

WPP Webinar: PR and Public Affairs

Transcript

Wednesday, 6th July 2022



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Introduction

John Rogers

Chief Financial Officer, WPP

Welcome

Good afternoon, or good morning, everyone. Thank you for joining us. We have got a great session lined up for you on a really successful part of our business, that we do not talk about that much. And that is, of course, our Public Relations and Public Affairs business. It represents over 10% of our business today. And over the last few years, we have built three very strong global brands:

- BCW;
- Hill+Knowlton Strategies; and
- FGS Global.

And I am pleased to say you are going to hear from the leaders from each of these businesses today.

This was one of our best performing businesses through COVID, as client demand for Board-level strategic communications advice was obviously very strong. And coming out of COVID, that demand has only accelerated, with key drivers being purpose, reputation, strategic M&A, crisis management, etc. So growth in Q1 was actually 14.1%, ahead of our overall business at 9.5%.

We are also increasingly seeing PR services acting as the tip of the spear for our creative and media agencies, or being very much part of an integrated offer, for example, on the likes of WBA and Coke.

Agenda

So now I am going to hand over first to Brooke Hovey, who is the Global President for BCW. She will then in turn pass the baton to AnnaMaria DeSalva, the Global CEO of Hill+Knowlton. And then finally, we will hear from Alexander Geiser, the CEO of our newly formed FGS Global business. And then, of course, we will take any questions that you may have.

So Brooke, over to you.

