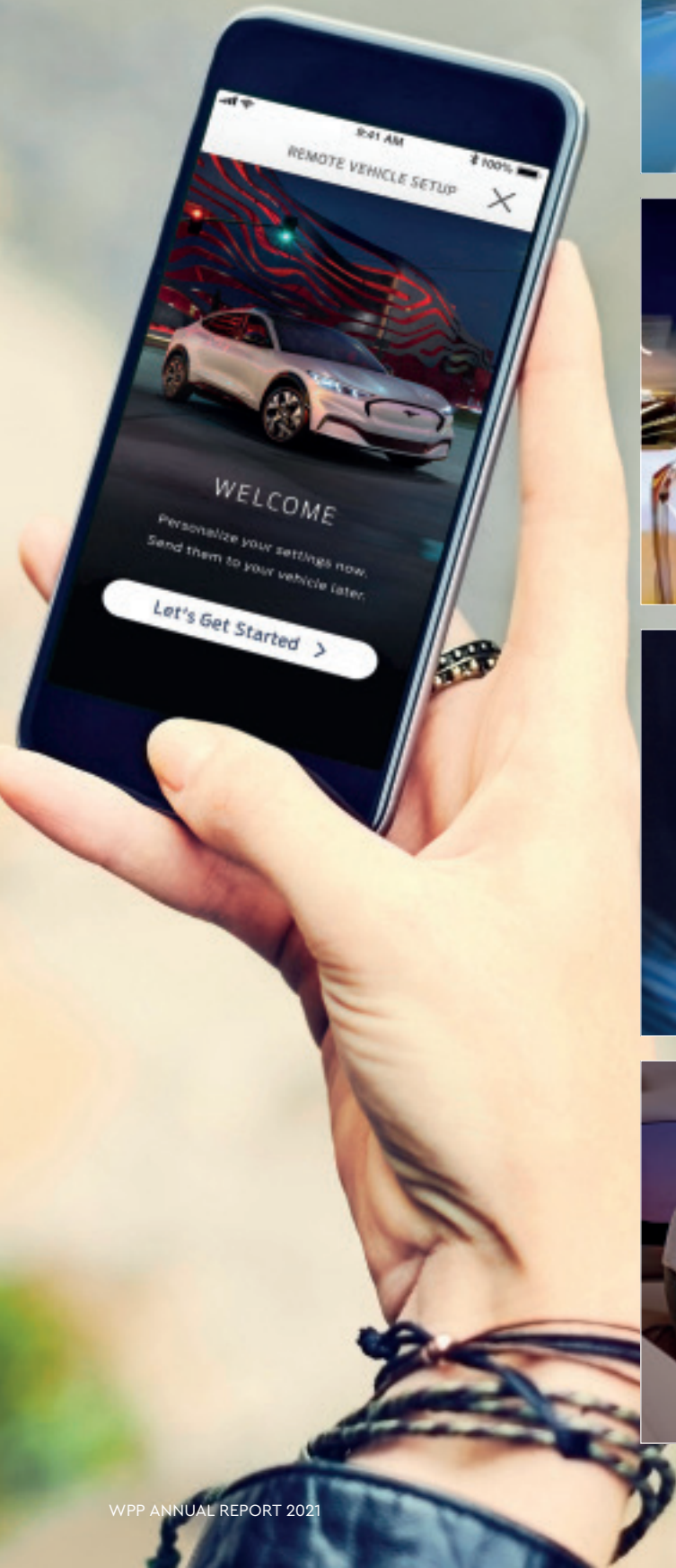
Ford knew from research that they needed to modernise the purchase process and make it more convenient. They also knew owners craved support and engagement beyond the moment of purchase for any new vehicle – especially for what is likely to be their first all-electric vehicle. And they knew that during the time between pre-order and delivery some customers change their minds and drop out.

So together with VMLY&R they invented a first-of-its-kind experience that allowed owners to set preferences in their new vehicles before they were even built. By creating the industry's first Remote Vehicle Setup in 2020, owners could engage with their vehicle during the long wait period between order and delivery. This ensured that all those who pre-ordered remained engaged and stayed with Ford until delivery.

The new ecommerce experience accounted for 97% of Mustang Mach-E reservations. All of this effort has created millions of interactions in parts of the Ford business that didn't even exist just a few years ago. This is the new way forward for all Ford launches to come.

97%
of Mustang Mach-E
reservations

600
million interactions
across digital
touchpoints



SIMPLER STRUCTURE COMPANIES

Making our business simpler to manage.

During 2021, we continued to simplify our structure, allowing us to reduce complexity and cost, and respond more quickly to client needs. This included the implementation of agency network mergers, the merger of smaller, sub-scale, local offices and the concentration of working locations into fewer, more efficient campuses.

CREATING LEADING AGENCIES

After a series of mergers and business combinations over the last few years, we have a strong footprint of ten global agency networks, providing clients with a full suite of modern marketing solutions across communications, experience, health, ecommerce, data and technology.

Following the successful mergers to create Wunderman Thompson and VMLY&R, in 2021 we made a series of further business combinations. We brought AKQA and Grey together within AKQA Group, moved Geometry into VMLY&R to create VMLY&R Commerce, a global end-to-end creative commerce agency, and the specialist agency GTB became part of VMLY&R. As a result, AKQA, the former Geometry business and GTB are now reported within Global Integrated Agencies (see page 66).

In 2021, we also established Choreograph, a new global data company, bringing together the specialist data units of GroupM and Wunderman Thompson into a single company with global reach, accessible to all WPP clients and companies. Choreograph played a key role in several important client wins in 2021, including Bayer, Beiersdorf, Coca-Cola, L'Oréal and Unilever. For more information about Choreograph, see the page opposite.

In addition, we combined separate operations into a single brand research and analytics platform under BAV, creating the leading source of brand analytics on some 60,000 brands worldwide. This will enable us to better integrate brand data into our data analytics offer across WPP companies.

TRANSFORMATION PROGRAMME: STRUCTURAL SIMPLIFICATION

We have made good progress on our transformation programme, a key objective of which is to simplify WPP, as it drives £600 million of annual cost efficiencies by 2025. Around £245 million of gross annual savings have been achieved so far, mainly in property, procurement and simplification initiatives.

We have grown our use of shared, multi-agency campuses for our people, driving efficiencies and allowing clients easier access to our talent and expertise. A further nine campuses opened in 2021, taking the total to 31. We have combined sub-scale agencies in smaller markets, and removed around 500 legal entities from our structure, to reduce the complexity arising from legacy acquisitions. In procurement, we are beginning to consolidate our spend more effectively, improving terms for our agencies with our purchasing scale.

We also completed the transaction to take 100% ownership of WPP AUNZ (previously 61.5%), which housed our operations in Australia and New Zealand. This will improve control and governance of our fifth largest market and allows our agencies there to have stronger connections with the rest of the WPP network.

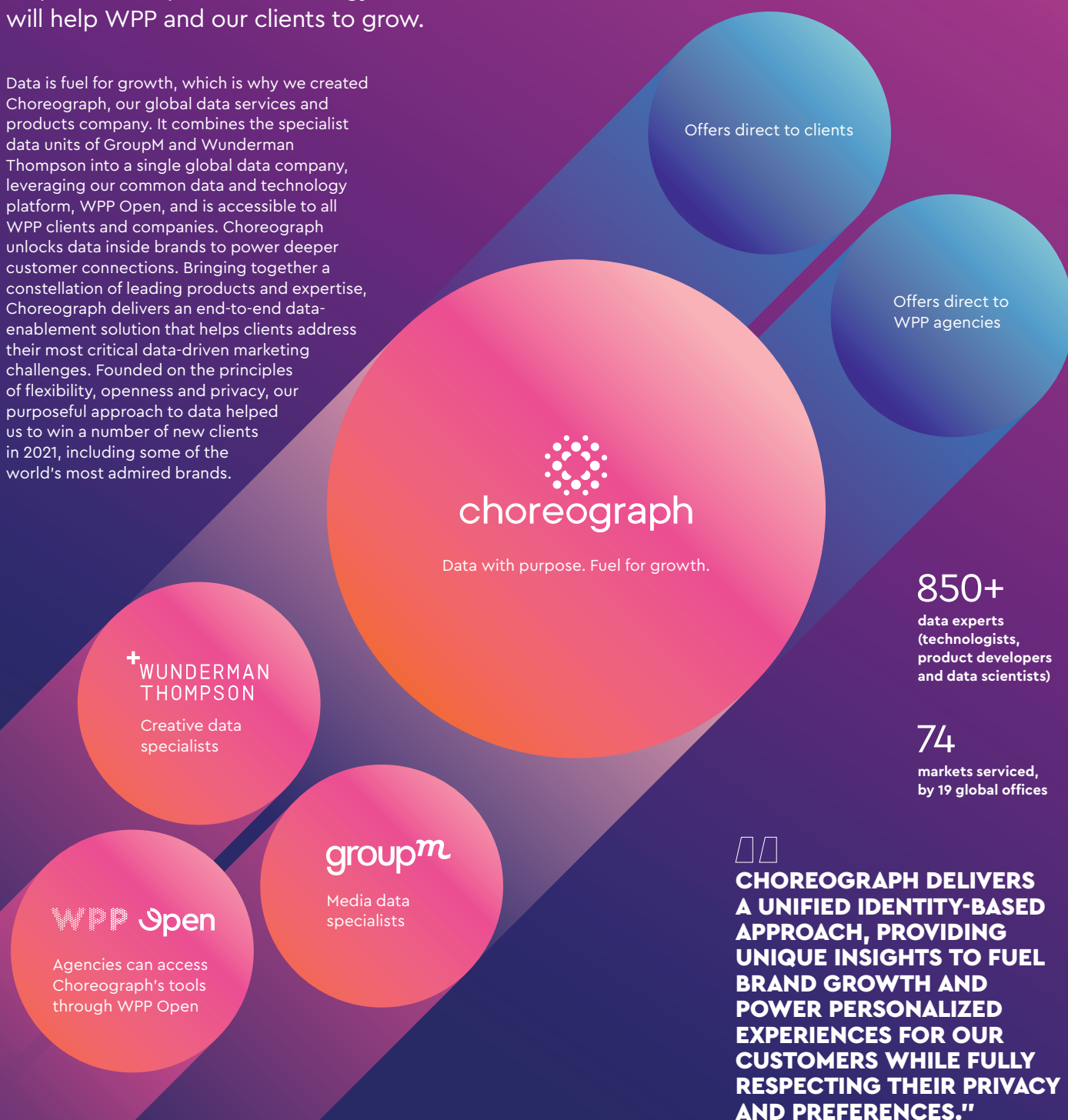
LOOKING AHEAD

We continue to focus on three areas to transform the way we work and drive efficiencies: by simplifying our operating model, generating savings in procurement and real estate, and improving the effectiveness of our support functions and shared services. For more on these and other initiatives under the transformation programme, please turn to the Chief Financial Officer's statement on page 60.

FUEL FOR GROWTH

Choreograph: another important step in our simplification strategy that will help WPP and our clients to grow.

Data is fuel for growth, which is why we created Choreograph, our global data services and products company. It combines the specialist data units of GroupM and Wunderman Thompson into a single global data company, leveraging our common data and technology platform, WPP Open, and is accessible to all WPP clients and companies. Choreograph unlocks data inside brands to power deeper customer connections. Bringing together a constellation of leading products and expertise, Choreograph delivers an end-to-end data-enablement solution that helps clients address their most critical data-driven marketing challenges. Founded on the principles of flexibility, openness and privacy, our purposeful approach to data helped us to win a number of new clients in 2021, including some of the world's most admired brands.



CHOREOGRAPH DELIVERS A UNIFIED IDENTITY-BASED APPROACH, PROVIDING UNIQUE INSIGHTS TO FUEL BRAND GROWTH AND POWER PERSONALIZED EXPERIENCES FOR OUR CUSTOMERS WHILE FULLY RESPECTING THEIR PRIVACY AND PREFERENCES."

Matt Harker
VP Global Marketing Strategy & Transformation,
Walgreens Boots Alliance



RIOT GAMES

Celebrating the 10th 'Annie-versary' of League of Legends China.

OFFER
COMMUNICATIONS
EXPERIENCE
TECHNOLOGY

AGENCY
SUPERUNION AND HOGARTH

CLIENT
RIOT GAMES

Riot Games brought us League of Legends, the most played PC game in the world. They also created the annual League of Legends World Championships, the most widely viewed and followed esports events in the world. And with the League of Legends 10th anniversary on the horizon, they needed to celebrate in true Riot Games fashion, with the help of Superunion Asia.

Working in partnership with the Riot Games team, Superunion developed the 'Annie-versary' campaign as a nod to the famous League of Legends character, Annie, an iconic gamer champion. With the insight from Riot Games that gamers love finding Easter eggs and the feeling of being truly part of a gaming community, the campaign taps into the League of Legends players' secret language and evokes memories from the past ten years of gameplay.

The campaign uses memes, secret words and insider jokes, piecing them together to follow a protagonist's ten-year gaming journey with League of Legends, sharing the wild ride with the gaming community.

Riot Games led the film creation and art direction, and Superunion curated the story, developed the creative strategy and ran the post-production including 3D animations, 2D graphics and animated text. The production was provided by Hogarth Worldwide.

The film launched at a grand opening celebration event at Hangzhou Olympic Sport Centre and featured across all social media platforms and broadcast media.

180m
active players

160m+
hours a month gamers
spent playing League
of Legends



SIMPLER STRUCTURE COUNTRIES

Combining our global scale
with a local approach.

UNPARALLELED SCALE

We have a unique position as the most geographically diversified company in the industry with a worldwide reach to over 100 markets. Our 20 largest countries account for 87% of our revenue less pass-through costs, while our top ten markets represent 77%. For more information on our largest markets, see the page opposite.

LOCAL APPROACH

Within our global footprint, we have 17 Country and Regional Managers covering many of our larger markets. Their role is to leverage our strengths in each market: promoting WPP's brand, strategy and offer, co-ordinating WPP resources on behalf of clients, encouraging collaboration between WPP agencies in-market, and retaining and developing diverse talent. This year, we strengthened our country leadership with the appointment of Arthur Fleischmann in Canada, Tebogo Skwambane in South Africa, and Rose Herceg to lead Australia and New Zealand.

INVESTING IN FAST-GROWING MARKETS

Our reach comprises an attractive balance of well-established markets in North America and Europe, including the UK, and other markets in structurally faster-growing economies, such as India, China and Brazil.

Based on external GDP growth estimates, we have the leading market share in nine out of the top ten fastest-growing economies¹. And many of the future high-growth clients are in those markets.

We are investing significantly in these and similar markets – in technology, campuses, acquisitions and talent. In 2021, we acquired DTI Digital, a leading Brazilian digital innovation and software engineering company; DAVID, the multi award-winning agency within Ogilvy, expanded its operations to Bogotá; in India we opened a new campus for our people and agencies in Gurugram; and in China we made a strategic investment in StarEngine, a Beijing-based social content-marketing technology startup.

Those investments are reaping rewards. In China, Wavemaker secured Under Armour's digital media business, and WPP was named Most Effective Agency Holding Group at the Effie Awards Greater China. And in India Wavemaker retained the media mandate for L'Oréal.

CAMPUSES

Our campus programme is key to leveraging our strengths in individual markets, by bringing agencies together to facilitate greater collaboration, supporting flexible and hybrid working, and giving clients access to the breadth and depth of WPP talent in one location. Each campus location also contributes to savings under our transformation programme, by unlocking efficiencies through the consolidation of smaller office buildings. For example, our new Milan campus accommodates 2,000 people, from 35 WPP agencies, that were previously in eight different buildings. In 2021, we added nine new campuses, including sites in London, Milan, New York and Prague, taking the total to 31, accommodating 47,500 people.

LOOKING AHEAD

As part of our strategy for growth, and building on WPP's existing global strength, we will continue to invest more in high growth-potential markets, as we expect them to grow at double-digit annual rates over the next few years.

Under our simplification strategy, we expect to open more campuses, reaching at least 65, and housing 85,000 people by 2025. Consolidation into fewer, larger buildings provides an opportunity to reduce our space requirements by 15-20% on average.

¹ Top 10 absolute GDP growth markets 2020-2030: Brazil, China, India, Indonesia, Pakistan, Philippines, Turkey, UK, United States, and Vietnam. Source: The Economist Intelligence Unit, 2021.

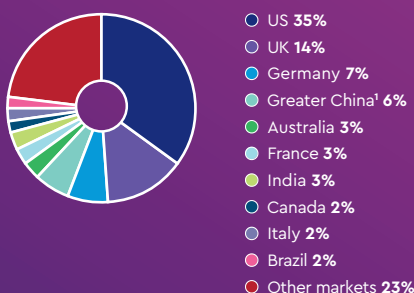
INTEGRATED COUNTRY OPERATIONS

Strong growth in key markets.

MAJOR MARKETS PERFORMANCE

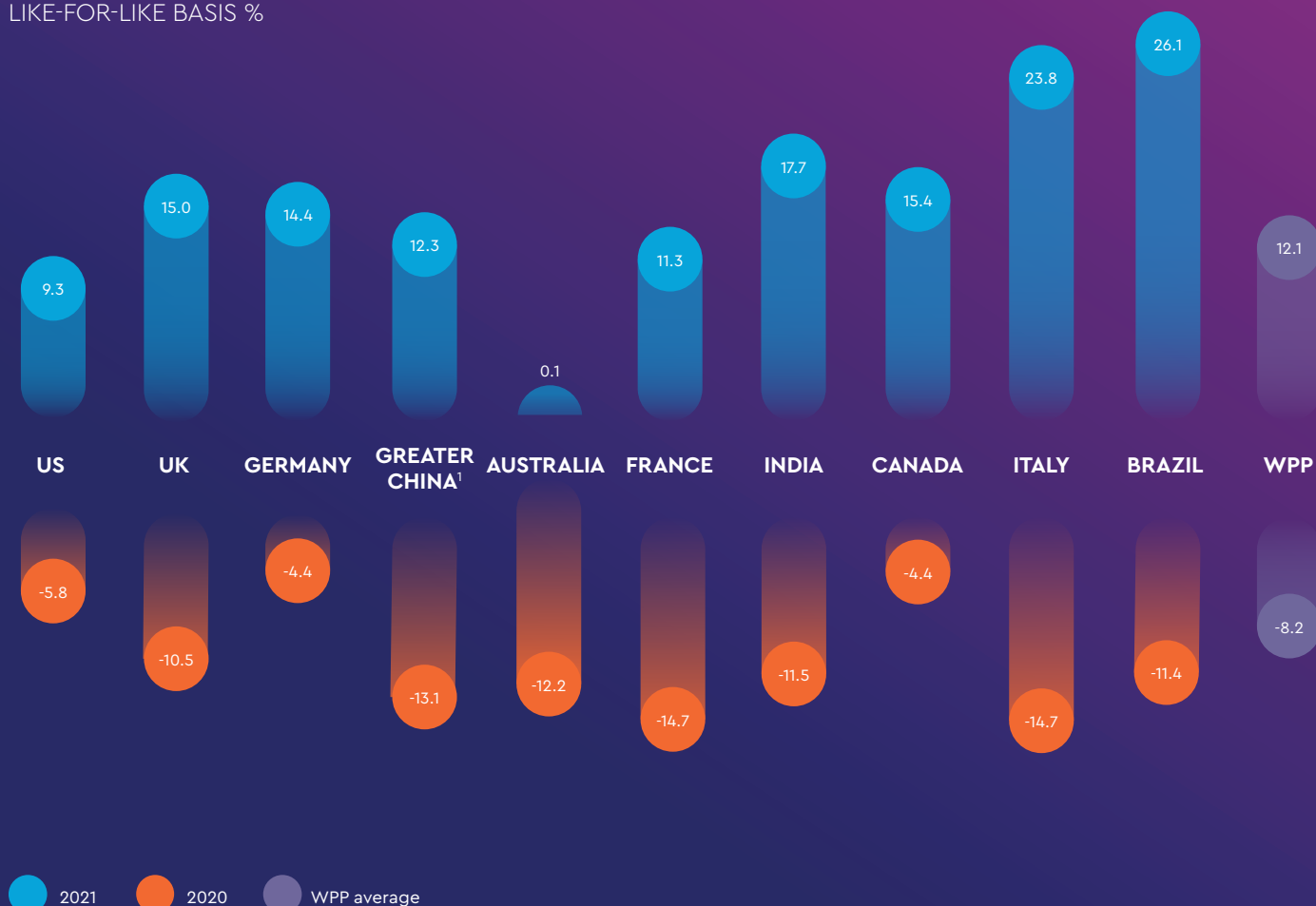
Our top ten markets account for 77% of revenue less pass-through costs. Their performance therefore drives our business. In 2020, these markets were negatively impacted by clients reducing spending during the pandemic. In 2021 – with the exception of Australia, which was affected by stricter Covid-19 restrictions – these markets delivered strong growth, driven by the demand for digital services, ecommerce and technology.