BCW Overview

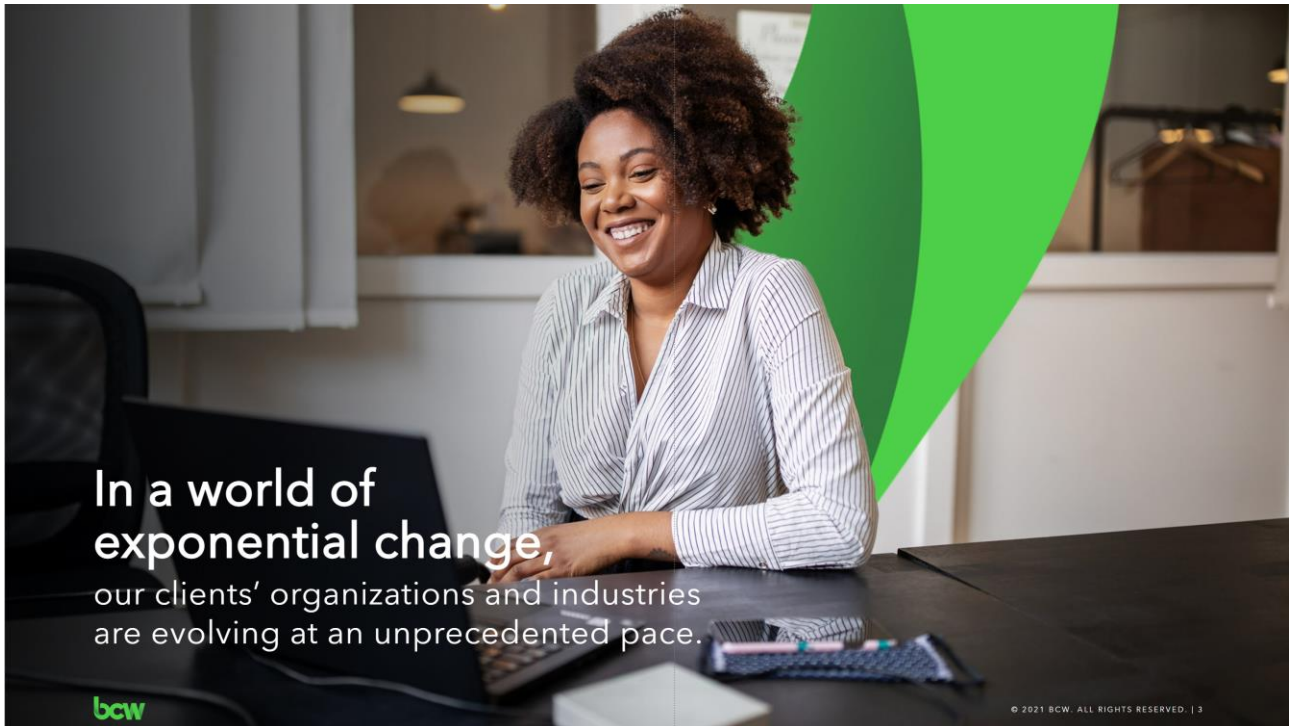
Brooke Hovey

Global President, BCW Global

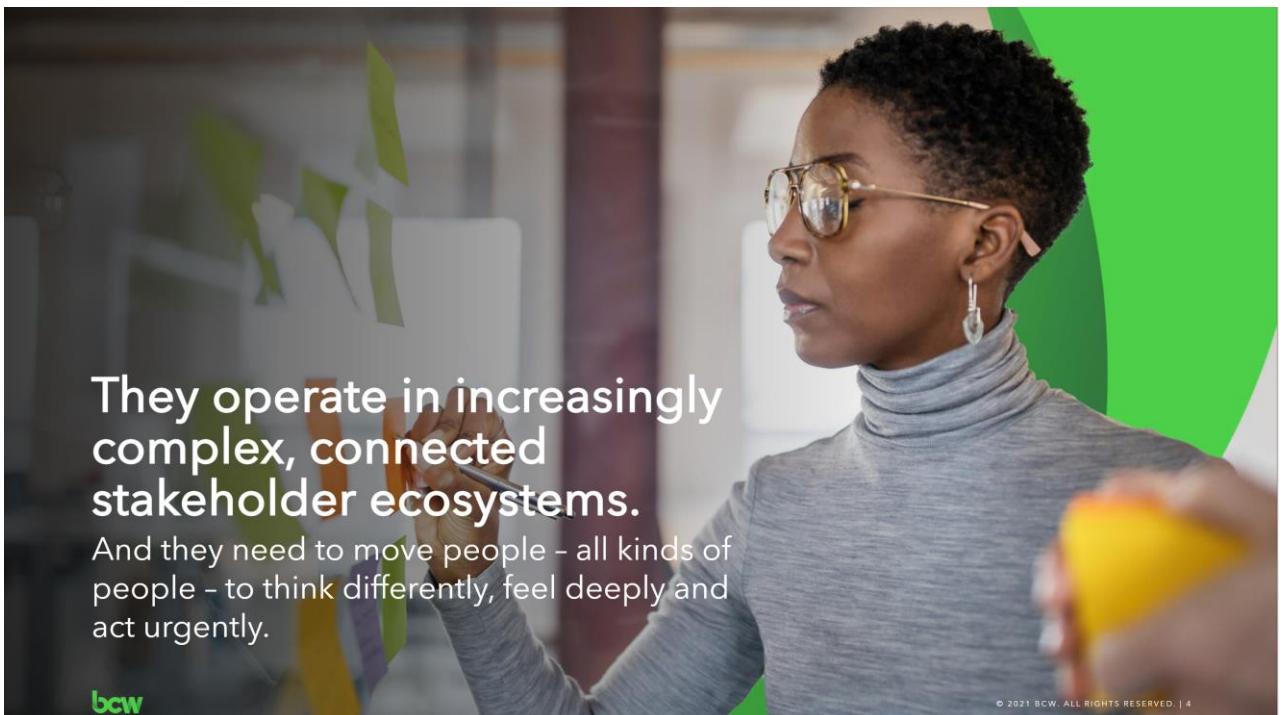
Welcome



Perfect. Thank you, John. So, Brooke Hovey here. As John said, I am the Global President of BCW, which is Burson Cohn & Wolfe. I have been with the agency in multiple roles over the years leading growth, leading digital key clients and so on. So, I am really excited to share an overview of BCW, and also some insight into how our discipline has evolved, and how we have really been at the forefront of that, along with my colleagues who you will hear from later.



We often get the question, what kind of agency is BCW? Are you a PR agency, a comms agency, an integrated agency? And I think rather than label what we are, I think it is really helpful to describe what it is that we do in the context in which our clients are operating today.



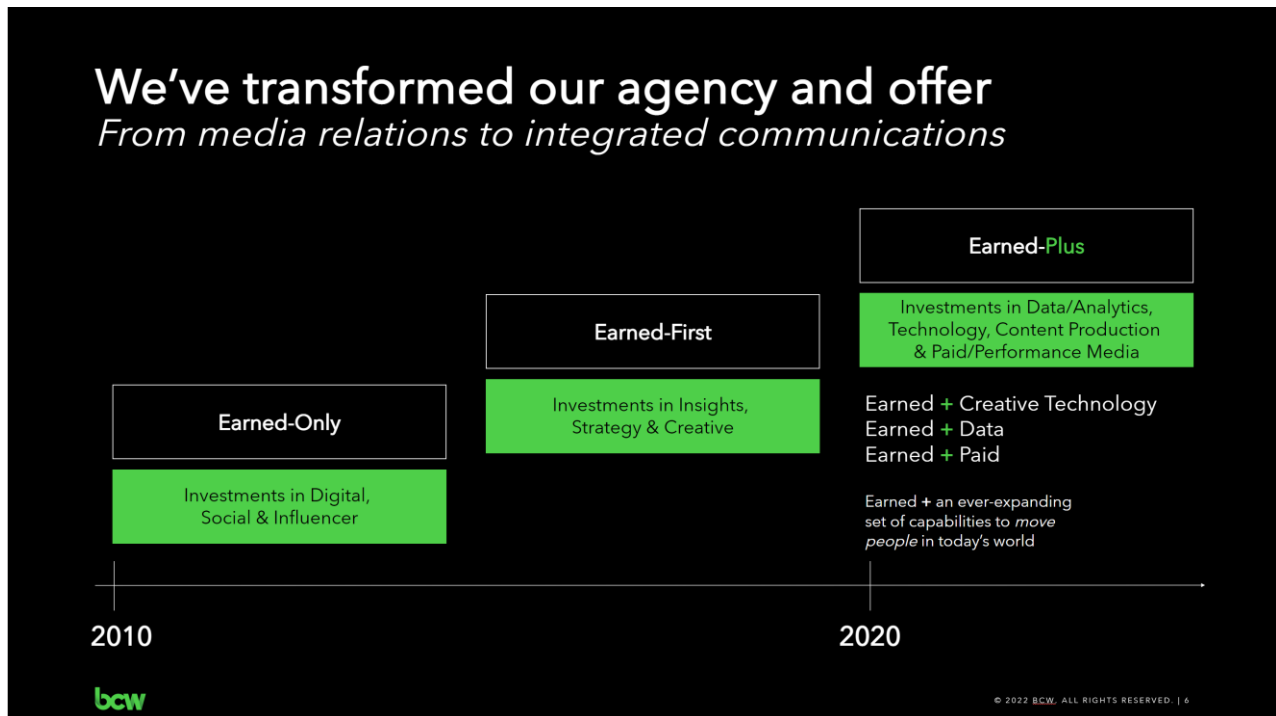
Virtually every client that we serve is in the midst of some kind of transformation, their business and their industry. And it is somewhat inevitable. But it is also, as John said, really accelerated by the events of the past three years, a global pandemic, geopolitical and social unrest, climate change and so on. So, this transformation is the backdrop of every brief that we receive, whether it is stated explicitly or not.



The thing is you cannot simply advertise your way through transformation. No disrespect to our advertising colleagues. But that is not enough. I think the environment that we are in demands really strategic, well-orchestrated communications. And that is why, to John's point, we have seen the communications function really rise in value and in respect. It is tremendously respected in the C-suite in their making Board level decisions.