2021 REVENUE LESS PASS-THROUGH COSTS BY MAJOR MARKET



REVENUE LESS PASS-THROUGH COSTS GROWTH

LIKE-FOR-LIKE BASIS %



¹ Including Hong Kong and Taiwan.





GENESIS CURRY FLOW

The metaverse is real – just ask Under Armour.

OFFER
EXPERIENCE
TECHNOLOGY

AGENCY
BERLIN CAMERON, NEW YORK

CLIENT
UNDER ARMOUR

Under Armour wanted to celebrate the three-point world record of their star basketball player, Stephen Curry, so they got Berlin Cameron into the game.

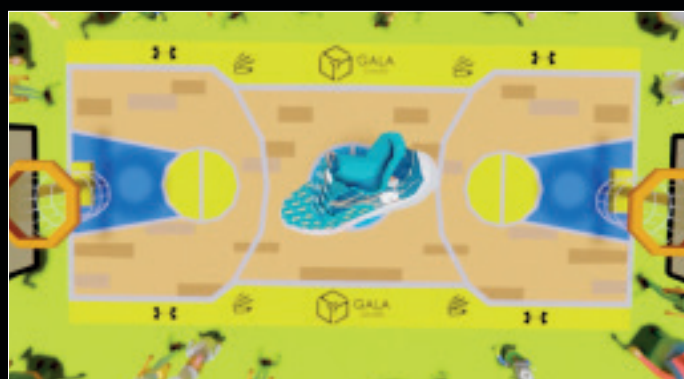
2021 was the year the metaverse was on everyone's lips, so the agency decided to create the very first metaverse wearable: the 'Genesis Curry Flow' sneaker.

The Genesis Curry Flow was released in a limited edition of 2,974 NFTs, reflecting Stephen's world record, and minted in five distinct rarities, each reflecting part of the narrative of his amazing accomplishment.

The Genesis NFT came with a locker where gaming platforms Decentraland, Sandbox, Gala Games and Rumble Kong League were able to drop their version of the NFT expressed in the design language of each game. This meant that for the very first time gamers were able to move through the metaverse wearing the same sneaker.

The NFTs sold out in minutes, and the goal to raise \$1 million for Under Armour's charities was reached instantly.

One sneaker, four exciting worlds – changing the game and the metaverse for good.



25m
visits to the drop site

4.5m
people tried to buy the
NFTs, which sold out in
10 minutes

\$17m
in secondary sales by
February 2022

1.3bn
impressions

PEOPLE

How we fulfil our purpose starts with our people.

UNLOCKING OUR CREATIVE POTENTIAL

We use the power of creativity to build better futures for our people, planet, clients and communities. Activating that purpose starts with our people, which is why it is our ambition to unlock the creative potential in every WPP employee.

ADAPTING TO NEW WAYS OF WORKING

As we navigated Covid-19 restrictions, we learned we can deliver outstanding service for our clients in a flexible working environment. We won pitches without ever having been in the same room and were awarded for inspiring work from teams who had never met in person.

Our new hybrid working practices are grounded in the reality that work is a part of life, not the other way around, while recognising the important role our campuses and offices play in bringing our people together to create, collaborate, learn and socialise.

During the year, we continued to build on the new ways to connect that we established at the start of the pandemic. As part of our virtual global CEO townhall series, Mark Read was joined by WPP leaders for candid discussions about issues important to our people, with over 44,000 participants tuning in during the year, up from 39,000 in 2020. CEO direct-to-staff emails accumulated over one million unique opens over the year.

Our global internal email newsletter, *The Weekly*, had over 1.3 million opens across 49 editions. WPP TV invited more than 1,000 speakers to share their expertise over 126 episodes with 200,000 views in total.

LISTENING TO OUR PEOPLE

As we adapted to new ways of working, we launched WPP Pulse, our first global, Company-wide survey, with more than 43,000 participants across more than 100 countries.

This showed what our people want most from WPP: fulfilling careers, where they grow and discover new ways of working and learning; the opportunity to contribute to inspiring work that creates impact for their clients; and a sense of belonging to an organisation they are proud to be part of.

What we heard determined our focus areas for the year ahead.

ENABLING CAREER GROWTH

Due to our size and global reach, we are uniquely positioned to offer our people excellent growth and mobility opportunities across some of the most exciting, creative companies in the world, with the power to drive meaningful impact in the world around us.

In March, we launched Career Explorer to provide greater transparency into job openings across the network. Over 2021, our companies posted more than 10,000 roles on the platform, receiving over 430,000 views on our internal and external websites.

INVESTING IN LEARNING

In 2021, we invested £29.7 million in learning and development opportunities for our people, a 51% increase from the previous year. We plan to invest an additional £150 million annually in our people by 2025.

During 2021 we continued to work with our leading technology partners such as Adobe, Amazon, Google, Microsoft, Salesforce and TikTok to enhance our technical expertise and gained over 30,000 accreditations and certifications.

We doubled down on programmes for women, people of colour and the next generation of leaders, because we know our growth depends on effective, diverse leadership.

One example is Elevate, a United States sponsorship programme designed to provide tools to support Black women in their career growth, personal development and wellbeing. 20% of participants from the first cohort were either promoted or received a raise within eight weeks. In 2022, we are expanding Elevate to the UK.

Our Inclusive Leadership Learning Experience provided 1,000 mid-level managers with the skills needed to embed inclusive ways of working across the employee experience, and will expand to more than 40,000 managers in the coming year.

For those aiming to join the industry, NextGen Leaders – a first-of-its-kind virtual programme that aims to provide learning, growth and professional development opportunities – has become an integral part of our early-career talent strategy. In our second series, we welcomed 1,400 participants from diverse backgrounds, 65% more than in 2020.

i For more information see page 55

109,000

people

SUPPORTING OUR PEOPLE

100%

of our employees have access to our Employee Assistance Programme

500

Mental Health Allies

FOSTERING THE BEST POSSIBLE CULTURE

When all our people feel secure, safe and confident to share their ideas, it has a direct impact on creativity and the power of collaboration.

Through partnerships including The LaGrant Foundation in the United States and Brixton Finishing School in the UK, we are attracting different voices and perspectives to WPP.

We partnered with The One Club for Creativity to host the Behind the Stonewall Riots competition for Black LGBTQ+ creatives, awarding the winners internship opportunities at WPP. Read more on page 73.

We continue to embed diversity, equity and inclusion into everything we do, and you can read more about the progress we have made against our racial equity commitments, including our Racial Equity Programme, on page 72.



For more information see the **People and Communities** chapter of our Sustainability Report 2021

DIVERSITY

52%

of our senior managers are women, and 39%¹ at executive leadership levels¹

26%

of our senior managers in our largest market, the United States, are non-white

With the support of our first Company-wide LGBTQ+ community, WPP Unite, we developed the LGBTQ+ inclusive marketing resource hub, to equip our people with the knowledge, skills and resources to create more inclusive marketing. WPP Unite was spearheaded in the UK and United States, and will expand to other regions. We achieved the highest score of 100% in the Corporate Equality Index, which measures the attractiveness of workplaces for LGBTQ+ employees.

To continue advancing gender equity, we expanded our Stella community into India, with over 50 leaders across WPP completing more than 500 hours of mentoring to help guide and inspire 67 aspiring female leaders.

The proportion of women in executive leadership roles¹ globally was 39%² (2020: 40%) and within this we increased the proportion of women on the Executive Committee to 35%, compared with 29% in the previous year. In 2021, we were named an industry leader in the Bloomberg Gender-Equality Index for the fourth consecutive year.

With the challenges of the pandemic and injustices around the world impacting mental wellbeing, we launched our Mental Health Allies programme, providing mental health training to 500 leaders, HR professionals and employees across the UK and United States. We will expand into more regions in 2022.

STAFF COMMUNICATIONS

1 million+

unique opens of CEO all-staff emails

44,000

participants in CEO virtual townhalls

HELPING OUR EMPLOYEES TO PLAY THEIR PART

We know employees want to work for a company that is willing to stand up for the issues they care about.

As part of our Racial Equity Programme, WPP committed in June 2020 to match personal donations by employees to a number of non-profit organisations up to \$1,000 per person, to a total of \$1 million. And in December, we announced our partnership with the World Health Organization to create the \$5 Vaccine campaign, which calls on people to spend the price of a coffee on a shot that could save someone's life. WPP donated 10,000 vaccines on behalf of our clients and matched every \$5V bought by our own people.

LOOKING AHEAD TO 2022

In the coming year we will address the insights gathered from our people in 2021, build on our listening programme and use our competitive advantage to ensure we continue to attract, retain and grow the best, most creative minds from all over the world.

¹ Executive leadership roles are defined by WPP as the agency board and executive leadership population as reported through WPP's financial reporting system.

² This metric was subject to independent limited assurance procedures by PricewaterhouseCoopers LLP ('PwC') for the year ended 31 December 2021. For PwC's 2021 Limited Assurance report and the 'WPP Sustainability Reporting Criteria 2021' for assured metrics, see our Sustainability Report 2021.

INCLUSIVE LEADERSHIP

Building inclusion as a skill in a hybrid world.

We've heard from our people that they want to work somewhere with an inclusive culture. A place where they can be their true, authentic selves and are trusted and relied upon to do their best, most creative work. Our goal is to help remove the barriers that may prevent people from thriving. We believe inclusion is a skill to be developed – one that requires knowledge, practice and action – and we know managers play a critical role in creating an inclusive employee experience. They hold the keys to increasing retention and promotion through more inclusive leadership behaviours.

Inclusive Leadership in a Hybrid World is a five-week, interactive, live and on-demand experience delivered in bite-sized moments of engagement. The experience aims to leave participants with a roadmap for how to build themselves into a more inclusive leader, resulting in better decision-making, an increased sense of belonging and greater accountability.

Designed in partnership with UniWorld Group (UWG), a WPP associate, the learning experience provided the foundations of DE&I, how to build trust amongst a team, how to apply cultural intelligence and the fundamentals of inclusive leadership in a hybrid world.

We launched a pilot in 2021 with a cross-section of 1,000 mid-level managers across five companies and four countries (China, India, UK and United States).

Our long-term goal is to make this learning experience available to everyone across WPP, starting with 40,000 managers globally in 2022.

40,000
managers to be
trained by 2022



In partnership with
UniWorld Group



NEXTGEN LEADERS

Unlocking WPP for the next generation.

Our ambition is to lower the barrier to entry into the creative industry and create a robust pipeline of early talent for WPP and our clients. In 2020, amidst the challenges of the global pandemic, we created NextGen Leaders, a ten-week virtual learning programme for college students and recent graduates across the globe.

The programme provides participants with insights into the marketing industry and an in-depth look at WPP – from our culture to creativity and innovation, and how we work with our clients.

In our second series in July 2021, 100 leaders from across more than 20 WPP companies welcomed 1,400 participants. NextGen has inclusion at its core, which is reflected in the diverse pool of participants:

- 50% of participants in the US and UK identified as Black, Asian or LatinX
- 60% identified as female
- 11% identified as LGBTQ+
- 8% identified as having a disability/ neurodiversity¹

All participants received a certificate of completion from Coursera and many secured internships or full-time positions across WPP.

For our third series, we want to continue to attract a diverse population with a goal of doubling the number of participants to 3,000 globally. We will work closely with WPP agencies to understand hiring needs, mapping internship and early-career roles for NextGen graduates.

1,400
participants

50%
of participants in the
US & UK identified as
Black, Asian or LatinX

100
leaders from across
WPP

11%
of participants
identified as LGBTQ+

¹ Percentages reflect those participants who responded to the survey.

“

I never thought I'd learn so much in only 10 weeks! It was a game-changer for me. Interacting with WPP leaders across the world has helped me understand the power of creativity, innovation and technology. It has shed a light on the importance of diversity and inclusion and how critical it is to embrace yourself no matter who you are, where you are from or what your background is.

FARAH BOUGUERRA
Tunisia

“

I got to learn so many different things throughout the course and the live sessions. Additionally, it even broadened my network. It was definitely an opportunity that I am glad that I could take part in.

MADHURA MAZUMDAR
India

“

A sincere thank you to Mark Read and to all of WPP. I am grateful for this opportunity that allowed me to better understand the different brands, their way of working, how they manage to create a link with their consumers, the process of setting up an advertising campaign, the questions to ask, and so much more.

BENJAMIN KODJO KOGBLE
Togo

KEY PERFORMANCE INDICATORS

We track our performance against indicators that reflect our strategic, operational and financial progress, as well as our impact on society and the environment. These indicators allow the Board, management and stakeholders to compare our performance to our goals.

This year we added our transformation programme to our KPIs. This programme aims to simplify WPP, build greater collaboration, drive efficiency and free up funds for reinvestment in growth.

ALIGNING PERFORMANCE MEASUREMENT WITH STRATEGY

Performance measures are selected to align to our business strategy and include a range of financial and non-financial metrics. Non-financial metrics are measured in a scorecard with appropriate measures set based on role and accountabilities.

	STRATEGIC ELEMENTS				
	Vision & offer	Creativity	Data & technology	Simpler structure	People & culture
Operational					
Client satisfaction score	●	●	●	●	●
Digital % of media billings (GroupM)	●		●		
Share of revenue less pass-through costs from experience, commerce and technology	●	●	●	●	
Gross annual savings from our transformation programme			●	●	●
People					
Proportion of women in executive leadership roles ¹					●
Employees in shared campuses	●	●		●	●
Sustainability					
Carbon emissions per person from owned operations	●			●	●
Share of electricity purchased from renewable sources				●	●
Financial					
Like-for-like revenue less pass-through costs growth	●	●	●	●	
Headline operating profit margin	●		●	●	●
Like-for-like revenue less pass-through costs growth versus competitors	●	●	●	●	
Dividends	●			●	

¹ Executive leadership roles are defined by WPP as the agency board and executive leadership population as reported through WPP's financial reporting system.

OPERATIONAL

Our operational KPIs measure our strategic progress towards a new vision and contemporary offer to meet the needs of modern marketing and our clients' future success.

We have continued to develop our operational KPIs. Accordingly data is not available for all three years for each operational KPI. Data is shown for the years it is available.

i Read more on strategic progress on pages 8-55

Client satisfaction score (out of 10) **8.1**



Description and rationale

This measures how satisfied our clients are with our services, based on 40,000 clients' 'Likelihood to Recommend' score out of ten. Our ability to retain satisfied clients is a key driver of our revenue¹.

Targets and performance

The combination of our modern integrated offer combined with our talent and capabilities is proving its value for clients, leading to our highest ever customer satisfaction score. We aim to maintain top-quartile performance.

Business mix in experience, commerce, technology for Global Integrated Agencies (%)³ **38**



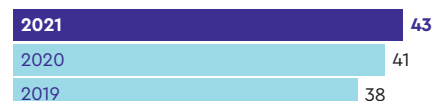
Description and rationale

Experience, commerce and technology are attractive addressable areas of the market where client spend is forecast to grow at around 10% annually between 2021 and 2025 compared with 2% annually for traditional communications.

Targets and performance

The share of revenue of less pass-through costs from higher-growth areas of our offer (experience, commerce and technology) for our Global Integrated Agencies, excluding GroupM, was around 38% in 2021. Our goal is to further increase our mix in these areas.

Digital % of media billings (GroupM) **43**



Description and rationale

Billings comprise our clients' spend on media, plus our fees². We measure the digital mix to ensure we are staying relevant to our clients, particularly as the digital media market now exceeds traditional platforms.

Targets and performance

GroupM's digital billing mix increased to 43% in 2021, compared with 41% in 2020, driven by the rapid growth in demand from clients for ecommerce services, across both our media and integrated creative agencies.

Gross annual savings from our transformation programme (£m) **245**



Description and rationale

Our transformation programme is designed to simplify our operating model, generate efficiencies in procurement and real estate, and improve the effectiveness of our support functions and shared services.

Targets and performance

We remain comfortably on target to achieve our goal of £600 million annual cost efficiencies by 2025, with around £245 million of gross annual savings achieved so far against a 2019 base.

¹ Includes Kantar.

² For a full description see Glossary on page 222.

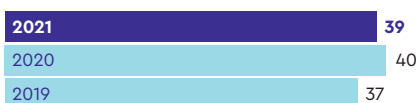
³ Share of Global Integrated Agencies, excluding GroupM.

PEOPLE

Every WPP workplace should be open, inclusive and collaborative to allow our people to do their best work. Our people KPIs assess our progress against these aims.

i Read more on:
Campuses – page 7
Women in leadership – pages 52 and 72

Proportion of women in executive leadership roles¹ (%)

39[▲]

Description and rationale

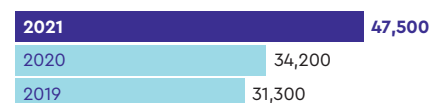
This measures our gender diversity. We believe that diversity drives creativity, so we are working hard to improve in all aspects of diversity, equity and inclusion. We aim to achieve equal representation of women at the Board and all other levels.

Targets and performance

In 2021, the proportion of women in executive leadership roles slightly decreased to 39% (2020: 40%), and within this we increased the proportion on the Executive Committee to 35%, compared with 29% in the previous year.

Employees in shared campuses²

47,500



Description and rationale

In 2018 we announced our ambition to deliver a global network of modern, world-class campus workplaces. Each location provides inspiring spaces for our people, encouraging closer collaboration between our agencies, and giving clients easier access to our talent and expertise.

Targets and performance

In 2021, 47,500 of our employees were based in campuses. We expect this to rise to 85,000 employees in at least 65 campuses by 2025, providing an opportunity to reduce both our office space and our environmental footprint.

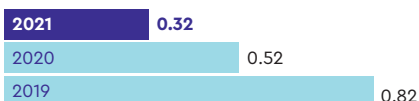
SUSTAINABILITY

We aim to be a sustainable business and play our part in protecting the planet. We have made a series of commitments to reduce our environmental impact, which are captured in our KPIs.

i Read more on our actions to tackle the climate crisis on page 68

Carbon emissions per person from our owned operations (tCO₂e, Scope 1 and 2)

0.32



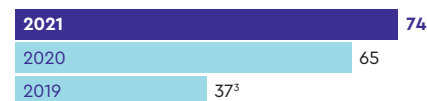
Description and rationale

We support urgent action to tackle the climate crisis through the Paris Climate Agreement. We measure carbon emissions per employee, as headcount is closely linked to levels of business activity, and this allows us to reflect the impact of acquisitions and disposals without needing to adjust our baseline.

Targets and performance

We are committed to achieving net zero emissions across our owned operations by 2025 and across our supply chain by 2030. In 2021 carbon emissions per employee reduced by 38% compared with 2020.

Share of electricity purchased from renewable sources (%)

74[Ⓢ]

Description and rationale

We have made good progress in reducing our carbon footprint, but there is more we can do, and we have committed to solely using renewable electricity to support our carbon reduction targets.

Targets and performance

In 2021 we purchased 74%[Ⓢ] of our electricity from renewable sources (2020: 65%), reflecting progress towards our target of 100% by 2025.

¹ Executive leadership roles are defined by WPP as the agency board and executive leadership population as reported through WPP's financial reporting system.

² Defined as employees and freelancers in campuses.

³ Figure restated in 2020 as part of a data review upon joining RE100.

[Ⓢ] Denotes information subject to limited assurance by PricewaterhouseCoopers LLP ('PwC').

[Ⓢ] Independent limited assurance will be sought by WPP over our percentage electricity purchased from renewable sources and Scope 2 market-based GHG emissions reporting. The assurance report will be made available on our website.

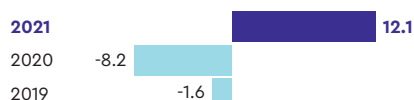
FINANCIAL

Our financial targets help us to track the underlying health of the Company; compare our performance to competitors; set financial guidance for investors; and establish our remuneration targets.

i Read more on our financial performance on pages 60-67

Like-for-like (LFL) revenue less pass-through costs growth (%)

12.1



Description and rationale

This is the main measure of our strategic goal to return WPP to growth. Like-for-like revenue growth excludes the impact of currency and acquisitions. Pass-through costs comprise fees paid to external suppliers when they are engaged to perform part or all of a specific project and are charged directly to clients.

Targets and performance

2021 was an exceptional recovery year, with revenue less pass-through costs growth of 12.1%, and 2.9% ahead of 2019 levels. Our targets going forward are: around 5% growth in 2022, and 3-4%¹ annual growth from 2023 onwards.

Organic revenue growth versus competitors² (percentage points)

0.8



Description and rationale

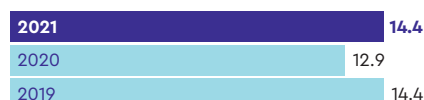
This measures our growth relative to our main competitors. It compares organic revenue growth for WPP against the average of our global marketing services peers – Dentsu, Havas, IPG, Omnicom and Publicis.

Targets and performance

In 2021, WPP's growth rate was 0.8 percentage points faster than the average of our main peers, continuing the progress made in recent years. Our goal is to grow at a faster rate than the industry average.

Headline operating profit margin (%)

14.4



Description and rationale

This is a key indicator of our profitability. It comprises profit on trading activities, excluding certain one-off or exceptional items³. These items are excluded because their size and nature mask the true underlying performance year-on-year.

Targets and performance

In 2021, the headline operating margin improved 150 basis points due to revenue growth and cost savings from the transformation programme. We expect the margin to improve by around 50 bps in 2022 and to reach 15.5-16.0% in 2023.

Dividends per share (pence)

31.2



Description and rationale

Dividends are a key element of our returns to shareholders. They are an annual share of our profits and cash flow.

Targets and performance

In 2021 the Board paid an interim dividend of 12.5p and has proposed a final dividend of 18.7p, which is subject to shareholder approval. Starting from 2020 the Board aims to grow the dividend annually and to pay out approximately 40% of headline earnings per share.

¹ Includes 0.5-1.0pt annually of M&A contributions.

² Organic revenue growth is defined as like-for-like revenue less pass-through costs growth. Omnicom data is based on revenue. This chart shows data over the last 12 months. Competitor data sourced from publicly disclosed results.

³ For a full description see Glossary on page 222.

CHIEF FINANCIAL OFFICER'S STATEMENT

We have the financial strength to invest in future growth through talent, capabilities and targeted M&A, while rewarding shareholders today.



WE REMAIN ON TARGET TO ACHIEVE OUR GOAL OF £600 MILLION ANNUAL COST EFFICIENCIES BY 2025."

John Rogers
Chief Financial Officer

INTRODUCTION

2021 has been a very strong year: well beyond our expectations and underlining the resurgent demand from clients for our services, as well as the excellent progress we have made against our own strategic plan. Our financial performance is covered in detail elsewhere in this report, so my review focuses on two key elements of the broader finance remit, both of which are significant value drivers for WPP: our transformation programme and our approach to capital allocation.

TRANSFORMATION PROGRAMME

Good progress has been made on our transformation programme, designed to simplify WPP, build greater collaboration, drive efficiency and free up funds for reinvestment in growth. We remain on target to achieve our goal of £600 million annual cost efficiencies by 2025, with around £245 million of gross annual savings achieved so far against a 2019 base.

The transformation of our property estate continues, despite the constraints of Covid-19, with a further nine campuses opened in 2021, taking the total to 31. We aim to complete at least 65 campuses, housing more than 85,000 people, by 2025. In procurement, we are beginning to consolidate our spend more effectively, improving terms for our agencies with our purchasing scale. Telecoms savings and software licences were areas of significant efficiency in 2021. In terms of simplification, the combination of sub-scale agencies in smaller markets is leading to a significant improvement in performance; we have removed around 500 legal entities from the Group structure, with a similar figure targeted for 2022; and we have acquired the minorities in WPP AUNZ, taking us to 100% ownership to improve control and governance of our fifth largest geography.

Across IT, Finance and HR transformation, significant groundwork has been undertaken as we modernise and move to more standardised processes, with target operating models approved for all three. In IT, transformation plans including network infrastructure, cloud acceleration and platform rationalisation are all on track. The shared services programme is progressing, with a significant portion of finance processes migrated from the UK to Mumbai, and new deployments in the Middle East, Asia and Latin America. We have, however, experienced some delays to the deployment of Workday, our new ERP platform, but we are confident of meeting our revised timetable starting in the first half of 2022.

One of the significant benefits of the transformation is that it will improve the quality and speed of financial and other management information available to the business. We have already made good progress in this area: our corporate plan has, for the first time, been built up from detailed strategic plans at the agency level, with dedicated plans for our highest growth businesses such as Xaxis, Finecast and Choreograph; we are enhancing management insights with a new enterprise data tool and analysis of client profitability; and we have built a detailed commercial playbook and asset pricing tool. We know we need to do more concerning the quality and coverage of

our emissions data and our transformation strategy will enable us to manage more data centrally, improving consistency. We are also developing more robust protocols for calculating and reporting data and are aiming to expand the proportion of our data over which we seek independent assurance.

Finally, standardised systems will give us significantly improved controls. We have made huge improvements to our controls environment through our governance structures, the recruitment of senior leaders with strong track records and, most importantly, a real change in culture.

CAPITAL ALLOCATION

The discipline with which companies allocate capital is a key determinant of growth and sustained financial returns. Finance plays a crucial role in this process, both in helping to set the overall framework and in the assessment of where to invest.

We set out the four elements of our capital allocation policy in December 2020, and I am glad to say we have made really strong progress on each front. We've also maintained a very healthy balance sheet for future investments in growth and returns to shareholders.

Capital expenditure: our priorities are to invest in our technology infrastructure and campuses, building platforms for our people and our clients, and supporting reduced property costs and standardised systems. In 2021, we invested £293 million, as we opened nine new campuses and continued to develop a further 10 sites. Most of the rest of our investment was divided between our enterprise IT estate and the development of new products for growth platforms such as Choreograph, our data business, and Finecast, our connected TV business.

Capex will rise to £350-400 million in 2022, reflecting the peak of campus and IT investments and some delayed spend from 2020 and 2021. Organic investment in our capabilities and client offer will remain a priority.

Dividend: our goal is to pay a dividend that is growing and sustainable, reflecting the strong cash generation of the business while allowing for sufficient reinvestment for growth. Our policy is to grow the dividend annually and to pay out approximately 40% of headline earnings per share. The full-year dividend of 31.2p proposed for 2021 is approximately 40% of our 78.5p headline diluted EPS, and is up 30% year-on-year on the 2020 pay-out.

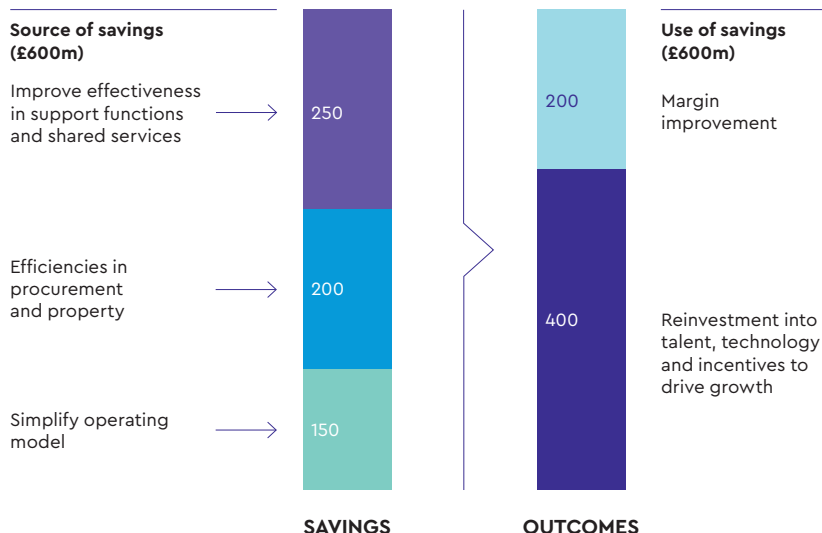
M&A: acquisitions have always been an important engine for growth for WPP, enhancing organic growth, bringing in new capabilities and client relationships, and introducing talent. Our M&A strategy is now more focused than in the past, building out our capabilities in key growth areas, such as marketing technology and ecommerce, and concentrating on a few targets with critical mass which are scalable across WPP's offering to our clients.



WE SET OUT THE FOUR ELEMENTS OF OUR CAPITAL ALLOCATION POLICY IN DECEMBER 2020, AND I AM GLAD TO SAY WE HAVE MADE REALLY STRONG PROGRESS ON EACH FRONT."

DELIVERING GROWTH FROM OUR TRANSFORMATION PROGRAMME

£m



2021 typified this new approach. In total we spent £396 million net on acquisitions (excluding earnouts) during the year. We brought in new skills in artificial intelligence (Satalia), commerce (Cloud Commerce) and software engineering (DTI Digital). All these businesses have huge potential to grow in their own right and to complement our existing offer. They are being fully integrated into our business rather than standing alone, to maximise their value to WPP.

In addition, we supported the acquisition of Numerator by Kantar, in which we own a 40% stake. This transforms Kantar's US panel business and takes it into a technology lead versus its competitors. We also created a leading global strategic communications business through the merger of Finsbury Glover Hering with Sard Verbinen & Co. Throughout WPP we are building leading global franchises in high-growth areas.

Excess capital and leverage target: after making organic investments, paying our regular dividend and completing targeted acquisitions, we will continue to review our capital needs relative to our leverage target of 1.5-1.75x average adjusted net debt/EBITDA. When we have excess capital, we will return it to shareholders, typically via share buybacks.

In 2021, we completed £729 million of share buybacks, and ended the year with average adjusted net debt/EBITDA of 0.9x. As a result, we have committed to a further £800 million buyback during 2022.

In line with our clear capital allocation, during 2021 we invested around £700 million in future growth, through capex and M&A; and returned over £1 billion to shareholders. We will continue to balance our investments in long-term growth and value creation with cash returns to shareholders today.



John Rogers
Chief Financial Officer
31 March 2022



A VERY HEALTHY BALANCE SHEET FOR FUTURE INVESTMENTS IN GROWTH AND RETURNS TO SHAREHOLDERS."

FINANCIAL REVIEW

REVIEW OF RESULTS

Reported billings were £50.7 billion, up 8.0%, from £46.9 billion in 2020 and up 14.4% on a like-for-like basis compared to last year.

Reported revenue from continuing operations was up 6.7% at £12.8 billion compared to £12.0 billion in 2020. Revenue on a constant currency basis was up 11.6% compared with last year. Net changes from acquisitions, disposals and other adjustments¹ had a negative impact of 1.7% on growth.

Like-for-like revenue growth for 2021, excluding the impact of currency, acquisitions and disposals, and the other adjustments, was 13.3%, as compared to 2020.

Reported revenue less pass-through costs was up 6.5%, and up 11.5% on a constant currency basis. Excluding the impact of acquisitions and disposals and the other adjustments, like-for-like growth was 12.1%.

OPERATING PROFITABILITY

Reported profit before tax was £951 million, compared to a loss of £2.8 billion in 2020, reflecting principally the £3.1 billion of impairment charges and investment write-downs and £313 million of restructuring and transformation costs during the prior period.

Reported profit after tax was £721 million compared to a loss in 2020 of £2.9 billion.

Headline EBITDA (including IFRS 16 depreciation) for 2021 was up 18.2% to £1.8 billion, compared to £1.5 billion the previous year. Headline operating profit was up 18.5% to £1.5 billion. The significant growth in profitability year-on-year reflects the strong recovery from the impact of Covid-19 on revenue less pass-through costs, as well as improvement in our competitive performance and the progress on our transformation programme, with £245 million of gross savings towards our 2025 annual run rate target of £600 million.

Headline operating margin² was up 150 basis points to 14.4%, and up 170 basis points like-for-like. Operating costs were up 4.7%, but were flat year-on-year excluding the impact of incentives. Staff costs pre-incentives rose 3.2% but property costs fell 17.1% reflecting the campus roll-out and the continued impact of Covid-19. IT costs were flat, and other costs were down 13.2%, driven by lower office costs and bad debt.

The Group's headline operating margin is after charging £42 million of severance costs, compared with £68 million in 2020 and £592 million of incentive³ payments, compared to £185 million in 2020 and £294 million in 2019.

The average number of people in the Group in 2021 was 104,808 compared to 102,822 in 2020. The total number of people at 31 December 2021 was 109,382 compared to 99,830 at 31 December 2020.

Notes

¹ Certain businesses were reclassified to associates as the Group no longer controls them. In addition, certain media billings recognised as revenue earlier in the year have been re-assessed under IFRS 15 Revenue from Contracts with Customers and have been excluded from revenue, but have no impact on revenue less pass-through costs. There is no adjustment to previously reported revenue in the 2020 financial year.

² Headline operating profit (excluding income from associates) as a percentage of revenue less pass-through costs.

³ Short- and long-term incentives and the cost of share-based incentives.

FINANCIAL HIGHLIGHTS (2021)

£12.8bn

Revenue from continuing operations
(2020: £12.0bn)

12.1%

Like-for-like revenue less pass-through costs growth
(2020: -8.2%)

14.4%

Headline operating margin
(2020: 12.9%)

This Strategic Report should be read in conjunction with the Corporate Governance report on pages 104-155 and pages 214-221. The Group's key performance indicators are discussed on pages 56-59.

This Strategic Report includes figures and ratios that are not readily available from the Financial Statements. Management believes that these non-GAAP measures, including constant currency and like-for-like growth, and headline profit measures, are both useful and necessary to better understand the Group's results. Where required, details of how these have been arrived at are shown on pages 210 and 211 and are defined in the Glossary on pages 222 and 223.

2020 figures have been restated as described in the Financial Statements on page 158. The comparative financial result for 2020 is based on the Group's continuing operations with the results of Kantar presented separately as discontinued operations.

EXCEPTIONAL ITEMS

The Group incurred a net exceptional loss of £270 million in 2021. This comprises the Group's share of associate company exceptional losses (£62 million), restructuring and transformation costs (£176 million) and other net exceptional losses (£32 million). Restructuring and transformation costs mainly comprise severance and property-related costs arising from the continuing structural review of parts of the Group's operations, investments in IT and ERP systems as part of our transformation programme, and our response to the Covid-19 situation. This compares with a net exceptional loss in 2020 of £477 million.

INTEREST AND TAXES

Net finance costs (excluding the revaluation and retranslation of financial instruments) were £215 million, a decrease of £15 million year-on-year, primarily as a result of the repayment of the \$500 million 3.625% September 2022 bond in July 2021 and foreign exchange movements.

The reported tax charge was £230 million (2020: £127 million). The headline tax rate (measured on headline profit before tax, including associate income) was 24.0% (2020: 23.0%). Given the Group's geographic mix of profits and the changing international tax environment, the tax rate is expected to be around 25.5% in 2022, and to continue to increase in subsequent years.

EARNINGS AND DIVIDENDS

Headline profit before tax was up 31.1% to £1.4 billion, and profits attributable to share owners were £954 million.

Reported diluted earnings per share were 52.5 pence, compared to a loss per share of 243.0 pence in the prior period. Headline diluted earnings per share were up 30.6% to 78.5 pence.

The Board is proposing a final dividend for 2021 of 18.7 pence per share, which together with the interim dividend paid in November 2021 gives a full-year dividend of 31.2 pence per share. The record date for the final dividend is 10 June 2022, and the dividend will be payable on 8 July 2022.

REVENUE LESS PASS-THROUGH COSTS GROWTH VERSUS 2020



REGIONAL REVIEW

North America like-for-like revenue less pass-through costs was up 9.7%, and up 3.3% on a two-year basis. The USA and Canada performed strongly in the year, led by GroupM, VMLY&R and Hogarth. Headline operating profit was up £44 million to £656 million in 2021 from £612 million in 2020.

United Kingdom like-for-like revenue less pass-through costs was up 15.0%, and up 2.9% on a two-year basis. AKQA Group and VMLY&R were the strongest performers. Headline operating profit was up £43 million to £181 million in 2021 from £138 million in 2020.

Western Continental Europe like-for-like revenue less pass-through costs was up 14.5%, and up 5.2% on a two-year basis. The strongest performers in the year were Italy, the Netherlands and Germany. Headline operating profit was up £90 million to £289 million in 2021 from £199 million in 2020.

In **Asia Pacific, Latin America, Africa & the Middle East and Central & Eastern Europe**, like-for-like revenue less pass-through costs was up 12.3%, and up 0.7% on a two-year basis. Latin America was boosted by a very strong performance in Brazil, while Asia Pacific continued to be negatively impacted by Covid-related restrictions in Australia. Headline operating profit was up £56 million to £368 million in 2021 from £312 million in 2020.

REVENUE ANALYSIS

£ million	2021	2020	+/(-) % reported	+/(-) % LFL ¹
N. America	4,494	4,465	0.7	9.4
United Kingdom	1,867	1,637	14.0	15.0
W. Cont. Europe	2,786	2,442	14.1	19.2
AP, LA, AME, CEE ²	3,654	3,459	5.6	13.3
Total Group	12,801	12,003	6.7	13.3

REVENUE LESS PASS-THROUGH COSTS ANALYSIS

£ million	2021	2020	+/(-) % reported	+/(-) % LFL
N. America	3,849	3,744	2.8	9.7
United Kingdom	1,414	1,234	14.6	15.0
W. Cont. Europe	2,226	2,019	10.2	14.5
AP, LA, AME, CEE	2,908	2,765	5.2	12.3
Total Group	10,397	9,762	6.5	12.1

HEADLINE OPERATING PROFIT ANALYSIS

£ million	2021	% margin*	2020	% margin*
N. America	656	17.0	612	16.3
United Kingdom	181	12.8	138	11.2
W. Cont. Europe	289	13.0	199	9.8
AP, LA, AME, CEE	368	12.7	312	11.3
Total Group	1,494	14.4	1,261	12.9

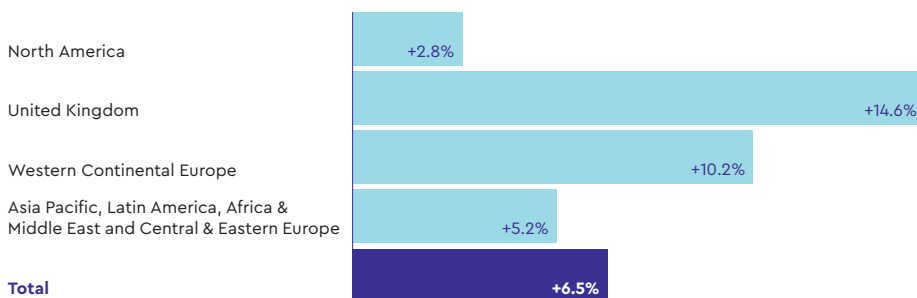
* Headline operating profit as a percentage of revenue less pass-through costs.

Notes

- Like-for-like growth at constant currency exchange rates and excluding the effects of acquisitions and disposals and other adjustments.
- Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

REVENUE LESS PASS-THROUGH COSTS GROWTH BY REGION VERSUS 2020

%



BUSINESS SECTOR REVIEW

During 2020, we announced that we would bring together Grey and AKQA under the AKQA Group, and we brought Geometry and GTB into VMLY&R, and International Healthcare into VMLY&R and Ogilvy. As a result AKQA Group, Geometry, GTB and International Healthcare are now reported within Global Integrated Agencies, having previously been reported within Specialist Agencies. Prior year figures have been re-presented to reflect these changes.

Global Integrated Agencies like-for-like revenue less pass-through costs was up 11.3%, and up 2.5% on a two-year basis. GroupM, which represented 37% of WPP's revenue less pass-through costs in the year, was up 16.1% like-for-like. VMLY&R also performed strongly with the other integrated agencies all recording broadly similar levels of growth. Headline operating profit was up £156 million to £1,216 million in 2021 from £1,060 million in 2020.

Public Relations like-for-like revenue less pass-through costs was up 11.5%, and up 7.0% on a two-year basis. BCW and H+K Strategies grew strongly during the year. In October, we announced the merger of Finsbury Glover Hering with Sard Verbinen to create a leading global strategic communications firm. Headline operating profit was up £1 million to £143 million in 2021 from £142 million in 2020.