Our clients operate in complex connected stakeholder ecosystems, and they need to bring every single audience along, not only consumers, but employees. Employees today are perhaps the most important stakeholder audience, also customers, partners, policymakers, investors. Our clients need every single audience to think differently to feel and to take action.

This is what we do. We move people with power and precision to move our clients forward day by day, audience by audience. This is what we do. We work to craft compelling stories, shape perceptions and drive our audiences to act so that our clients can thrive in this kind of a volatile environment. Simply put, we are a global full-service agency that is built to move people.



The question becomes, how do we do it? And I will just take a minute or two to give a tiny bit of history on how our discipline has evolved. So, 15 years ago, I think a PR agency really equated to media relations in the minds of most people. And that was the core of what a PR agency did was earned media relations. And actually, paid media was kind of a dirty word. We did not pay for coverage. We had to craft stories and we had to earn coverage and earn attention.

And by the way, that heritage is still a big differentiator and advantage for us today. But with the rise of social media, our business naturally evolved to be more at the forefront of influencer marketing, conversational marketing, content-driven marketing. That was the first evolution. Then we made investments into insight, strategy, creative, thought of ourselves as an earned first agency.

I will tell you now where we are today, something we are calling 'earned plus'. We are making big investments into data and analytics to better craft stories and engage audiences into technology, creative technology, content production, and then, of course, paid and performance media. Because our earned heritage still allows us to craft incredible stories, the paid media is critical to reaching and moving audiences in the right way.

I think with this change, we do compete against other disciplines today. All the disciplines are converging a little bit even within WPP. But we are always going to bring that unique strength in earned. And then specialisations in corporate communications, public affairs, crisis consulting, reputation, that is always going to give us an advantage.

BCW's Earned-Plus Offer

Full-Service Offer:

Brand Marketing • Corporate Reputation • Public Affairs
Government Relations • Issues & Crisis • Purpose / CSR / ESG
Financial Communications • Influencer Advocacy • DEI / Polycultural

Powered by Core Capabilities:

Research & Strategy • Creative • Data & Analytics • Integrated Earned,
Paid & Owned Media • Digital & Social • Technology

Deep Expertise Across Industries:

Agriculture • Automotive & Transportation • Beauty & Fashion • Energy
Entertainment • Financial Services • Food & Beverage • Governments
Health & Wellness • Manufacturing • Professional Services • Real Estate
Retail & Consumer Products • Technology • Travel & Hospitality



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This is the BCW Earned-plus offer. We are a full-service global agency, about 4,000 people around the world. Part of our advantage to clients is that we serve a lot of big brands in 30 plus countries. And we can say that as a team that we can do this kind of work and bring local insights on the ground every day.

Our offer spans brand marketing through to corporate reputation, public affairs, government relations, issues and crisis. We are doing a lot of work in DE&I consulting, or poly cultural consulting as we call it. All of these solutions, though, are powered by core capabilities in strategy, creative, data, integrated media, so not just earned but paid, digital, social and technology. And then a real advantage for us is we have deep, deep industry expertise.

And here, we can compete with and complement some of the bigger consulting firms, because we have experts who are incredibly knowledgeable in transportation, supply chain, travel, tech, you name it. So, this is the offer at the glance.

Strategic Priority: Corporate Affairs

- Corporate Positioning & Narrative Development
- Executive Visibility & Communications
- Purpose & ESG (Environmental, Social, Governance)
- Diversity, Equity & Inclusion
- Financial Communications
- Business Transformation, Employee Engagement & Activision
- Issues & Crisis
- Public Policy, Advocacy & International Trade

bcw

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I am just going to underscore specifically some of the work that we are doing in corporate affairs. This is becoming even more of a priority for us now based on what our clients are needing from us. So here is a snapshot of what we do in corporate affairs. Corporate positioning, executive visibility. As John said, a lot of work in purpose and ESG, so environmental, social, governance. We are working with clients to craft their ESG strategies and stories. DEI, fin comms, employee issues and so on. This is a big part of our business today.