REVENUE ANALYSIS

£ million	2021	2020	+/(-) % reported	+/(-) % LFL ¹
Global Integrated Agencies	10,836	10,266	5.6	12.6
Public Relations	959	893	7.4	12.6
Specialist Agencies	1,006	844	19.1	22.5
Total Group	12,801	12,003	6.7	13.3

REVENUE LESS PASS-THROUGH COSTS ANALYSIS

£ million	2021	2020	+/(-) % reported	+/(-) % LFL
Global Integrated Agencies	8,638	8,194	5.4	11.3
Public Relations	910	854	6.5	11.5
Specialist Agencies	849	714	19.0	21.8
Total Group	10,397	9,762	6.5	12.1

HEADLINE OPERATING PROFIT ANALYSIS

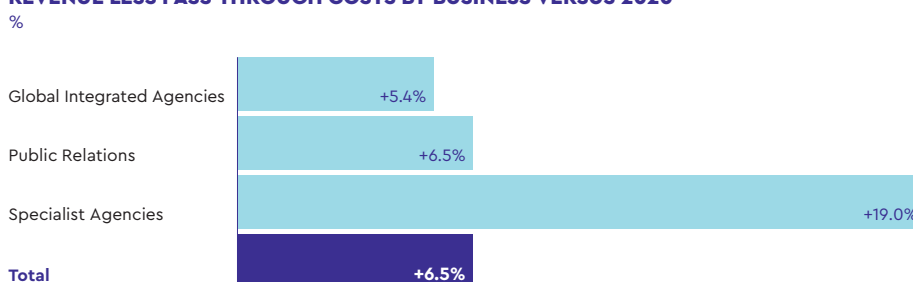
£ million	2021	% margin*	2020	% margin*
Global Integrated Agencies	1,216	14.1	1,060	12.9
Public Relations	143	15.7	142	16.5
Specialist Agencies	135	15.9	59	8.3
Total Group	1,494	14.4	1,261	12.9

* Headline operating profit as a percentage of revenue less pass-through costs.

Note

¹ Like-for-like growth at constant currency exchange rates and excluding the effects of acquisitions, disposals and other adjustments.

REVENUE LESS PASS-THROUGH COSTS BY BUSINESS VERSUS 2020



Specialist Agencies like-for-like revenue less pass-through costs was up 21.8%, and up 7.8% on a two-year basis. We saw strong demand from clients across most of our businesses, although the overall growth rate slowed towards the end of the year as the contribution from the Covid-related contract in Germany eased. Headline operating profit was up £76 million to £135 million in 2021 from £59 million in 2020.

CASH FLOW HIGHLIGHTS

In 2021, net cash outflow was £256 million, compared to a £1.0 billion inflow in 2020. The main drivers of the cash flow performance year-on-year were the higher operating profit and continued improvements in working capital, offset by increased spend on acquisitions, growth in the dividend and the significant increase in the share buyback.

BALANCE SHEET HIGHLIGHTS

As at 31 December 2021 we had cash and cash equivalents of £3.5 billion and total liquidity, including undrawn credit facilities, of £5.5 billion. Average adjusted net debt in 2021 was £1.6 billion, compared to £2.3 billion in the prior year, at 2021 exchange rates. On 31 December 2021 adjusted net debt was £0.9 billion, against £0.7 billion on 31 December 2020, an increase of £0.2 billion at 2021 exchange rates. The slightly higher adjusted net debt figure reflects mainly the significant increase in share buybacks year-on-year.

During the year, we converted the majority of our cash pool arrangements to zero-balancing cash pools, whereby the cash and overdrafts within these cash pools are physically swept

to the header accounts on a daily basis, resulting in a reduction of the large gross cash and overdraft positions at 31 December 2020. Our bond portfolio at 31 December 2021 had an average maturity of 7.0 years. In July 2021 we repaid the \$500 million 3.625% September 2022 bond. A €250 million Eurobond at 3-month EURIBOR +0.45% is due to mature in March 2022.

The average adjusted net debt to EBITDA ratio in the 12 months to 31 December 2021 is 0.9x, which excludes the impact of IFRS 16. This is below our target range of 1.5-1.75x average adjusted net debt to EBITDA.

OUTLOOK

WPP is entering 2022 with a strong balance sheet, good momentum from new business wins, and a comprehensive client offer.

Our guidance for 2022 is as follows:

- Like-for-like revenue less pass-through costs growth of around 5%
- Headline operating margin improvement of around 50 bps, excluding the impacts of M&A and foreign exchange
- Effective tax rate (measured as headline tax as a % of headline profit before tax) of around 25.5%
- Capex £350-400 million, with around £100 million relating to ERP system deployment previously included in capex guidance now included in restructuring costs
- Trade working capital expected to be flat year-on-year

- Current foreign exchange rates imply around a 0.5% drag on reported revenue less pass-through costs from the movement in sterling year-on-year
- We also anticipate mergers and acquisitions will add 0.5-1.0% to revenue less pass-through costs growth
- Given our low leverage and continued strong cash generation, we expect to execute around £800 million of share buybacks in 2022, of which £129 million has already been completed

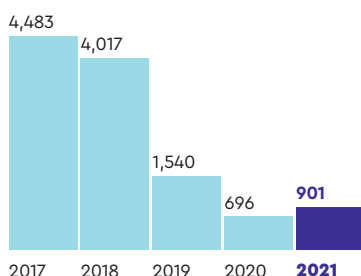
MEDIUM-TERM GUIDANCE

At our Capital Markets Day in December 2020, we set out our new medium-term financial targets that will allow us to invest in talent, incentives and technology, improve our competitive position and deliver sustainable long-term growth. These remain:

- 3-4% annual growth in revenue less pass-through costs from 2023, including M&A benefit of 0.5-1.0% annually
- 15.5-16.0% headline operating margin in 2023
- Dividend: intention to grow annually with a pay-out ratio around 40% of headline diluted EPS
- Average adjusted net debt/EBITDA maintained in the range 1.5-1.75x

ADJUSTED NET DEBT

£ million



i For more information on our strategy see pages 28-55

SUSTAINABILITY

Sustainability is at the heart of our business.

We know we have the opportunity to reset and to create a more sustainable and equitable future.

WHY SUSTAINABILITY MATTERS

The pandemic exposed and accelerated existing issues, from gender inequality to the importance of mental health. It also revealed new concerns, such as vaccine inequity and the risk that an uneven economic recovery would intensify social and geopolitical tensions.

And just a few months after world leaders gathered at COP26 to commit to rapid action on climate change, a new UN study shows the scale of the task. Many of the impacts of climate change are already irreversible, pushing both people and nature beyond their abilities to adapt.

Companies are responding. Increasingly, our clients are focused on how to ensure the targets and pledges they are making, from combatting climate change to tackling racial

inequity, translate into tangible change. They are looking to WPP and our agencies to help them find and scale solutions.

OUR RESPONSE

Our industry is at the heart of many of the pressing issues that we face as a society – diversity, racial equity, privacy, data ethics and, of course, climate change.

Our creativity, scale and power to bring people together put us in a privileged position. We can help accelerate the transition to a low-carbon and more equitable economy, make sustainable lifestyles desirable, and support clients as they adapt and innovate. By living up to our purpose, we believe we will deliver a sustainable future not only for our people, planet, clients and communities but also for WPP and its shareholders.

DEGREE INCLUSIVE

Let's design for a fairer and more inclusive world.

OFFER EXPERIENCE

AGENCY
**WUNDERMAN THOMPSON,
BUENOS AIRES**

CLIENT
UNILEVER

15% of the world's population has a disability, yet products and experiences are still not designed with this community in mind. Across the beauty and personal care industry, there is currently no deodorant product to use that's suitable for people with upper extremity impairment or visual impairment.

Degree Deodorant – maker of the world's #1 antiperspirant – is committed to inspiring confidence in everyone to be active and move more. Degree believes no one should be held back from breaking a sweat and enjoying the transformative benefits of movement.

Degree Inclusive is the world's first inclusive deodorant built for people with visual impairment and upper extremity impairment, co-created by an inclusive team of design experts from Wunderman Thompson and SOUR, including occupational therapists, engineers, consultants and people living with disabilities across the globe.

An innovative deodorant designed for the future, Degree Inclusive is inspiring change across the industry.












2bn+
media impressions

72k
organic impressions
in one week

Awards

Cannes Lions, Innovation Grand Prix
Fast Company, Innovation by Design Award
SXSW Innovation Award winner

OUR SUSTAINABILITY STRATEGY

	 PEOPLE	 PLANET	 CLIENTS	 COMMUNITIES
MISSION	Become the employer of choice for all.	Maximise our positive impact on the planet.	Enable our clients on their sustainability journeys.	Use the power of our creativity and voice to support healthy and vibrant communities.
	  		 	 
DELIVERED BY	DRIVING DIVERSITY, EQUITY AND INCLUSION			
	Ensuring an inclusive working environment with fair representation.	Building campuses which make a positive contribution to local communities.	Ensuring our client work is inclusive and accessible.	Advancing equity and inclusion through our work, external partnerships and initiatives.
	ACCELERATING THE SUSTAINABLE ECONOMY			
	Growing sustainability skills and knowledge across our industry.	Reaching net zero across our supply chain by 2030.	Supporting our clients to reduce their emissions and deliver their sustainability goals.	Working with partners, social enterprises and clients to drive sustainability.
	ENSURING TRUST, FAIRNESS AND GOVERNANCE			
	A culture where everyone is treated with dignity and respect.	Developing common carbon metrics as we move to integrated reporting.	Ensuring fairness and high privacy and data ethics standards in our work.	Buying responsibly and building a diverse supplier network.
METRICS	<ul style="list-style-type: none"> Proportion of women in senior leadership positions Continued improvement of ethnicity data disclosure Employee participation in listening and engagement programmes Number of participants in sustainability or DE&I training programmes Sustainability strategy embedded in executive remuneration 	<ul style="list-style-type: none"> Progress towards net zero carbon emissions in our operations by 2025 (Scope 1 and 2) and in our supply chain by 2030 (Scope 3) Progress towards 100% renewable electricity Phase out single-use plastics in our offices 	<ul style="list-style-type: none"> Roll out diversity evaluation scores to track progress in inclusive marketing Rate of growth in sustainable and inclusive client briefs Building common standards to measure carbon emissions in media and production 	<ul style="list-style-type: none"> Investment in pro bono work and free media space Progress towards investing \$30 million over three years through our Racial Equity Programme

Our sustainability strategy directs us to use the power of creativity to build better futures for our people, planet, clients and communities, and supports all five elements of our corporate strategy (see table on page 71).

Our sustainability strategy sets out the action we are taking to be the employer of choice for all people, knowing that when all our people feel secure, safe and confident to share their ideas, it has a direct impact on creativity and the power of collaboration.

It shows how we are tackling the greatest environmental challenges we face,

committing to reach net zero carbon emissions across our supply chain by 2030.

Our clients are increasingly focused on how to ensure their own targets, from combatting climate change to tackling inequity, translate into tangible change. We are building our skills and capacity to assist them on their own sustainability journeys.

The greatest impact we have is through our work for clients, which reaches billions of people and – through its influence on consumer choice, behaviour and outlook – has the power to bring about positive change. We are proud to partner with the

United Nations, especially the World Health Organization and UN Women, to use our creativity and expertise to support their work.

These commitments are not just the right thing to do; they are cutting through with our clients and people who want to work with and for companies that share their values and help them to achieve their own goals.

There has never been a better time to seize the opportunities before us. We are determined to do our very best to realise this potential.



To find out more, watch our ESG investor presentation at wpp.com/investors/investor-days/building-better-futures

Our sustainability strategy is aligned to all five elements of our corporate strategy.

STRATEGIC ELEMENT	SUSTAINABILITY STRATEGY	
VISION & OFFER	SUSTAINABILITY AT THE HEART OF OUR OFFER FOR CLIENTS A growing number of clients are embracing inclusion, diversity and sustainability and looking to articulate the purpose of their brands. They look for partners who share their sustainability values and aspirations. Our commitment to responsible	Clients, see page 79
	and sustainable business practices helps us to broaden and deepen these partnerships, and to meet the growing expectations and sustainability requirements in client procurement processes.	Transparency and trust, see page 83
CREATIVITY	SOCIAL INVESTMENT Our pro bono work can make a significant difference to charities and NGOs, enabling our partners to raise awareness and funds, recruit members and achieve campaign objectives.	Communities, see page 81
	DIVERSE, EQUITABLE AND INCLUSIVE TEAMS Diversity and difference power creativity. We foster an inclusive culture across WPP: one that is equitable and respectful of diverse thoughts and individual expression. We want all of our people to feel valued and able to fulfil their potential,	People, see pages 72-74
DATA & TECHNOLOGY	PRIVACY AND DATA ETHICS Data – including consumer data – can play an essential role in our work for clients. Data security and privacy are increasingly high-profile topics for regulators, consumers and our clients. We have a	Data: privacy, security and ethics, see page 86
SIMPLER STRUCTURE	NET ZERO CAMPUSES Our work to simplify our structure and consolidate our office space is driving a positive impact on our energy use and carbon footprint. We continue to move employees into campuses, closing multiple smaller sites and replacing them with fewer, larger,	Planet, see pages 76 and 77
	more environmentally friendly buildings that offer modern, world-class workspaces. By 2025, we expect 85,000 of our people will work in at least 65 net zero campuses powered by renewable electricity.	
PEOPLE & CULTURE	SHARED VALUES ACROSS OUR BUSINESS AND SUPPLY CHAIN Strong employment policies, investment in skills and inclusive working practices help us recruit, motivate and develop the talented people we need to serve our clients in all disciplines across our locations.	People, see pages 72-74
	Selecting suppliers and partners who adopt standards consistent with our own can reduce costs, improve efficiency and protect our reputation.	Supply network, see page 85

PEOPLE



When all our people feel secure, safe and confident to share their ideas, it has a direct impact on creativity and the power of collaboration.

i To learn more about our people strategy, including how we are investing in skills and training, see pages 52 and 53

DIVERSITY, EQUITY AND INCLUSION

We put the principles of diversity, equity and inclusion at the centre of everything we do, from how we hire and grow our people, to how we ensure our approach to performance management prioritises fairness and equity. Our ambition is to create workplaces where our people feel not only that they have opportunities to thrive, but also that they are celebrated.

Our Code of Business Conduct sets out our commitment to select and promote our people without discrimination or concern for factors such as sex, gender, race and ethnicity, sexual orientation, age, religion, disability or family status. This Code applies to all our people.

In 2021, we piloted the Inclusive Leadership learning experience for 1,000 mid-level managers to help equip them with the skills needed to embed inclusive ways of working across the employee experience. We will expand the programme to more than 40,000 managers in the coming year.

Progress ultimately relies on accountability. In 2021 we included diversity, equity and inclusion goals in our incentive plans for senior leaders across WPP and our agencies for the first time. We also established a Global Inclusion Council to help accelerate change throughout WPP. Its role is to recommend programmes, policies and initiatives that will systemically create more inclusive and diverse workplaces, provide input on leadership succession, remove barriers to progress and assist in setting aspirational targets for elevating under-represented talent.

i For information on our Code of Business Conduct and mandatory ethics training, see page 83

ETHNICITY

We have acknowledged that we need to improve ethnicity representation at all levels of the Company, especially at senior and leadership levels, and in June 2020 we made a number of commitments to advance racial equity and report our progress annually. For our UK and United States' workforce diversity data, see our Sustainability Report 2021. While we have made some good progress towards these commitments, we recognise there is still much work to do. This will be an ongoing effort across our Company.

i For information on our Racial Equity Programme, see page 81 and for workforce diversity data, see our Sustainability Report 2021

DISABILITY

We recruit, select and promote our people on the basis of their qualifications, relevant experience and merit, without discrimination or concern for disability. Candidates are assessed objectively against the requirements of the job, taking account of any reasonable adjustments that may be required for candidates with a disability. For people who develop a disability during their employment, we make adjustments to their working environment or other employment arrangements wherever possible, within a reasonable time frame and in consultation with the employee.

WPP is a proud member of The Valuable 500, a global business collective made up of 500 CEOs and their companies, innovating together for disability inclusion. As part of our commitment, we established a centre of excellence for inclusive design to help our clients make their customer experiences disability inclusive and accessible (for an example, see page 69).

GENDER BALANCE

We aim to reach gender parity at all levels of our business. Half (52%) of our senior managers are women (2020: 51%). The proportion of women in executive leadership roles¹ is 39% (2021: 40%). The proportion of women on the Executive Committee increased to 35%, compared to 29% in the previous year. At Board level, the proportion of women is 43% (2020: 43%). In 2021 we were named an industry leader in the Bloomberg Gender-Equality Index for the fourth consecutive year.

To continue advancing gender equity, we expanded our Stella community into India, with over 50 leaders across WPP completing more than 500 hours of mentoring to help guide and inspire 67 aspiring female leaders.

Our UK Gender Pay Gap Report 2021 shows that while there is still work to be done, we are moving in the right direction. Both our mean and median UK consolidated pay gaps narrowed between 2020 and 2021, but for as long as there are any gaps, we cannot be satisfied.



Download our UK Gender Pay Gap Report 2021 at wpp.com/gpg2021

¹ Executive leadership roles are defined by WPP as the agency board and executive leadership population as reported through WPP's financial reporting system.

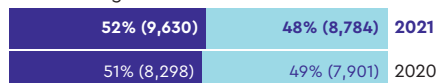
² These metrics were subject to independent limited assurance procedures by PricewaterhouseCoopers LLP ('PwC') for the year ended 31 December 2021. For PwC's 2021 Limited Assurance report and the 'WPP Sustainability Reporting Criteria 2021' for assured metrics, see our Sustainability Report 2021.

GENDER DIVERSITY

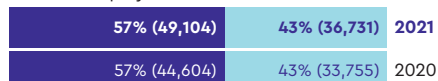
Board and Executive



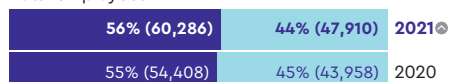
Senior managers



All other employees



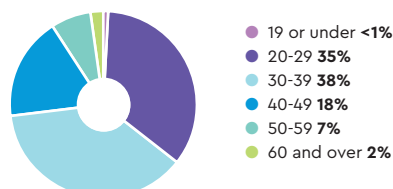
Total employees



● Female ● Male

Gender diversity figures exclude a small proportion where gender is unknown or undisclosed. In 2021, this accounted for 1% of total headcount.

AGE DIVERSITY



Age diversity figures exclude a small proportion where age is unknown or undisclosed. In 2021, this accounted for 1% of total headcount.

We remain a committed signatory of the Women's Empowerment Principles, a guide for businesses on how to empower women in the workplace, marketplace and community. We are also a proud partner of UN Women, which is a significant beneficiary of our pro bono work.

LGBTQ+

WPP Unite, our Company-wide LGBTQ+ community, advises on policies that impact the LGBTQ+ talent of WPP and its agencies to ensure diverse thinking and creativity thrive within WPP's workplaces and within its work. Spearheaded in the UK and United States, in 2021 Unite expanded to Hong Kong and India, and in 2022 it will expand to other regions.

In 2021, WPP was proud to achieve the highest score of 100% in the Corporate Equality Index, which measures the attractiveness of workplaces for LGBTQ+ employees.

During the year, with the support of Unite, we developed the LGBTQ+ inclusive marketing resource hub, to equip our people with the knowledge, skills and resources to create more inclusive marketing.

We also partnered with The One Club for Creativity to host the first-of-its-kind Behind the Stonewall Riots competition for Black LGBTQ+ creatives. We invited this community to respond to a brief designed to honour the trans women and gender non-conforming individuals behind the Stonewall Riots, who paved the way for the LGBTQ+ community. In addition to offering all participants access to our NextGen Leaders content, we offered the winners cash prizes and internship and mentoring opportunities at WPP.

LISTENING TO AND ENGAGING WITH OUR PEOPLE

We use formal and informal mechanisms to assess and improve employee engagement and satisfaction. Development needs are assessed during a formal appraisal process.

As we adapted to new ways of working, we launched WPP Pulse, our first global Company-wide survey, with more than 43,000 participants across more than 100 countries. This showed what our people want most from WPP: fulfilling careers, where they grow and discover new ways of working and learning, the opportunity to contribute to inspiring work that creates impact for their clients and a sense of belonging at a company they are proud to be part of.

i For information on what we heard from our people and how we are responding, see 'Unlocking our creative potential' on page 52

To ensure our Board understands the views of our employees on WPP's purpose, values and strategy, and to consult on key people issues, WPP established a UK Workforce Advisory Panel (WAP) in 2019. Sponsored by our UK Country Manager, the WAP has representatives from across our UK business who gather feedback from their agencies to feed up to the WPP Board, with Cindy Rose fulfilling the position of designated Non-Executive Director. During the year, similar People Forums were established in the United States and India to enable further engagement with the Company's global employee base. Read more on page 124.

LABOUR RELATIONS

We support the rights of our people to join trade unions and to bargain collectively, although trade union membership is not particularly widespread in our industry. In 2021, around 4% of our employees were either members of a trade union or covered by a collective bargaining agreement (2020: 4%). We held 268 consultations with works councils, mainly in Europe (2020: 185).

We have made around 3,300 redundancies as a consequence of the Covid-19 pandemic and also as part of our transformation programme, as we merge and restructure some agencies. We consulted with our employees as appropriate and supported affected people through our Employee Assistance Programme, which included outplacement in appropriate cases. We have also created an internal talent marketplace to try and ensure any open roles are filled by employees who have the right skills before recruiting for those roles externally.

HEALTH, SAFETY AND WELLBEING

Supporting our people's physical and mental health and wellbeing is good for our people and good for business. Our companies are required to have a health and safety policy in place.

Our overall sickness absence rate in 2021 was 3.0 days per employee (2020: 3.3). This includes non-work-related illness and injuries, work-related illness and injuries, and occupational diseases such as work-related stress and ergonomic injuries. There were no work-related fatalities in 2021.

Health and safety data is collected locally and, in 2021, inconsistencies were identified in how this data is defined and collated. We are working to improve consistency and, once remediated, aim to include health and safety data in scope for independent limited assurance in future.

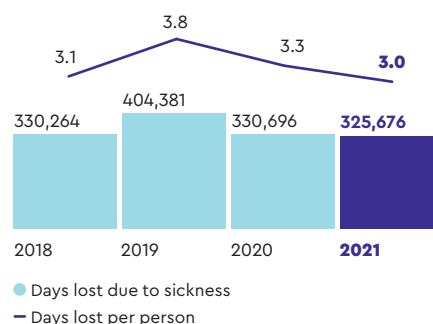
In 2021 WPP strengthened its crisis management and business resilience (CMBR) measures through the launch of a centralised CMBR unit, which coordinated the Company's response to the Covid-19 pandemic and to extreme weather and political events that have caused disruption to our operations. We also established a WPP Covid Relief Fund to give financial support to WPP employees and their families in real time in countries most affected by the pandemic.

Read more about our Covid Relief Fund in the People section of our Sustainability Report 2021

Work-related stress is one of our main – and growing – health and safety hazards. With the challenges of the pandemic and other issues around the world impacting mental wellbeing, we launched our Mental Health Allies programme, providing mental health training to 500 leaders, HR professionals and employees across the UK and United States. We will expand into more regions in 2022.

Our Employee Assistance Programme is a 24/7 service for employees and eligible family members that provides access to free confidential counselling and support, resources on topics such as managing stress and dealing with loss, and referrals to local financial or legal help. The programme is available to all of our people around the world.

DAYS LOST DUE TO SICKNESS



COMMIT TO CARE

Changing perceptions of Black men.

OFFER COMMUNICATIONS EXPERIENCE

AGENCY
MINDSHARE, NEW YORK

CLIENT
DOVE MEN+CARE (UNILEVER)

Research shows that misrepresentation of Black men in media and culture contributes to negative stereotypes that fuel racism in the US. Black men are 150% more likely to be described as criminal and 60% more likely to be described as threatening, compared to white men. Dove recognised the acute need to dismantle barriers that prevent Black men from experiencing care.

So Mindshare together with Dove Men+Care and the National Basketball Players Association created and announced a landmark partnership and content series, Commit to C.A.R.E. (Care About Racial Equity), to help create a society where Black men are cared for, respected, supported and protected.

The initiative amplifies the voices of some of the most recognisable and revered Black athletes today. Partnering with 11 NBA stars, the content series explored how racial injustice impacts them, affects their families, and fuels their passion for activism. From there, the programme moved from voices to action, including hosting voter registration drives, supporting legislation like the George Floyd Justice Policing Act, and holding a Men's Summit to debunk myths surrounding Black men, and more. To empower the next generation, the team created a series of *Tech & Talk* virtual camps, in partnership with the players' charities.

The videos, stories and calls to action were hosted on a dedicated microsite – committocarenow.com – and content was distributed through paid media, driving people to take the Commit to C.A.R.E pledge, and join the fight to end racism.

12%

increase in brand awareness

24%

increase in association of Dove Men+Care advocating for racial equity



PLANET



We support urgent action to tackle the climate crisis.

OUR CLIMATE STRATEGY

WPP is a proud signatory to the UN Global Compact's Business Ambition for 1.5°C, the purpose of which is to galvanise business support for strong climate action, and to the UNFCCC's Race to Zero campaign.

We are committed to reaching net zero emissions in our operations (Scope 1 and 2) by 2025 and our supply chain by 2030. To deliver this we have set science-based reduction targets (see page 77), approved by the Science Based Targets initiative (SBTi) in June, to reduce emissions as far and as quickly as possible. Our 2021 performance is set out in the charts, far right.

Of our 50 largest clients, 62% have set or are committed to setting science-based reduction targets through the SBTi. These clients look to us to help them find and scale solutions (for examples, see pages 78 and 80). We also know that collaboration with clients and suppliers will be critical in delivering against our own targets. We are very focused on the role our companies can now play in promoting low-impact and regenerative living.

SCOPE 1 EMISSIONS

Our 2021 Scope 1 emissions were 13,292 tCO₂e, of which a subtotal Scope 1 emissions were 10,138 tCO₂e (76% of our total Scope 1 emissions footprint) has been subject to independent limited assurance procedures by PwC. The Scope 1 emissions not subject to assurance procedures relate to locally contracted company cars for which the emissions have been estimated.

We continue to move employees into a global network of campus buildings that bring our agencies together in modern, more energy-efficient, world-class workplaces. In 2021, despite the constraints of Covid-19, we opened a further nine

campuses, taking the total to 31. We aim to have at least 65 campuses, accommodating 85,000 people, by 2025.

Company cars accounted for 57% of our Scope 1 emissions in 2021. We aim to reduce emissions by shifting company cars to electric and hybrid vehicles in all markets where infrastructure makes it feasible to do so. In 2022, we will review how we measure and calculate emissions from vehicles.

REDUCING SCOPE 2 EMISSIONS

Scope 2 market-based emissions were 21,840 tCO₂e (28% reduction from 2020). Scope 2 location-based emissions were 55,990 tCO₂e (9% reduction from 2020).

WPP is a member of RE100 and has committed to sourcing 100% of its electricity from renewable sources by 2025. In 2021, we purchased 74% of our electricity from renewable sources (2020: 65%).

REDUCING SCOPE 3 EMISSIONS

Our supply chain makes up the overwhelming majority (98%) of our total emissions¹. We aim to halve our Scope 3 emissions by 2030 (2019 baseline year).

MEDIA DECARBONISATION

With over \$50 billion in advertising placed annually, WPP is the world's largest investor in media advertising. WPP is the first among its peers to account for media emissions (more than half of our supply chain emissions) in our science-based reduction targets.

We believe that the relative carbon footprint of different media distribution options will increasingly influence where client investment is made. We are seeing this already and expect this to grow substantially over the next three years as the urgency and financial imperative to deliver on net zero pledges increases across all businesses. That is why

through GroupM's Media Decarbonisation programme we are investing to enable investment decisions which factor in supply chain decarbonisation.

i For more information, see the Planet section of our Sustainability Report 2021

PRODUCTION

The carbon emissions generated by the production of the films and other content we create on behalf of clients are responsible for 14% of our total carbon footprint¹. Through our production agency, Hogarth, we are investing in innovative technology, global partners, and our supply-chain to pioneer a new approach to delivering carbon-optimised work for our clients (see page 5).

TECHNOLOGY

The technology we use – from data centres to the emails we send – generates 6% of our Scope 3 footprint¹. As we increase our use of cloud infrastructure, powered by renewable electricity, we will reduce our energy consumption and our carbon emissions, as well as drive down waste.

AIR TRAVEL

Business travel accounts for around 3% of our supply chain carbon footprint¹. To offset the resulting emissions, we have been purchasing high-quality carbon credits since 2007, which are charged to each of our agencies to create an internal carbon cost. We aim to permanently reduce air travel by around a third versus pre-pandemic levels.

¹ Data from 2019 baseline.

² Independent limited assurance will be sought by WPP over our percentage electricity purchased from renewable sources and Scope 2 market-based GHG emissions reporting. The assurance report will be made available on our website.

TARGETS AND COMMITMENTS

84%

absolute Scope 1 and 2 GHG emissions reduction by 2025 from a 2019 base year¹

50%

absolute Scope 3 GHG emissions reduction by 2030 from a 2019 base year¹, including media buying – an industry first

Net zero

across own operations (Scope 1 and 2) by 2025 and across entire supply chain (Scope 3) by 2030

100%

electricity from renewable sources by 2025

In 2021, air travel emissions were 11,421 tCO₂e, a decrease of 51% versus 2020, as the Covid-19 pandemic continued to limit international travel. Some errors and inconsistencies were identified in how these emissions were calculated and reported at a local level, which is reflected in PwC's assurance opinion. We continue to work to improve the accuracy of flight data and refine methodologies for calculating flight emissions to ensure more consistency across the business.

OFFSETTING

The first step to limiting emissions must always be to reduce the total footprint of any product or service as far as possible. To ensure carbon credits purchased to offset remaining carbon emissions are of a sufficiently high quality, from 2022 WPP will introduce a new offsetting policy.

CIRCULAR ECONOMY

Moving from a 'take-make-dispose' economy to a circular economy where waste is eliminated, resources are circulated and nature is regenerated could create \$4.5 trillion in annual economic output by 2030. WPP can contribute to this transition through the work we do for our clients (see example on page 78).

Within our own operations, we remain committed to phasing out plastics that cannot be reused, recycled or composted across our campuses and offices worldwide. The ongoing impact of the pandemic, which has kept the majority of our offices closed for much of the year, has slowed progress towards our commitment, which we aimed to meet by the end of 2021. We now aim to meet our commitment by the end of 2022 at the earliest.

i For more information, see the Planet section of our Sustainability Report 2021

DATA QUALITY

A significant challenge for reducing carbon emissions is being able to measure them with confidence. We are working to improve the quality and coverage of our emissions data.

We are working to include the portion of unassured Scope 1 data, relating to locally managed company cars, in scope for limited external assurance in future years. As we refine our methodologies and improve data quality, we will apply these to prior years and restate data if a material gap is identified.

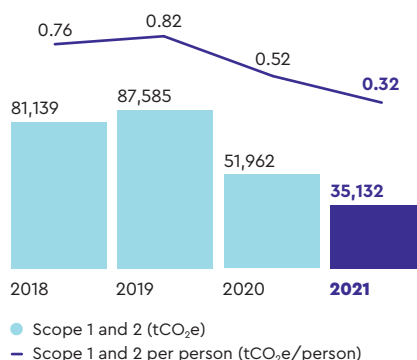
In 2021, some errors were identified in how emissions from air travel were calculated and reported across a number of territories, which is reflected in PwC's assurance opinion. We will work to develop more robust protocols and calculation

methodologies. We expect our wider transformation strategy will enable us to manage more data centrally, improving consistency.

Data quality is particularly challenging for Scope 3 emissions, as they are beyond our direct control. We are reviewing how we capture and calculate Scope 3 emissions and aim to improve both data quality and coverage so that over time we are able to seek independent limited assurance over a larger proportion of Scope 3 emissions. From production to media investment, we support the development of more robust protocols to measure emissions across the industry. In 2021, as a founding member of AdGreen, we helped pilot and launch a new carbon calculator to measure the emissions associated with producing creative content.

2021 PERFORMANCE

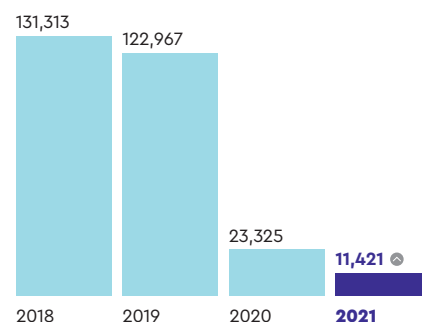
MARKET BASED SCOPE 1 AND 2 CARBON EMISSIONS PROGRESS



Our scope 1 and 2 market based emissions for 2021 were 0.32 tCO₂e/person, a 38% reduction from 2020. Our carbon intensity per £1 million revenue was 2.74 tCO₂e, a 37% reduction since 2020.

CARBON EMISSIONS FROM AIR TRAVEL

TONNES CO₂e EMISSIONS



These metrics were subject to independent limited assurance procedures by PricewaterhouseCoopers LLP ('PwC') for the year ended 31 December 2021. For PwC's 2021 Limited Assurance report and the 'WPP Sustainability Reporting Criteria 2021' for assured metrics, see our Sustainability Report 2021.

¹ Target verified by Science Based Targets initiative in line with ambition to limit climate change to 1.5°C from pre-industrial levels.

LEGO GREEN INSTRUCTIONS

Let's rebuild the world.

OFFER EXPERIENCE

AGENCY
OGILVY, WARSAW

CLIENT
LEGO

In Poland over three quarters of energy still comes from coal and – according to *The Economist* – the country has the most polluted air in Europe. However, there is limited education in schools about climate change.

The LEGO Group believes children are the builders of the future and, as part of its global 'Rebuild the World' positioning, it enlisted Ogilvy to create a local expression of this ambition, aimed at Poland's growing younger population.

'Green Instructions' show how to use the same bricks to rebuild existing LEGO® sets into greener versions, reflecting a more sustainable future. These instructions help turn cars into bicycles or scooters, planes into electric trains and coal mines into electricity-generating windmills. All with the aim of educating the next generation about a brighter future.

'Green Instructions' were distributed in all LEGO® stores in Poland (printed on recycled paper) with digital versions downloadable from www.greeninstructions.com.

During the global lockdown, the campaign moved to online video lessons, led by a well-known Polish teacher. Soon teachers from all over the country discovered them and started using them in their own classrooms.

723
schools downloaded
the video lessons

100%
positive reaction
from over 23,000
comments
posted by parents

Awards
One Show,
Green Pencil
D&AD,
Graphite Pencil
Cannes Lions,
Bronze

2m+
impressions in
the first two weeks
of launch



CLIENTS



The work we do for our clients reaches billions of people each year, presenting our greatest opportunity to create positive change.

WORK WITH IMPACT

We continue to strengthen our offer to ensure we can provide our clients with the latest technology alongside the creativity and sustainability expertise they need to deliver against their own sustainability ambitions.

To train and equip our client leads, this year we launched a Sustainability Playbook to showcase the diversity of our sustainability capability and innovative work. Our Inclusive Marketing Playbook and resource library embeds inclusive marketing principles in everything we do, and our Diversity Review Panel provides a forum to escalate and address concerns around potentially offensive or culturally insensitive work.

GroupM's Media Inclusion Initiative, launched in 2021, aims to direct investment in, and create opportunities for, diverse media companies and content creators with an initial focus on Black-owned media.

We continue to invest in virtual production to reduce emissions, partnering with Microsoft to launch Cloud Studio, an innovative cloud platform that allows creative teams from across WPP's global network to produce campaigns for clients from any location around the world.

i Find out more about virtual production on page 5

To help our leaders develop the knowledge and skills to lead in the age of artificial intelligence, this year we launched an executive diploma in Artificial Intelligence in Business at the University of Oxford Saïd Business School.

ACTING ETHICALLY AND WITH INTEGRITY

The work we do for our clients is powerful – it regularly changes attitudes, opinions and the way people behave. As it is critical that these changes are for the better, we are committed to acting ethically in all aspects of our business and to maintaining the highest standards of honesty and integrity. All the advice we provide to our clients and the content we produce for them must meet rigorous standards and we will not undertake work which is intended or designed to mislead or deceive.

We work hard to maintain strong compliance in areas such as ethics, human rights, privacy and data security. All of this is covered in our Code of Business Conduct and in our mandatory annual ethics training.

There is growing scrutiny – from consumers and regulators – of the descriptions and labels used to promote the environmental credentials of products and services. We are working closely with our agencies to make sure that we are contributing to the discussion and to ensure that our marketing services promote transparency on the environmental attributes of products. In 2022, we will launch further training and resources specifically to help our people appropriately manage and communicate environmental claims in their work.

We require that all the work our companies produce for clients complies with all relevant legal requirements, codes of practice and marketing standards. There are occasional complaints made about campaigns we have worked on, and some of these are upheld by marketing standards authorities. Our agencies take action where needed to prevent a recurrence.

Our agencies have policies and processes to mitigate against online advertising appearing on sites with illegal, illicit or unsuitable content.

ETHICAL DECISIONS IN OUR WORK

We believe that clients have the right to communicate their views and market their products and services, provided doing so is lawful and complies with all applicable regulations and standards.

We have a review and referral process for work that may present an ethical risk, such as work for government clients, work relating to sensitive products or marketing to children.

Before our people can accept potentially sensitive work, they must refer the decision to the most senior person in the relevant office and then to the most senior WPP executive in the country concerned, who will decide if further referral to a global WPP executive is required. This referral process is covered in our mandatory How We Behave training, which all staff (including freelancers working for more than four weeks) are required to complete on joining and then annually.

Our agencies also have copy-checking and clearance processes for the legal team to review campaigns before publication. These processes have strict requirements in highly regulated sectors such as pharmaceutical marketing.

Each of our agencies has a global Risk Committee, chaired by its respective CEO, to ensure that leadership has a full understanding of the risks across businesses and markets (see page 88).



For more examples of our client work to address social and environmental issues, download our Sustainability Report 2021 from wpp.com/sustainabilityreport2021

ULTIMATE SAFETY TEST

Volvo Cars placing sustainability at the heart of its brands.

OFFER
COMMUNICATIONS

AGENCY
GREY, LONDON

CLIENT
VOLVO

A leader in automotive safety for decades, Volvo Cars is broadening its focus to sustainability and its commitment to climate neutrality and electric vehicles.

By 2040, with aims to become a fully climate-neutral company across its value chain and, by 2030, it plans to become a fully electric car company.

To announce the news, Grey created the 'Ultimate Safety Test' campaign, devised to reflect the company's commitment to climate neutrality and electrification.

In the new film, a spokesperson takes viewers on a tour of Volvo's safety tests over the decades. During one of these tests in the Arctic Circle, a collapsing glacier becomes a stark reminder that the biggest threat to our safety isn't on the road, it's climate change.

2.3bn
media impressions

Awards
Cannes Lions, Silver
Ad Age, Top 30 Ads
of the Year

COMMUNITIES



We aim to use the power of our creativity and voice to support healthy and vibrant communities.

We can help boost the impact of charities and non-governmental organisations (NGOs) to support progress toward the UN Sustainable Development Goals by providing marketing and creative services, often on a pro bono basis (for little or no fee).

This work is mutually rewarding. While enabling our voluntary sector clients to raise money and awareness, recruit members and achieve campaign objectives, pro bono work also provides opportunities for our people to work on fulfilling, impactful and sometimes award-winning campaigns that raise the profile of our companies.

GIVING CREATIVITY BACK AT SCALE

We encourage our people to use their creativity and expertise to support the local causes they are passionate about, from the arts to conservation, health and human rights. At the same time, WPP is proud to partner with the United Nations, including the World Health Organization (WHO) and UN Women, to provide our skills in creativity, communications, data and technology to help effect positive change for society.

During the pandemic, WPP worked with governments, commercial clients, NGOs and international health bodies to produce public awareness campaigns to help limit the spread and impact of Covid-19. We partnered with the WHO and WHO Foundation on a pro bono basis, tailoring public health messages through made-for-market campaigns which reached tens of millions of people across 167 countries in more than 20 languages. We continue to support the WHO Foundation with their vaccine fundraising initiative.

RACIAL EQUITY PROGRAMME

In 2021 we allocated \$9.3 million in inclusion programmes, investing \$5.9 million and committing a further \$3.4 million, as part of WPP's commitment to invest \$30m over three years to use the power of creativity to build more equitable futures for our people and communities impacted by racism.

i Read more about our Racial Equity Programme and the projects we fund in the Communities section of our Sustainability Report 2021

WHAT WE GAVE IN 2021

Our pro bono work was worth £7.6 million (2020: £12.6 million), for clients including UN Women and the World Health Organization. We also made cash donations to charities of £4.8 million (2020: £4.3 million).

During the year WPP matched employee donations to a number of causes including our India Covid Relief Fund, Go Give One Campaign and Racial Equity Donation Match Programme.

Our pro bono work, combined with cash donations, resulted in a total social investment of £12.4 million (2020: £16.9 million), equivalent to 0.9% of headline profit before tax (2020: 1.6%).