And with that, I selected two cases that I think are good illustrations of the kind of work that we do today. So, I think this first one sets up itself pretty nicely. So I will just go ahead and roll tape on this one.

[Dollar General case study played]

All right. And I am not sure where everyone on this call is based and if everyone is familiar with Dollar General. But it is a really important retailer here in the States. And so in this, hopefully, you can see that we created the creative platform here for what matters, executed across a range of audiences. Our job was to appeal to multiple stakeholder audiences, including their employees, and it is a really powerful purpose-driven campaign.

I am going to share one more example, also a purpose-driven campaign. This is a work that was done out of Sweden, for a leading insurance company out of Sweden. And it is a good example of how when we are creating stories, we are also trying to solve purely important problems, life, or death problems in some cases. So let us look at this case from Trygg-Hansa.

[Trygg-Hansa case study played]

Obviously, we are really proud of this work. It is really important work. What I would say too for this company, it is a multiyear campaign. So, the tattoos, that was the idea for this year. In prior years, we have created apps. For example, we created an app that would go into "beach mode". It uses geolocation, so that when you are close to a beach, it actually goes into a different mode, making sure that parents are more attentive to their child being in the water. So, a multiyear commitment that does far more than create buzz. It truly does have the potential to change consumer behaviour and to save lives.

That is an introduction to BCW. And I am happy to handover to my colleague, AnnaMaria next.

Hill+Knowlton Strategies Overview

AnnaMaria DeSalva

Chairman & CEO, Hill+Knowlton Strategies

Welcome



Brooke, thanks so much. Appreciate the introduction. And by the way, that was a great way to get us started and to set the table really for the role of our discipline in our segment.

I am AnnaMaria DeSalva. I am the CEO of Hill+Knowlton Strategies and I am really delighted to be a part of this conversation today because the segment is so important, both strategically and now I think with a significant growth and value creation opportunity. And we see that has certainly been true for Hill+Knowlton, which some of you may know, is essentially the category creator.

We were founded in 1927 by John Hill. And we have had a distinctive presence in the industry but like every great mature company, we have had to renew. And I think that we are going through a really exciting period of renewal right now as we consider our purpose and consider how to really invest in the capabilities that grow our resiliency and relevancy at this extraordinary time when there has never been frankly so much demand for the discipline.



What is striking, is that Hill+Knowlton is a well-known American brand but we have become very international. And it has been exciting to see the development of the company well beyond North America. And in fact, some of our most dynamic growth is in other regions all around the world.

I feel as though we are bringing to bear that capability in both strategy and global execution for very large clients globally, but also we have a long tail of clients, who are both regional and local. So I think that we have rather extraordinary diversity in the client portfolio and rather extraordinary diversity in our staff and in our employee population globally.

I think that the growth that we have enjoyed over the last several years also has been very consistent in regions around the world. So the quality of our result has been striking. And I feel like we, at H+K, are just really energised to be a part of a globally thriving company both at the H+K level and also at the WPP level.

I would like to share with you a couple of thoughts and insights that have really guided our renewal and revitalisation.

Market interest in our renewal is high

"We need counselors who understand interdependencies and who are able to fly into integrated unclear areas – disciplines are all converging."

"I have a strong bias for a lead firm who acts as an integrator to take the complexity out of a massively complex environment."

"It's imperative to have true business acumen. You can tell almost instantly who's a business leader who does communications vs a communicator who works in a business. If you are the latter, you can't drive strategy."

"You (H+K) have the advantage of being an established and sophisticated, mature firm that can apply a disruptive mindset - and also better synthesize strategy and execution."