WPP media agencies negotiated free media space worth £17.3 million on behalf of pro bono clients (2020: £59.3 million). Our total social contribution, taking into account cash donations, pro bono work, in kind contributions and free media space, was £41.0 million (2020: £76.2 million), a decrease versus 2020 as investments, particularly in free media space, returned to pre-pandemic levels.

VOLUNTEERING

In addition to providing donations and pro bono services, we encourage our people to volunteer their time.

Our agencies provide volunteering opportunities for our employees. For example, to mark its Foundation Day, VMLY&R ceased normal business operations for a day in September to give more than 12,000 employees around the world the opportunity to support their choice of volunteer projects.

SOCIAL IMPACT

Our support helps charities and NGOs to continue to grow their work in critical areas such as improving health and education, reducing inequality and protecting human rights. Pro bono work is often worth more than an equivalent cash donation as it raises awareness of our partners' work while helping to increase donations, recruit members, change behaviour and achieve campaign goals.

We have conducted research to quantify this wider impact. Our most recent analysis shows that in 2021 our pro bono work created wider social benefits worth £110 million (2020: £108 million). This includes, for example, the impact of charities being able to improve health and wellbeing in communities. Adding in our charitable donations and free media space as well as our pro bono work, the wider social benefits created in 2021 were worth an estimated £257 million (2020: £649 million).

i Read our Quantifying our Impacts report, see more examples of our pro bono work and learn more about our Racial Equity Programme in our Sustainability Report 2021

SANTANDER BANK ELA

The first Women's Day celebration in the form of a credit programme.

OFFER
COMMERCE

AGENCY
VMLY&R, SÃO PAULO

CLIENT
SANTANDER BANK

Santander Bank is committed to diversity, equity and inclusion, and asked VMLY&R for a campaign in honour of Women's Day. But the agency's research showed that women didn't want a campaign at all. What they wanted was greater opportunities, more jobs, equal payment and respect in and out of the workplace.

So, instead of ads, VMLY&R took the entire \$250 million budget and created a financial product: a new line of credit for microentrepreneurs – exclusively for women. VMLY&R assessed Santander's clients' data and that of millions of potential clients, focusing on the 25% of Brazilian women earning less than US\$85 a month, cross-referencing global data on gender (women) and location (low-income areas). From the insights gained, the target group were sent simple text messages, reinforced by communications within Santander's branches.

The initiative also featured in a series of debates streamed live on social media, with the CEOs from some of Brazil's biggest ecommerce businesses and banks taking part. The results were impressive: all available funds were lent within a week; there was widespread media coverage; and the World Bank was so impressed, it asked to become a partner in the project for the following year.

100,000 **44%**
women joined
Santander Ela on
the launch date
of borrowers from the
bank were women after
the campaign (20%
previously)

Awards

Cannes Lions, Bronze
Effie Brazil, Bronze



TRANSPARENCY AND TRUST



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

OUR CODE OF BUSINESS CONDUCT

Our policy framework and training set clear ethical standards for our people and agencies. We want to embed a culture of integrity and transparency where our people make the right decisions automatically and instinctively.

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

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

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

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

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

MANAGEMENT AND COMPLIANCE

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

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

In 2021, a total of 494 reports were received from whistleblowers (2020: 418), 333 of which were through the Right to Speak hotline. The most commonly raised concerns were about respect in the workplace and protection of WPP's assets. All reports were followed up, investigated where appropriate by our business integrity team, and reported to the Audit Committee (see page 90).

ASSOCIATES, AFFILIATES AND ACQUISITIONS

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

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

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

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

INSTITUTE OF BUSINESS ETHICS

WPP is a member of the Institute of Business Ethics (IBE) and considers it an important partner and support for the approach that the Company takes to business integrity, sustainability and ethics. As set out more fully in Risk Governance Framework on page 88 and Business Integrity Programme on page 89, we want to champion and facilitate a culture where our people feel that acting with honesty and integrity is an expected metric for success and this is also the IBE's ethos. The IBE shares knowledge and good practice as well as advice on the development and embedding of relevant policies through networking events, regular publications and training sessions, research and benchmarking reports. The IBE is a registered charity funded by corporate and individual donations.

PUBLIC POLICY



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

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

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

OUR STANDARDS

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

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

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

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

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

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

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

POLITICAL CONTRIBUTIONS

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

POLITICAL ACTION COMMITTEES

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

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

LOBBYING AND POLITICAL ADVOCACY

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

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

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

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

MEMBERSHIP OF TRADE ASSOCIATIONS

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

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

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

SUPPLY NETWORK



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

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

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

RISK ASSESSMENT

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

SUPPLIER SELECTION

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

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

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

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

SUPPLIER DIVERSITY

WPP is committed to including Certified Diverse Suppliers (CDS) in its purchasing lifecycle, both internally and for the benefit of our clients¹.

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

Learn more about the accelerator programme in the Responsible Business section of our Sustainability Report 2021

HUMAN RIGHTS

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

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

We are a member of the United Nations Global Compact and report progress against its ten principles annually.

Our most direct impact on human rights is as a major employer. We recognise the rights of our people, including those relating to freedom of association and collective bargaining, and we do not tolerate harassment or any form of forced, compulsory or child labour. Human rights are included in the mandatory ethics training completed on joining and then annually by all employees.

We work with clients to manage any human rights risks from marketing campaigns, for example by protecting children's rights in relation to marketing (see page 79). WPP agencies will not undertake work designed to mislead on human rights issues.

MODERN SLAVERY

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

WPP recognises the prevalence of modern slavery across all countries. We aim to implement appropriate measures to mitigate the risk of it occurring, either in our own operations or those of our partners. Our global Supplier Agreement includes a specific clause relating to modern slavery compliance. WPP reserves the right to terminate its contract with any supplier found to breach or fail to comply with any legislation relating to modern slavery.

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



To learn more about our Supplier Code of Conduct, Human Rights Policy and Modern Slavery Act Transparency Statement, see wpp.com/sustainability/policies-and-resources

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

DATA: PRIVACY, SECURITY AND ETHICS



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

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

CLIENTS

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

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

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

DATA ETHICS

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

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

DIVERSITY, EQUITY AND INCLUSION

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



For information on diversity data, see the People section of our Sustainability Report 2021

GOVERNANCE, POLICIES AND TRAINING

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

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

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

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

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

AI, MACHINE LEARNING AND DATA

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

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

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

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

OUR APPROACH TO SUSTAINABILITY



EMBEDDING SUSTAINABILITY IN OUR COMPANIES

WPP sets sustainability policy, with every agency responsible for implementation.

The Board is responsible for the overall long-term success of WPP and for setting the Company's purpose, values and culture and strategic direction, including on sustainability.

The Sustainability Committee supports the Board in its oversight of corporate responsibility, sustainability and reputational matters. It reviews and monitors implementation of the Company's sustainability strategy and reviews policy statements on environmental and social matters. The Committee meets a minimum of four times a year (see page 131).

The WPP Executive Committee sets the sustainability strategy and oversees the approach across agencies in its implementation, ensuring consistent execution and embedding the Company's culture and values. The Global Sustainability Director has operational responsibility for sustainability.

We have a clear policy framework through our Code of Business Conduct, Sustainability Policy (updated in February 2022), Supplier Code of Business Conduct, Data Privacy and Security Charter, Human Rights Policy Statement and other policies included in the WPP Policy Book. Our operating companies are required to comply with sustainability policy and report performance to WPP on an annual basis.

In 2021, we launched a new sustainability strategy aligned with our purpose (page 70) and set science-based carbon-reduction targets for the Company (page 76). Our internal sustainability advisors work to ensure consistent implementation of our standards.

STAKEHOLDER ENGAGEMENT

Dialogue with our stakeholders, including our people, clients and shareholders, provides valuable feedback and insight into sustainability risks and opportunities, for our Company and our clients.

Most stakeholder engagement takes place in the course of doing business. We work with clients on sustainability issues (see page 79).

Information on employee engagement is on page 73. In April 2021 we launched WPP's net zero commitments at a global townhall hosted by CEO Mark Read. During the year, agencies including GroupM, Hogarth and Landor & Fitch have developed training and tools to equip our people with knowledge around the science of climate change and give them practical tools with which to respond. This remains a priority in 2022.

INVESTOR ENGAGEMENT

We believe the more we behave in line with our purpose, the better our business will perform, thereby maximising shareholder return. We regularly engage with investors on ESG topics and in June we held our first investor ESG presentation.

Our involvement with investors, rating agencies and benchmarking organisations on sustainability during 2021 included: Bloomberg Gender-Equality Index; EcoVadis; Ethibel; Vigeo Eiris; FTSE Russell; Human Rights Campaign Foundation's Corporate Equality Index; MSCI Research Inc.; Sustainalytics; and Thomson Reuters D&I Index. We are included in the FTSE4Good Index and participate in the CDP climate change benchmark, receiving a rating of A- in 2021.

OUR MATERIALITY PROCESS

We use a materiality process to ensure our strategy, investments and reporting focus on the issues of greatest importance and relevance to our business and stakeholders.


Our first formal materiality assessment in 2014 included interviews with clients, investors, NGOs and sustainable business experts, as well as with senior executives across WPP. We periodically repeat a formal materiality assessment, most recently in 2020, to reflect our new corporate strategy and changing stakeholder priorities (see Sustainability Report 2021).

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGs)

We support the UN SDGs as a framework for government agencies, civil society, the private sector and citizens to work together to create a more sustainable future. We have analysed the 17 Global Goals and the 169 targets which sit behind them to identify those which are most relevant for our business. To learn more about the Goals

we believe we can make the most significant contribution towards, see our Sustainability Report 2021.

ABOUT OUR REPORTING

Data included in this Annual Report is for the calendar year 2021 and covers all subsidiaries of the Company. The selected ESG performance metrics marked with the symbol  throughout this report have been subject to independent limited assurance procedures by PricewaterhouseCoopers LLP ('PwC') for the year ending 31 December 2021 in accordance with International Standard on Assurance Engagements 3000 (revised) and in respect of GHG emissions data, International Standard on Assurance Engagements 3410, issued by the International Auditing and Assurance Standards Board. A copy of PwC's report and our methodology is on our website wpp.com/sustainabilityreport2021.

The majority of our data is collated locally, and a common challenge is reconciling inconsistencies in calculations and data capture. This prevented us from obtaining independent limited assurance over certain metrics including waste and health and safety data. We aim to include these in scope for assurance in the future. For further information on data quality, see page 77.

NON-FINANCIAL INFORMATION STATEMENT

This section provides information required by regulation in relation to:

- environmental matters (page 76) and TCFD statement (pages 214-216);
- our people (pages 52 and 53, and 72-74);
- social matters (page 81);
- human rights (page 85); and corruption and bribery (page 90).

In addition, other related information can be found as follows:

- business model (page 16);
- principal risks and how they are managed (from page 93);
- non-financial key performance indicators (page 58).

ASSESSING AND MANAGING OUR RISKS

The success of our strategic objectives as discussed in this report depends to a significant extent on how we identify and address the current and emerging risks and uncertainties we face as a business. The Board, assisted by the Audit Committee, has oversight and responsibility for our approach to risk management which is structured through our three lines of defence model and driven by our risk governance framework, business integrity programme, culture based upon the principles set out in our Code of Conduct and our internal control framework.

The Board has reviewed the design and effectiveness of this system during the year and up to the date of this report and carried out a robust assessment of the principal risks that could impact our business.

The system of controls described below is designed to manage and mitigate, but may not eliminate, the risk of failure to achieve our strategic objectives and is not an absolute assurance against material misstatement or loss.

RISK GOVERNANCE FRAMEWORK

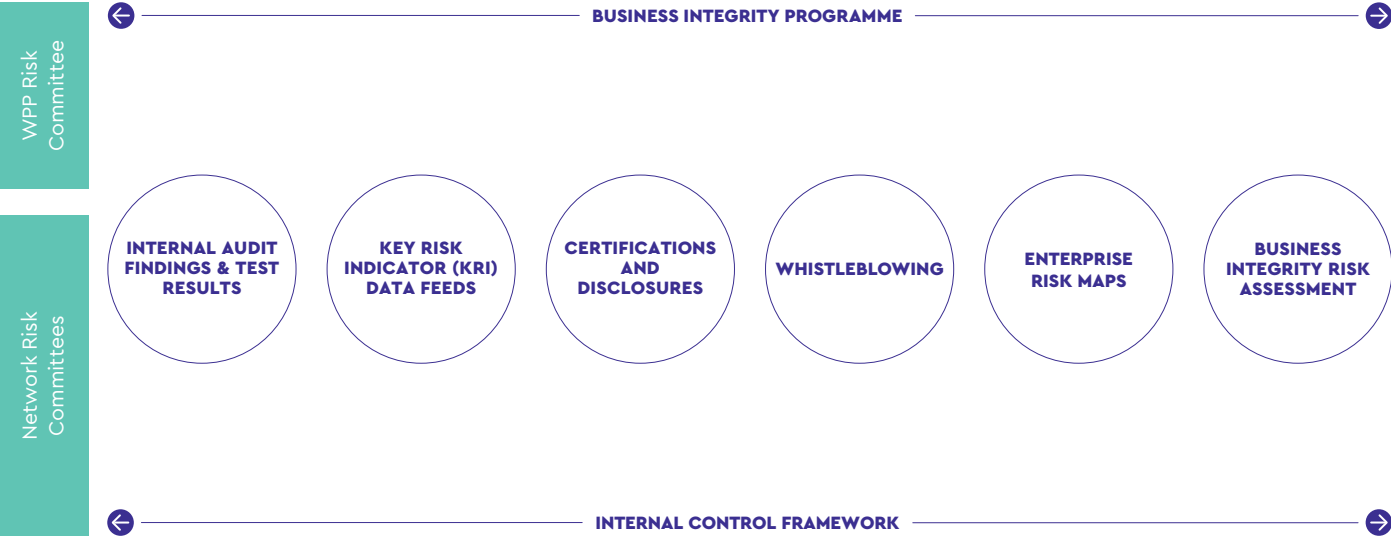
A key element of our risk governance framework is our Risk Committees. Each network has a global Risk Committee chaired by the CEO and with key senior managers participating to ensure that leadership is proactively identifying (including through risk assessments and horizon scanning) and understanding the current, new, evolving and emerging risks across businesses and the remediation steps required from time to time in certain markets. We also have a WPP Risk Committee which has oversight of all network Risk Committees and itself reports into the Audit Committee. We also have two sub-committees to focus on the detail of risks relating to Data Privacy, Security and Ethics and to Controls at both WPP and network level.

The agenda of the Risk Committees is to review, monitor and advise on: compliance with laws, regulations, internal procedures, and industry standards, including anti-bribery and corruption matters; the implementation of our compliance framework (including

setting clear standards and reporting lines for the accurate and timely monitoring of exposures and certain risk types of importance); compliance policies and practices; and risks that present themselves throughout each network. This agenda is framed by our business integrity programme and internal control environment.

In order to carry out their duties comprehensively, each Risk Committee has secure access to an increasing central pool of data from, or with the potential to impact, their network that is crucial to the ability to recognise and monitor a full risk and compliance picture; this includes internal audit reports, Internal Controls over Financial Reporting (ICFR) results, general computing controls results, information from whistleblowers, findings from investigations, responses from our annual risk mapping process and the results of our annual assessment of business integrity risk.

WPP'S RISK GOVERNANCE FRAMEWORK



BUSINESS INTEGRITY PROGRAMME

Our business integrity programme is central to ensuring that the policies, procedures and control environment set by the Board are understood and adhered to across all geographies and markets. It is produced by mapping resources, systems and processes against WPP's risk appetite (which the business integrity team, sitting within WPP's legal function, supports the Board and WPP Risk Committee to set), governance requirements and regulator expectations and then crafting actions from the results for both the business integrity team and the Risk Committees.

Actions for the business integrity team focus on tackling root causes of risk and include:

- in respect of resources, championing and enhancing messages and examples from global, regional and local leadership with communications, training sessions, workshops, townhalls and practical guidance, knowhow and resources for our people and providing 'on the ground' support for day-to-day queries from our networks;

- in respect of systems, advising on the implementation of WPP's policies, procedures and controls (including around internal reporting and approvals) and providing a compliance lens for the design and structure of our enterprise resource planning (ERP) environment (including ensuring that its functionality is leveraged to restrict access to key transactions to appropriate parties and ensure adequate segregation of duties and assets); and
- in terms of processes, conducting an annual assessment of business integrity risk, monitoring dynamic data feeds (including our financials, internal audit findings and ICFR results), proactive management of self-certifications and disclosures from our people, reviewing and investigating whistleblowing reports and tracking remediation efforts.

POLICIES, PROCEDURES AND CULTURE

The quality and competence of our people, their integrity, ethics and behaviour, and the culture embedded within our businesses are all vital to the maintenance of our system of internal control which is maintained and reviewed in accordance with the UK

Corporate Governance Code, FRC guidance on risk management and internal controls and the COSO framework.

In order to help our people make the right decisions, we provide a number of tools. The baseline reference of our policies and procedures are set out in our Policy Book, internal control bulletins and accounting guidelines. To help our people understand the ethical and business objectives set out in the WPP Policy Book, WPP has a mandatory online training programme which all our people (including freelancers working for more than four weeks) are required to complete on an annual basis. The programme comprises five modules: How We Behave, Business Integrity, Safer Data, Sustainability and Belonging. In addition, WPP's business integrity team organises in-person and video call training sessions, townhalls and workshops throughout the year on topics thought necessary or relevant such as Ethics & Integrity, Respect in the Workplace and The ABCs of ABC (Anti-Bribery and Corruption). This top-up programme is designed in response to data collected and reviewed by WPP's business integrity team including from concerns raised and corroborated through investigations and our annual assessment of business integrity risks. It is underpinned with daily support on the ground from our regional compliance directors and managers. The business integrity team also houses an e-library of practical guides and compliance FAQs.

The core of our Policy Book is our Code of Business Conduct, which is regularly reviewed by the Board and sets out the principal obligations of all of our people. As a Group and as individuals we have a collective responsibility to behave in the right way, to live up to our values and to conduct our business with integrity. Our Code outlines the commitments we make to each other, our business partners, and others with a stake in what we do. The principles of the Code are embedded in our training courses and workshops and our senior managers are required to certify compliance with the Code on an annual basis.

WPP'S BUSINESS INTEGRITY PROGRAMME



RESOURCES

Our people – **everyone** is accountable
Leadership
Communications, training and guidance
'On the ground' support

SYSTEMS

ERP environment
Policies, procedures and controls
Financial reporting
Internal reporting and approvals

PROCESSES

Business integrity risk assessment
Monitoring dynamic data feeds
Whistleblowing
Due diligence
Certifications and disclosures
Remediation – and focus on **root causes**
Disciplinary measures and incentives
Enterprise risk maps

Our Anti-Bribery and Corruption Policy prohibits any form of bribery across the Group and is supported by the Advisor Payment Policy which restricts the use of advisors and details the due diligence that must be undertaken and approvals needed in the limited cases where advisors may be used. In October 2021, we refreshed the WPP ABC Policy and Advisor Payment Policy and produced a Business Integrity Booklet on ABC to reflect updated processes around managing ABC risk and provide additional guidance to our people.

Our Gifts and Hospitality Policy sets limits on values that may be given or received, supported in each company by a gift register.

Our Code of Conduct for suppliers replicates all of these obligations in our supply chain. Our Policy Book also includes required practices in many operational, tax, legal and human resource areas.

The application of our policies and procedures is monitored within each company and by the internal audit, legal (in particular, the business integrity team) and risk and controls functions. Breaches are investigated by our business integrity team sitting within WPP's legal function and, where appropriate, external advisors.

WPP's business integrity team has a mandate to make recommendations to realign and support WPP's networks where required to manage and reduce risk. Recommended remediation can include disciplinary action, changes to systems, controls, approvals or functions, monitoring and training sessions.

This approach is formalised through WPP's Whistleblowing Protocol and Investigations Protocol. The Compensation Committee continues to review how the Group's performance rewards support the risk management and internal control systems now reinforced, as noted above, by the WPP Risk Committee.

WHISTLEBLOWING

WPP's Code of Business Conduct sets out our responsibilities to our people, partners and shareholders to act ethically and legally. We want to encourage a culture of integrity and transparency where our people make the right decisions automatically and instinctively.

Part of this culture is making sure that our people have confidence and know how to speak up and raise concerns with their managers or supporting teams, through their employee forums, WPP's business integrity team or by calling our Right to Speak hotline (which is confidential and allows for anonymity) if they experience or hear about behaviour which is at odds with the principles stated in our Code.

WPP is continuously reviewing these channels to ensure that our people have options that work and with which they are comfortable. As a result, in 2021, WPP moved to a new Right to Speak supplier and refreshed all Right to Speak literature and communications focusing in particular on explaining what happens once people have reported and emphasising the importance of speaking up and WPP's zero tolerance policy on retaliation.

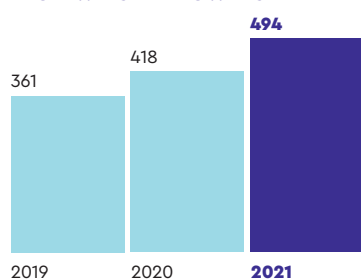
There has been a steady increase in the number of reports received from whistleblowers over the past few years. Every report received is investigated and reported into the Audit Committee by WPP's business integrity function. In 2021, a total of 494 reports were received from whistleblowers, 333 of which were through the Right to Speak hotline. The most commonly raised concerns were about respect in the workplace and protection of WPP's assets.

RISK IMPACT FROM WHISTLEBLOWER REPORTS 2021

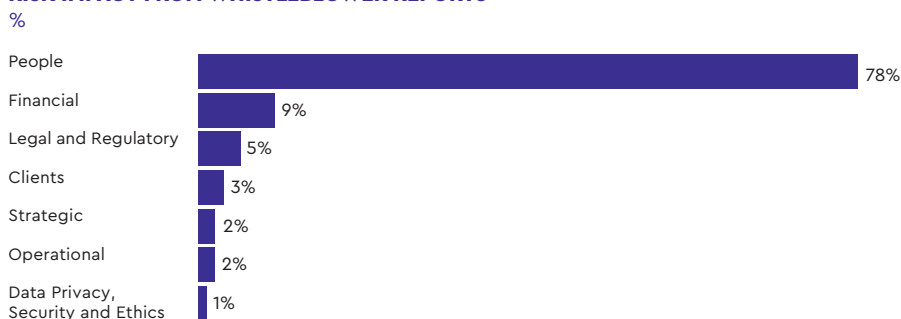
All whistleblower reports received by the Group Chief Counsel and General Counsel, Corporate Risk, which includes all Right to Speak reports, are handled in line with WPP's Whistleblowing and Investigations Protocols and logged, investigated and tracked through to a conclusion including any remediation or follow-up actions that might be required.

Reports are also analysed for risk impact and root causes. Learnings generated from this analysis are converted into recommendations including for training sessions, workshops and practical resources by WPP's business integrity team and implemented together with the support and input of the Risk Committees. Recommended remediation can also include disciplinary action, changes to systems, controls and processes or wider review and monitoring for a particular time period.

TOTAL NUMBER OF REPORTS FROM WHISTLEBLOWERS



RISK IMPACT FROM WHISTLEBLOWER REPORTS



The nature of each report, action taken and outcome is reported to the Audit Committee and the approach and process are reviewed by the auditors. WPP is committed to providing a safe and confidential way for people with genuine concerns to raise them, and to do so without fear of reprisals. WPP does not tolerate any retaliatory behaviour against individuals reporting concerns and is equally committed to preserving the anonymity of an individual who makes a report and does not wish to have their identity revealed.

The consequences of misconduct or retaliation range from individual performance management, training for a business or an office and one-on-one training or coaching for an individual through to staff relocation and staff dismissal.

RISK MANAGEMENT

We use a 'three lines of defence' model in relation to risk management:

1. COMPANY REVIEWS

Each network undertakes monthly and quarterly procedures and day-to-day management activities to review their operations and business risks, supported by our policies, training and guidance on required internal controls over financial reporting and monitoring controls and reviews within their network.

In addition, our companies must maintain and update documentation of their internal controls and processes. This documentation incorporates an analysis of business risks, detailed control activities and monitoring, together with IT and financial controls and controls over security of data and the provision of timely and reliable information to management.

The information collated feeds up to each network's Risk Committee which uses it to assess and monitor current risk exposures, identify new risk types and set future risk strategy as well as to compile it into reporting and insights for the WPP Risk Committee and executive management.

2. EXECUTIVE MANAGEMENT REVIEWS

The network reviews are formally communicated to executive management in monthly reports and quarterly review meetings and, in turn, to the Board. At each Board meeting, the management team presents a business review of each of the operations, including an assessment of the risks in each business and details of any change in the risk profile since the last Board meeting.

The business review includes the possibility of winning or losing major business; succession and the addition or loss of a key employee; regulatory changes; sustainability, including risks relating to marketing ethics, privacy, diversity and employment; political instability; and changes in accounting or corporate governance practice.

To add to this, the WPP Risk Committee, supported by the business integrity team, has evolved our enterprise-wide risk management process through the design and build of a risk analytics platform which sits over data feeds and alongside refreshed risk appetite statements and tolerances and incorporates our internal risk management framework including around policies, controls and reporting (whether through disclosures, monitoring, audit work, investigation work or internal reporting processes). The resulting dashboard analysis allows risks to be monitored and tracked across all businesses and markets and will feed into the regular risk discussions of executive management, the Audit Committee and the Board.

In addition, the Risk and Controls Group remains focused on driving continuous improvement in WPP's internal control environment, looking at the design and implementation of internal financial controls as well as controls that support WPP's risk framework and transformation programmes.

3. INTERNAL AUDIT AND AUDIT COMMITTEE OVERSIGHT

The internal audit function, with Audit Committee oversight and external resource as required, provides an independent review of risk management and internal control via internal audits and management of the testing programme for ICFR.

LINES OF DEFENCE

FIRST LINE OF DEFENCE

Functions that own and manage risk

SECOND LINE OF DEFENCE

Functions that oversee or specialise in risk management and business integrity

THIRD LINE OF DEFENCE

Functions that provide independent assurance, above all internal audit

VIABILITY STATEMENT

RISK ASSESSMENT

ASSESSMENT OF PROSPECTS

An understanding of the Group's business model and strategy detailed on pages 16 and 28 is central to understanding its prospects.

The Group's business model, transformation programme and diversification across marketing services businesses which operate in 112 countries, with a broad spectrum of clients, technology partners and suppliers and track record of making acquisitions and setting up new businesses, are all relevant to any consideration of prospects and viability.

The Directors assess the Group's prospects on a regular basis through the financial reporting and planning process, the business reviews at each Board meeting, quarterly reviews of our businesses by the executive team and ongoing reviews of the Group's profitability, cash flows and funding requirements. The Board has considered the longer-term risks and opportunities for the Group discussed in the Strategic Report at a Board strategy session in 2021 and the potential impact of competition for talent and competition from consulting firms, technological disruption, climate change and regulation. The Board has also considered the ongoing impact of the Covid-19 pandemic across all of the countries in which we operate which also accelerated changes in our sector and the economic and geopolitical impacts of the Russian invasion of Ukraine, which are constantly evolving. The Group has experienced and expects to continue to experience unpredictable reductions in demand for our services from clients in sectors impacted by the pandemic.

VIABILITY STATEMENT

The Directors' assessment of the Group's viability for the next three years has been made with reference to:

- the impact on the Group of the Covid-19 pandemic and any new variants and the measures to contain its spread, including restrictions on businesses, social activities and travel, any failure to realise anticipated benefits from the roll-out of vaccination campaigns and the resulting impact on the economies in which the Group operates, our clients and demand for our services;
- the ongoing reviews, short-term notice periods or assignment nature of many of the client engagements;
- the volatility of global economic conditions as a consequence of the Covid-19 pandemic and the economic and geopolitical impacts of the Russian invasion of Ukraine, which are constantly evolving;

- the Group's current position and prospects;
- the ongoing transformation programme updated in this report;
- the changes taking place in our industry;
- the long-term impact of technological disruption; and
- the ongoing simplification of the Group structure and improving integrated service offering to clients.

This period has been chosen as it aligns with our three-year budget process and reflects the Board's best estimate of the future viability of the Company. Whilst we have built a five-year plan, levels of uncertainty increase as the planning horizon extends and the Group's plans focus more closely on the next three years. The Board therefore considers a period of three years to be an appropriate period over which to assess the long-term viability of the Company. In testing the viability of the Company, we have undertaken a robust scenario assessment of the principal risks which could threaten the viability or existence of the Company. The impact of the Russian invasion of Ukraine and sanctions response from governments has been considered. In the scenario modelling of the principal risks, we have stress-tested our forecast cash flows to reflect the potential impact of one or more of the Group's principal risks occurring and leading to client loss, loss of reputation, contract breach, our inability to win new business, and the impact of revenue less pass-through costs decline. The Company's forecasts and projections took account of (i) reasonably possible declines in revenue less pass-through costs; and (ii) remote declines in revenue less pass-through costs for stress-testing purposes; and considered the Group's bank covenants and liquidity headroom including the suspension of share buybacks, dividends and acquisitions.

The Company modelled a range of revenue less pass-through cost declines up to a decline of 30% compared with the year ended 31 December 2021, followed by growth at previously expected levels from 2023 to 2025. Therefore, this modelling does not include a faster recovery in the years following a serious decline, as has typically been witnessed in past. In the most extreme scenarios tested, the Directors have considered the further actions that could be taken to mitigate negative cash flow impact and ensure additional liquidity, including cost mitigations of 70% of the decline in net sales and the suspension of the share buyback programme and dividend. The Directors have assumed that the Company will be able to refinance existing bonds and, as a result, the Company will continue to operate in accordance with its bank

covenants. However the long-term viability of the Company could be impacted by other as yet unforeseen risks and the mitigating actions that have been put in place in respect of the principal risks could turn out to be less effective than intended.

Having assessed the current position of the Company, its prospects and principal risks and taking into account the assumptions above, the Board has determined that it has a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over a period of three years from 1 January 2022.

GOING CONCERN

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Financial Review on pages 63-67 and Principal Risks and Uncertainties on pages 93-99. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the financial statements and the notes to the financial statements include the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk. The Company's forecasts and projections, taking account of (i) reasonably possible declines in revenue less pass-through costs; and (ii) remote declines in revenue less pass-through costs for stress-testing purposes as a consequence of the Covid-19 pandemic compared to 2021, considering the Group's bank covenant and liquidity headroom taking into account the suspension of share buybacks, dividends and acquisitions, and cost mitigation actions which are and which could be implemented, show that the Company and the Group would be able to operate with appropriate liquidity and within its banking covenants and be able to meet its liabilities as they fall due. The impact of the Russian invasion of Ukraine and sanctions response from governments has been considered. The Company modelled a range of revenue less pass-through cost declines up to 30% compared with the year ended 31 December 2021. The Directors therefore have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board has carried out a robust assessment of the principal risks and uncertainties affecting the Group and the markets we operate in and strategic decisions taken by the Board as at 31 December 2021 and up to the date of this report including any adverse effects of the Covid-19 pandemic and the geopolitical situation following the Russian invasion of Ukraine and which are described in the table on the following pages.

PRINCIPAL RISK	POTENTIAL IMPACT	HOW IT IS MANAGED AND REFLECTED IN OUR STRATEGIC PRIORITIES
COVID-19 PANDEMIC		
<p>The extent of the continued impact of the Covid-19 pandemic on our business will depend on numerous factors that we are not able to accurately predict, including the duration and scope of the pandemic, any existing or new variants, government actions to mitigate the effects of the pandemic and the intermediate and long-term impact of the pandemic on our clients' spending plans.</p> <p>➤</p>	<p>The Covid-19 pandemic and any new variants and the measures to contain its spread may have a continuing adverse effect on our business, revenues, results of operations and financial condition and prospects.</p>	<p>A strong balance sheet, supported further by action to maintain liquidity including, if needed, the suspension of share buybacks, dividends and acquisitions, cost reduction and cash conservation measures, savings on property and IT capex. Constant monitoring of working capital position.</p>
STRATEGIC RISKS		
<p>The failure to successfully complete the strategic plan updated in December 2020 to return the business to sustained growth and simplify our structure.</p> <p>➤</p>	<p>A failure or delay in implementing or realising the benefits from the transformation plan and/or returning the business to sustained growth may have a material adverse effect on our market share and our business, revenues, results of operations, financial condition or prospects.</p>	<p>Board oversight of the implementation of the strategic plan and regular briefings on the Group's response to the pandemic and the economic and geopolitical consequences of the invasion of Ukraine by Russia.</p> <p>The Executive Committee regularly reviews progress against the strategic plan and actions required to deliver against the plan and convenes regularly to discuss the Group's response to and implementation of the measures highlighted above to mitigate the impact of the pandemic and the economic and geopolitical consequences of the invasion of Ukraine by Russia on the Group's operations, people, clients and financial condition.</p> <p>The focus on managing cost and changes in ways of working have accelerated aspects of the transformation as we move faster towards a simplified company structure and enhanced use of technology by our people as a consequence of adapting to remote working.</p>

KEY




- ⬆ Increased risk
- No change from last year
- ⬇ Reduced risk




PRINCIPAL RISK	POTENTIAL IMPACT	HOW IT IS MANAGED AND REFLECTED IN OUR STRATEGIC PRIORITIES
OPERATIONAL RISKS		
CLIENTS We compete for clients in a highly competitive industry which has been evolving and undergoing structural change. Client loss to competitors or as a consequence of client consolidation, insolvency or a reduction in marketing budgets due to recessionary economic conditions triggered by the pandemic, the invasion of Ukraine by Russia, or a geopolitical change or shift in client spending would have a material adverse effect on our market share, business, revenues, results of operations, financial condition and prospects.	<p>The competitive landscape in our industry is constantly evolving and the role of more traditional services and operators in our sector is being challenged. Competitors include multinational advertising and marketing communication groups, marketing services companies, database marketing information and measurement and professional services and consultants and consulting internet companies.</p> <p>Client contracts can generally be terminated on 90 days' notice or are on an assignment basis and clients put their business up for competitive review from time to time. The ability to attract new clients and to retain or increase the amount of work from existing clients may be impacted if we fail to react quickly enough to changes in the market and to evolve our structure, and by loss of reputation, and may be limited by clients' policies on conflicts of interest.</p> <p>There are a range of different impacts on our clients globally as a consequence of the pandemic and the geopolitical and economic consequences of the invasion of Ukraine and imposition of sanctions. In the past, clients have responded to weak economic and financial conditions by reducing or shifting their marketing budgets which are easier to reduce in the short term than their other operating expenses.</p>	<p>The transformation plan updated in December 2020. Emphasis on providing faster, more agile and more effectively integrated solutions for our clients.</p> <p>Simplifying our organisational structure such as the reduction in the number of legal entities in the Group as part of an ongoing programme and the disposal of non-core minority holdings.</p> <p>Launch of further campus co-locations including in London, Warsaw and Milan. Embedding data and technology more deeply into our offer to clients.</p> <p>Board focus on the importance of a positive and inclusive culture across our business to attract and retain talent and clients. Team focused on culture, diversity and inclusion across the Group and the WPP Global Inclusion Council and commitments to anti-racism.</p> <p>Continuous improvement of our creative capability and reputation of our businesses.</p> <p>The development and implementation of senior leadership incentives to align more closely with our strategy and performance.</p> <p>Business review at every Board, management and Executive Committee meeting to identify client loss. Monthly updates to the management team on the status of the Group's major clients and upcoming pitches for potential new clients. Continuous engagement with our clients and suppliers through this period of uncertainty and reduction in economic activity.</p>
We receive a significant portion of our revenues from a limited number of large clients and the net loss of one or more of these clients could have a material adverse effect on our prospects, business, financial condition and results of operations.	<p>A relatively small number of clients contribute a significant percentage of our consolidated revenues. Our ten largest clients accounted for 17% of revenue less pass-through costs in the year ended 31 December 2021. Clients can reduce their marketing spend, terminate contracts or cancel projects on short notice. The loss of one or more of our largest clients, if not replaced by new accounts or an increase in business from existing clients, would adversely affect our financial condition.</p>	<p>Increased flexibility in the cost structure (including incentives, consultants and freelancers).</p> <p>Business review at every Board meeting and regular engagement at executive level with our clients.</p> <p>A monthly new and existing business tracker is reviewed by the Executive Committee on a monthly basis with regular updates to the Board.</p>

PRINCIPAL RISK	POTENTIAL IMPACT	HOW IT IS MANAGED AND REFLECTED IN OUR STRATEGIC PRIORITIES
<p>PEOPLE, CULTURE AND SUCCESSION</p> <p>Our performance could be adversely affected if we do not react quickly enough to changes in our market and fail to attract, develop and retain key creative, commercial, technology and management talent, or are unable to retain and incentivise key and diverse talent.</p> <p>⬆</p>	<p>We are highly dependent on the talent, creative abilities and technical skills of our people as well as their relationships with clients. We are vulnerable to the loss of people to competitors (traditional and emerging) and clients, leading to disruption to the business.</p>	<p>Our incentive plans are structured to provide retention value, for example by paying part of annual incentives in shares that vest two years after grant date.</p> <p>We are working across the businesses to embed collaboration and investing in training and development to retain and attract talented people. The investment in co-located campus properties is increasing the co-operation across our companies and provides extremely attractive and motivating working environments.</p> <p>Succession planning for the Chief Executive Officer, the Chief Financial Officer and key executives of the Company is undertaken by the Board and Nomination and Governance Committee on a regular basis and a pool of potential internal and external candidates are identified in emergency and planned scenarios.</p> <p>The Compensation Committee provides oversight for the Group's incentive plans and compensation. Our first priority during the Covid-19 pandemic has been the safety and welfare of our people and seeking to protect them as much as possible as well as maintaining the ability to serve clients and win new business as markets recover.</p>
<p>CYBER AND INFORMATION SECURITY</p> <p>We are undertaking a series of IT transformation programmes to support the Group's strategic plan and a failure or delay in implementing the IT programmes may have a material adverse effect on its business, revenues, results of operations, financial conditions or prospects. The Group is reliant on third parties for the performance of a significant portion of our worldwide information technology and operations functions. A failure to provide these functions could have an adverse effect on our business. During the transformation, we are still reliant on legacy systems which could restrict our ability to change rapidly.</p> <p>The Group has in the past and may in the future experience a cyber-attack which results in disruption to one or more of our businesses or the security of data being compromised.</p> <p>⬆</p>	<p>We may be subject to investigative or enforcement action or legal claims or incur fines, damages, or costs and client loss if we fail to adequately protect data. A system breakdown or intrusion could have a material adverse effect on our business, revenues, results of operations, financial condition or prospects and have an impact on long-term reputation and lead to client loss.</p> <p>The imposition of sanctions following the Russian invasion of Ukraine has triggered an increase in cyber attacks generally.</p>	<p>The IT transformation programmes are underpinning our strategic plan and enhance our data security.</p> <p>There is a rolling programme to retire servers across the Group and move to cloud solutions.</p> <p>We monitor and log our network and systems and keep raising our people's security awareness through our WPP Safer Data training and mock phishing attacks. Heightened focus on monitoring our network and systems and raising awareness of the potential for phishing and other cyber-attacks during the period of remote working and the geopolitical situation and an increased focus on our control environment.</p>