Investing for our next era of achievement

- Corporate Advisory
- Public Affairs
- Innovation and Creativity
- ESG and Sustainability
- Data and Technology
- People and Culture
- Client Service

15 | © Hill+Knowlton Strategies

I would love to share with you a perspective, really the voice of the customer. And you can see on the left-hand side of the quote, some very poignant insights that we have sought from major leaders in our industry and beyond, who have reflected with us, where Hill+Knowlton can and should go in its second century, and what they most want and need right now in a strategic communications partner.

And you could see some of these themes are consistent with some of the remarks that Brooke made a few minutes ago, in terms of the extraordinary interdependencies, the need to have strategic communications partners who can move into integrated unclear areas, because the disciplines are converging, that they are looking for a large firm to be an integrator that can help take the complexity out of a massively complex environment, and that there is also a high standard now for business acumen. And that they want to see business leadership with a communications capability instead of traditional communicators.

And I feel as though they are asking Hill+Knowlton, in particular, to lean into the fact that we are an established and mature firm, and that we also have the brands and the creativity to apply a disruptive mindset. And they also see that we can synthesise both strategy and execution in a way that can be difficult for many other companies. And so this market opportunity has guided our growth strategy and our investment strategy. On the right-hand side of the slide, you can see the themes, the places where we are focused in terms of building strength and capability. We could double click on each of these, and each would have a story and a chapter that would be very exciting and very dynamic. And of course, we do not have time for that. But from a corporate advisory standpoint, we are looking into building the types of capability for clients when they have their most value determinative events; public affairs responding to the extraordinary role that governments are playing now in business all around the world and regulators; and also, this extraordinary geopolitical shift that is occurring and the changing world order.

We have an interdisciplinary approach to innovation and creativity with I+C hubs that are being built in about seven regions all around the world that are really driving our new business and client performance.

I am going to talk a little bit about ESG and sustainability. Data and technology play a very large role across the WPP portfolio. And that is certainly true in this segment. At H+K, we are looking at specific investments to expand our capability in data science and intelligence. And of course, this is a people business. So, people are the product, so it could not be more important now to have a really robust talent, end to end talent strategy for attraction and development and retention.

And clients are at the centre of our business. So, I feel as though we have had just a tremendous emphasis on improving our client service methodology and growing our large and medium relationships, in particular, which has contributed so much to our organic growth.

So, with that, as a little bit of backdrop, I will share with you a philosophy, the opportunity that we see on this slide.



And building on these client insights we are really mining the fusion of growth, risk and reputation to transform outcomes for our clients. And our clients, when they talk about interdependency, when they talk about convergence, really what they are saying is, they never talk to one stakeholder about one thing anymore at one time. There are layers. There is multiplicity of interests in stakeholders. And your commercial objective one day becomes public affairs issue the next day. Convergence now affects the intangible value created by both brand and reputation. So, it is this intersectionality that we find that really has to guide the work we do, the people we hire.

And to add some dimension to this, if you consider the domains of growth, risk and reputation, there are vivid examples of where we solve for clients problems and opportunities in each of these areas that have a lot of impact and relevancy for the others.

Working at the heart of sustainable value creation

H+K mines the fusion of Growth, Risk and Reputation to transform outcomes

Reputation

A global natural resources company experienced a crisis that profoundly damaged the credibility of management and board. H+K board level engagement established proactive reputation strategies as central to value creation. A purpose-centric approach improved all outcomes, including shareholder return.

Risk

H+K has been engaged by the global management board and risk management team of a leading global retailer to provide ongoing political and military analysis and scenario planning before and after Russia's invasion of Ukraine, informing crisis management, business continuity, ongoing operations, and supply chain.

Growth

H+K has developed bespoke brands for one of the world's largest airlines for its cleanliness and broad ESG initiatives, increasing awareness and preference for the master brand to capture market share globally.