PRINCIPAL RISK	POTENTIAL IMPACT	HOW IT IS MANAGED AND REFLECTED IN OUR STRATEGIC PRIORITIES
FINANCIAL RISKS		
ECONOMIC AND CREDIT RISK <p>Economic conditions have a direct impact on our business, results of operations and financial position. Adverse economic conditions, including those caused by the pandemic, invasion of Ukraine by Russia, severe and sustained inflation in key markets where we operate, supply chain issues affecting the distribution of our clients' products and/or disruption in credit markets, pose a risk our clients may reduce, suspend or cancel spend with us or be unable to satisfy obligations. We are subject to credit risk through the default of a client or other counterparty.</p>	<p>We are generally paid in arrears for our services. Invoices are typically payable within 30 to 60 days.</p> <p>We commit to media and production purchases on behalf of some of our clients as principal or agent depending on the client and market circumstances. If a client is unable to pay sums due, media and production companies may look to us to pay those amounts and there could be an adverse effect on our working capital and operating cash flow.</p>	<p>Evaluating and monitoring clients' ongoing creditworthiness and in some cases requiring credit insurance or payments in advance.</p> <p>We are working closely with our clients during this period of economic uncertainty to ensure timely payment for services in line with contractual commitments and with vendors to maintain the settlement flow on media.</p> <p>Our treasury position and compliance with lending covenants is a recurring agenda item for the Audit Committee and Board.</p> <p>Increased management processes to manage working capital and review cash outflows and receipts during the Covid-19 pandemic and as a consequence of the invasion of Ukraine by Russia.</p>
INTERNAL CONTROLS <p>Our performance could be adversely impacted if we failed to ensure adequate internal control procedures are in place.</p> <p>We have previously identified material weaknesses in our internal control over financial reporting. If we failed to properly remediate these material weaknesses or new material weaknesses are identified, they could adversely affect our results of operations, investor confidence in the Group and the market price of our ADSs and ordinary shares.</p>	<p>Failure to ensure that our businesses have robust control environments, or that the services we provide and trading activities within the Group are compliant with client obligations, could adversely impact client relationships and business volumes and revenues.</p> <p>As disclosed in our Form 20-F, in connection with the Group's assessment of the effectiveness of internal control over financial reporting as of December 31, 2020, we previously identified material weaknesses in our internal control over financial reporting with respect to management's review of the impairment assessment of intangible assets and goodwill (specifically the selection of appropriate discount rates for use in the impairment calculations, the determination of the appropriateness of the cash flow periods and associated discounting and determination of the assumptions in respect of working capital cash flows, in each case used in the impairment calculation); the design and implementation of internal controls to ensure that the complex accounting matters and judgements are assessed against the requirements of IFRS and to reflect changes in the applicable accounting standards and interpretations or changes in the underlying business on a timely basis; and our net investment hedging arrangements (specifically concerning the eligibility of hedging relationships under IFRS, the adequacy and maintenance of contemporaneous documentation of the application of hedge accounting, and the review of the impact of changes in internal financing structures on such hedging relationships). We implemented remedial measures during 2021 and believe that we have remediated each of these material weaknesses such that our internal control over financial reporting is effective as at 31 December 2021.</p>	<p>Transparency and contract compliance are embedded through the networks and reinforced by audits at a WPP and network level.</p> <p>Regular monitoring of key performance indicators for trading are undertaken to identify trends and issues. An authorisation matrix on inventory trading is agreed with the Company and the Audit Committee.</p> <p>In 2021, our new controls function continued to review and enhance controls across the Group, under the direction of our Global Director of Risk and Controls. As part of this effort, we significantly enhanced the staffing, capabilities and resources of our technical accounting function, which supported the retrospective review efforts and will continue to provide ongoing support in regards to complex accounting matters and judgment and changes in accounting standards.</p> <p>Management is committed to maintaining a strong internal control environment, with appropriate oversight from our Audit Committee. We have made significant enhancements to our controls through the implementation of the remediation and continue to evaluate further opportunities to improve our control environment. We have engaged an independent valuation specialist, on an on-going basis with oversight by management, to assist us as an integral part of the discount rate and cash flow determination process in the impairment assessment of intangible assets and goodwill.</p>

PRINCIPAL RISK	POTENTIAL IMPACT	HOW IT IS MANAGED AND REFLECTED IN OUR STRATEGIC PRIORITIES
INTERNAL CONTROLS CONTINUED	<p>If the remedial measures were ultimately insufficient to address the material weaknesses, or if additional material weaknesses in internal control are discovered or occur in the future, our ability to accurately record, process and report financial information and, consequently, our ability to prepare financial statements within required time periods, could be adversely affected. In addition, the Group may be unable to maintain compliance with the federal securities laws and NYSE listing requirements regarding the timely filing of periodic reports. Any of the foregoing could cause investors to lose confidence in the reliability of our financial reporting, which could have a negative effect on the trading price of the Group's ADSs and ordinary shares.</p>	<p>This has included such items as updating our discount determination methodology for a current market participant approach; enhancing the level of review and controls related to the selection of the variables underpinning the discount rate calculation, the discount rate methodology and annual refresh; and implementing additional validation controls and additional reviews of the selection of cash flow periods and net working capital assumptions. In the case of complex accounting matters and hedging arrangements, we performed a comprehensive retrospective review of our controls and procedures and implemented enhanced periodic controls into our control framework and have engaged outside advisors with specialist expertise in the respective subject matter areas to assist with the performance of the comprehensive retrospective review.</p>
COMPLIANCE RISKS		
DATA PRIVACY <p>We are subject to strict data protection and privacy legislation in the jurisdictions in which we operate and rely extensively on information technology systems. We store, transmit and rely on critical and sensitive data such as strategic plans, personally identifiable information and trade secrets:</p> <ul style="list-style-type: none"> – Security of this type of data is exposed to escalating external threats that are increasing in sophistication, as well as internal data breaches – Data transfers between our global operating companies, clients or vendors may be interrupted due to changes in law (eg EU adequacy decisions, CJEU Schrems II decision) 	<p>We may be subject to investigative or enforcement action or legal claims or incur fines, damages, or costs and client loss if we fail to adequately protect data or observe privacy legislation in every instance:</p> <ul style="list-style-type: none"> – The Group has in the past and may in the future experience a system breakdown or intrusion that could have a material adverse effect on our business, revenues, results of operations, financial condition or prospects – Restrictions or limitations on international data transfers could have an adverse effect on our business and operations 	<p>We develop principles on privacy and data protection and compliance with local laws. We also monitor pending changes to regulations and identify changes to our processes and policies that would need to be implemented. In the case of data transfers, we also identify alternative approaches, including using other permitted transfer mechanisms, in order to limit any potential disruption (eg SCCs instead of Privacy Shield following the CJEU Schrems II decision).</p> <p>We implemented extensive training ahead of GDPR and CPPA implementation and the roll-out of toolkits to assist our people to prepare for implementation and will do the same as new legislation is adopted in other markets.</p> <p>A Chief Privacy Officer and Data Protection Officer have been appointed at the Company and Data Protection Officers are in place at a number of our companies.</p> <p>Our people must take Privacy & Data Security Awareness training and understand the WPP Data Code of Conduct and WPP policies on data privacy and security.</p> <p>The Data Health Checker survey is performed annually to understand the scale and breadth of data we collect so the level of risk associated with this can be assessed.</p>

PRINCIPAL RISK	POTENTIAL IMPACT	HOW IT IS MANAGED AND REFLECTED IN OUR STRATEGIC PRIORITIES
COMPLIANCE RISKS		
TAXATION We may be subject to regulations restricting our activities or effecting changes in taxation. 	Changes in local or international tax rules, for example, as a consequence of the financial support programmes implemented by governments during the Covid-19 pandemic, the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting, and changes arising from the application of existing rules, or challenges by tax or competition authorities, may expose us to significant additional tax liabilities or impact the carrying value of our deferred tax assets, which would affect the future tax charge.	We actively monitor any proposed regulatory or statutory changes and consult with government agencies and regulatory bodies where possible on such proposed changes. Bi-annual briefings to the Audit Committee of significant changes in tax laws and their application and regular briefings to executive management. We engage advisors and legal counsel to obtain opinions on tax legislation and principles.
REGULATORY We are subject to strict anti-corruption, anti-bribery and anti-trust legislation and enforcement in the countries in which we operate. 	We operate in a number of markets where the corruption risk has been identified as high by groups such as Transparency International. Failure to comply or to create a culture opposed to corruption or failing to instil business practices that prevent corruption has previously and could expose us to civil and criminal sanctions.	Online and in-country ethics, anti-bribery, anti-corruption and anti-trust training on a Group-wide basis to raise awareness and seek compliance with our Code of Conduct and the Anti-Bribery & Corruption Policy. A continuously evolving business integrity function to ensure compliance with our codes and policies and remediation of any breaches of policy. Continuous communication of the Right to Speak confidential, independently operated helpline for our people and stakeholders to raise any potential breaches of our Code and policies, which are investigated and reported to the Audit Committee on a regular basis. Due diligence on acquisitions and on selecting and appointing suppliers and restrictions on the use of third-party consultants in connection with any client pitches. Rolling programme of creating shared financial services in the markets in which we operate and the creation of a new controls function in 2020. Risk Committees are well established at WPP and across the networks to monitor risk and compliance through all of our businesses and the enhancement of our business integrity programme across our markets. Gift and hospitality register and approvals process.
SANCTIONS We are subject to the laws of the United States, the EU, the UK and other jurisdictions that impose sanctions and regulate the supply of services to certain countries. The Russian invasion of Ukraine has caused the adoption of comprehensive sanctions by, among others, the EU, the United States and the UK, which restrict a wide range of trade and financial dealings with Russia and Russian persons. 	Failure to comply with these laws could expose us to civil and criminal penalties including fines and the imposition of economic sanctions against us and reputational damage and withdrawal of banking facilities which could materially impact our results.	Online training to raise awareness and seek compliance and updates for our companies on any new sanctions. Regular briefings to the Audit Committee and constant monitoring by the WPP legal team with assistance from external advisors of the sanctions regimes. Executive Committee briefed and working with WPP legal to ensure compliance with escalating sanctions as a consequence of the Russian invasion of Ukraine. We have taken a number of actions as a consequence of the invasion. We have announced the discontinuance of our operations in Russia and ensured compliance with all sanctions as they impact any clients, suppliers or financial arrangements.

PRINCIPAL RISK	POTENTIAL IMPACT	HOW IT IS MANAGED AND REFLECTED IN OUR STRATEGIC PRIORITIES
EMERGING RISKS		
Increased frequency of extreme weather and climate-related natural disasters. 	This includes storms, flooding, wildfires and water and heat stress which can damage our buildings, jeopardise the safety of our people and significantly disrupt our operations. At present 10% of our headcount is located in countries at "extreme" risk from the physical impacts of climate change in the next 30 years.	Our strategy of co-locating our people in WPP campuses is enabling us to centralise emergency preparedness procedures. It will also enable us to more efficiently deploy climate mitigation measures. We integrate climate-related risk assessment into the technical due diligence suite that we follow when we invest in a new campus building to help ensure that material, acute and chronic physical climate risks are considered in design and embedded into business continuity procedures.
Increased reputational risk associated with working on client briefs perceived to be environmentally detrimental and/or misrepresenting environmental claims. 	As consumer consciousness around climate change rises, our sector is seeing increased scrutiny of its role in driving unsustainable consumption. Our clients seek expert partners who can give recommendations that take into account stakeholder concerns around climate change. Additionally, WPP serves some clients whose business models are under increased scrutiny, for example energy companies or associated industry groups who are not actively decarbonising. This creates both a reputational and related financial risk for WPP if we are not rigorous in our content standards as we grow our sustainability-related services.	Our climate crisis training seeks to ensure that our people recognise the importance of our sector's role in addressing the climate crisis. It is part of a broader sustainability training programme being run in multiple markets with localised content in key regions. We have developed internal tools to help our people identify environmentally harmful briefs. These tools embed climate-related issues within existing content-review procedures across the organisation. The misrepresentation of environmental issues is governed by our Code of Conduct. We also ensure our policies reduce the risk that any client brief undermines the implementation of the Paris Agreement.
Changes in regulation and reporting standards. 	We could be subject to increased costs to comply with potential future changes in environmental laws and regulations and increasing carbon offset pricing to meet our net zero commitments. Carbon emission accounting for marketing and media is in its infancy and methodologies continue to evolve. This is particularly the case for emissions associated with digital media.	We are developing a net zero roadmap to deliver against our net zero commitments and aim to disclose more details of that roadmap in 2023. As part of this plan and through our work to decarbonise media and media supply chains, we are exploring opportunities to improve accounting for emissions from media. As we seek to limit emissions we need to reduce the total footprint of any product or service as far as possible. To manage the cost and quality of carbon credits purchased to offset remaining emissions, WPP developed a new offsetting policy and is further developing our offsetting strategy as part of our net zero roadmap.

CELEBRATING AN INDUSTRY LEGEND



Jeremy Bullmore has been described by Campaign magazine as "quite possibly the most admired man in advertising". He has contributed an essay to WPP's Annual Report for over 20 years. Thank you, Jeremy.

I can take no credit for one of the best decisions WPP has ever made: to invite Jeremy Bullmore to serve as a Non-Executive Director between 1988 and 2004 and, later, to join the WPP Advisory Board.

To mark Jeremy's retirement after almost 70 years with JWT and WPP I was going to write a particularly personal eulogy on the qualities that characterise every encounter with him: but the joys of Jeremy's counsel, wit and insight are widely famed. His ability to synthesise complex issues into actionable, entertaining advocacy represents our industry at its very best. And anyway, Jeremy is famously modest and has declined all our offers of public thanks.

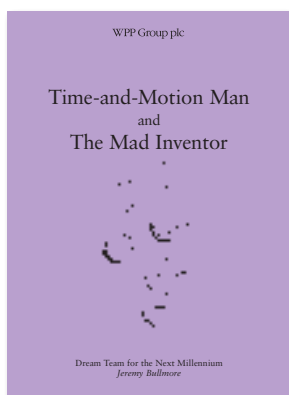
Jeremy has displayed the value he brought to WPP in his essays for this Annual Report. Here I have selected words from the essays which resonate and delight as much in 2022 as when they were written. They serve as a reminder of what is changing and what will always be true, however our role and expertise evolve.

With wide industry support, we are launching a Best of Bullmore public online archive later this year. Visitors will be able to access both the WPP essays and a treasure trove of Jeremy's books, journalism, agony uncle columns, speeches, advertisements and more.

Mark Read
Chief Executive Officer



Read all of Jeremy's essays here: wpp.com/the-bullmore-collection



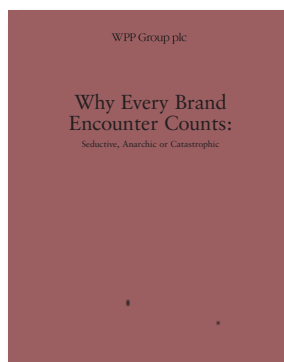
1998 TIME-AND-MOTION MAN AND THE MAD INVENTOR

"Where once there was an industrial age, and then an information age, we're now well into the age of the imagination: an age where the price and availability of knowledge and technology may favour the small over the large; the innocent over the experienced; the bold over the cautious; the inventive (and frequently wrong) over percentage-playing consolidators. An age where something called intellectual capital can make a nonsense of conventional balance sheets."

"As business learns to compete in the new creative age, the efficient exploitation of the imagination will be as critical to success as the exploitation of coal once was."

1999 WHY EVERY BRAND ENCOUNTER COUNTS: SEDUCTIVE, ANARCHIC OR CATASTROPHIC

"If we successfully traced and identified every encounter that had contributed over time to that brain's view of that brand, the resultant three-dimensional map would be like a huge bowl of multi-coloured spaghetti: as if we believe that only conventional communications will be noted by our publics and that all other encounters will be screened out. But no manifestation of a brand is ever ignored; and all will make some contribution, positive or negative, to that brand's reputation."



2001 POSH SPICE & PERSIL – BOTH BIG BRANDS; BOTH ALIVE; AND BOTH BELONGING TO THE PUBLIC

"It was very astute of the young Posh Spice to choose not Robbie Williams nor Sir Cliff Richard nor Madonna as her benchmark of fame but the country's best-known washing powder. Because just about the only thing that successful brands have in common is a kind of fame. Indeed, it's been suggested that brands are the real celebrities. And for most human beings, fame not only holds a powerful fascination but bestows an incalculable value on anything that enjoys it. We value the famous far more highly than the little known. It is one of the peculiarities of fame – whether for people or products – that real fame appears to be spectacularly untargeted."

"Victoria Beckham is one such example. So is Madonna. Real fame implies being known to millions of people who have never bought your records and never will. Stephen Hawking is known to millions of people who will never understand a word he writes; and to 10 times as many who will never even try to."

"To the consternation of media planners and buyers in advertising agencies, the same is true for brands."





2008 "I'M SORRY - YOU'VE LOST ME": FIVE WORDS NO BRAND SHOULD EVER HAVE TO HEAR

"We'll probably look back on this time and realise that 'old' media and 'new' media had more in common than we realised and that 'digital' was a curious word to have emerged as the name for a form of mass communication that gets closer to conversation than anything before it.

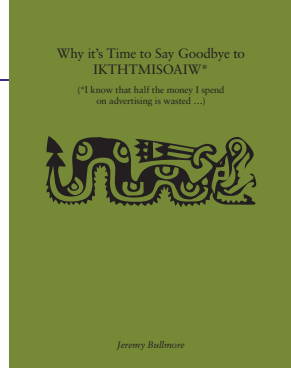
"It won't be tidy. But there really shouldn't be any excuses, during recessionary times or not, for brands to lose their followers through becoming too remote."

2011 PLONK AND PLACEBOS: THE CURIOUS TRUTH ABOUT STRONG BRANDS; AND WHY PEOPLE ARE RIGHT TO PREFER THEM

"A fancy label on a wine bottle won't make plonk acceptable. Bad stuff will always be bad stuff, however prettily presented. But wine that's known to have come from a French château will actually give more pleasure to most drinkers than will exactly the same wine poured from an anonymous bottle.

"Nobody's been deceived or duped; at little or no extra cost, more enjoyment has been delivered. For everyone in marketing, and particularly in marketing communications, all this clearly has huge implications; half-understood, perhaps, but strangely under-recognised.

"A brand is not just a product with lipstick on. A strong brand delivers a set of satisfactions as intertwined and interdependent as if they'd been whirled around together in a kitchen blender."

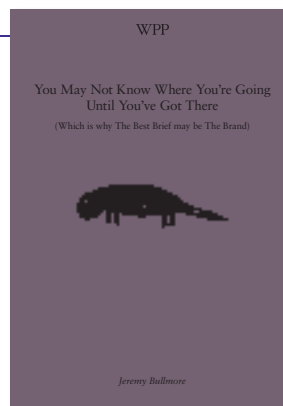
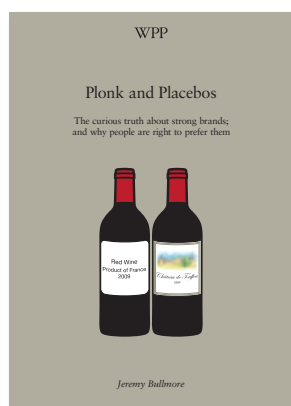


2013 WHY IT'S TIME TO SAY GOODBYE TO IKTHTMISOAIW (AS IN: "I KNOW THAT HALF THE MONEY I SPEND ON ADVERTISING IS WASTED...")

"Since IKTHTMISOAIW was first uttered (or not, as the case may be) the value of advertising has been put to the test, over and over again, in good times and bad, and its use continues. No advertiser spends money on advertising unthinkingly: it either earns its keep or it gets the elbow. If advertisers were offered the chance to be just as successful without it, they'd snatch at it.

"It must surely also be true that the unthinking parroting of IKTHTMISOAIW over the years must, at some level of consciousness, have deterred competitive enterprises – whether brands, financial institutions or charities – from making more profitable use of this invigorating activity. And there must be many smaller companies, the ones on whom even large national economies depend, who could have been even more successful had they not been almost unconsciously discouraged from using advertising by nothing more than unfounded superstition.

"It's probably too much to hope that IKTHTMISOAIW will ever meet the oblivion it deserves; but if we all join in, we can maybe start to make its perpetrators feel as ignorant as they are."



2014 YOU MAY NOT KNOW WHERE YOU'RE GOING UNTIL YOU'VE GOT THERE (WHICH IS WHY THE BEST BRIEF MAY BE THE BRAND)

"If we start by being honest with ourselves, we should happily concede that just about everything we've ever done of real originality and merit has contained some element of apparent accident – whose use and value became explicable apparent only after its unexpected emergence."

2016 JUST BECAUSE YOU CAN DOESN'T MEAN YOU SHOULD: HOW "PERSONALISATION" CAN GET ALTOGETHER TOO PERSONAL FOR COMFORT

"We don't, on the whole, like pushy people; people who get too close at parties and who tell us that they really, really want to be best friends. And in much the same way, we won't respond well to pushy brands; brands that claim to understand us when they clearly don't. So brands shouldn't be seen to be making all the running. The skilful brand custodian imbues a brand with characteristics and character that are most likely to attract the attention of its clearly defined target audience – and then invites that audience to make that final, all-important connection themselves."

2020 NOW IS THE TIME FOR BRANDS TO MAKE UP FOR LOST TIME

"On one subject, at least, all commentators are agreed. This last year has called for an unprecedented degree of re-examination. (And an unprecedented use of the word unprecedented.) Nothing can be taken comfortably for granted; just about everything needs to be pulled up by its roots, interrogated and tested for its inherent worth. And that is certainly true for The Brand.

"For many brands, the year 2021 will need to be a year of repair; a year where communications are called upon to help compensate for the absence of direct experience. It will demand creative excellence of the highest order; communications that are so true to the personality of the brand that they come close to being its proxy."