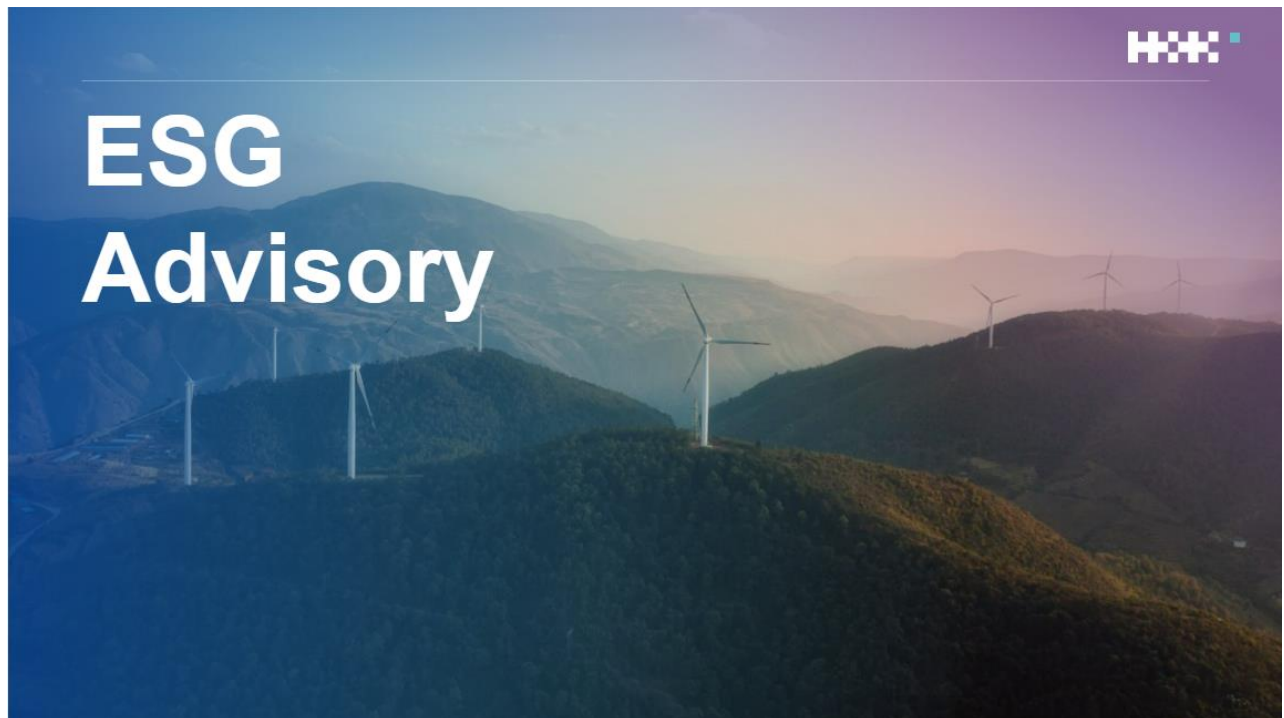
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I can just tell you briefly some recent experiences. In the risk domain, we have been engaged by the Global Management Board and the Risk Management Team of a leading global retailer to provide ongoing political and even military analysis, both before and after Russia's invasion of Ukraine. And they have used this information to inform their business continuity plan, their crisis management and supply chain decision making, because they have significant exposure in both markets.

From a growth standpoint, we have worked for one of the world's leading airlines to create new brands that really focus on their cleanliness and also their broad ESG commitment. And that work has helped increase awareness and preference for the corporate master brand, which has helped them capture market share globally.

And from a reputation standpoint, we have worked recently with a global natural resources company that has experienced a really existential crisis that profoundly damaged the credibility of Management and Board. And I feel like our Board-level engagement with that firm made it possible to establish proactive reputation management as really central to value creation. And a very purpose-centric approach for this company improved all their outcomes, including shareholder return in the wake of a really difficult disaster.

So, this gives you a sense of the range of what we are doing, from a growth, risk and reputation standpoint, and often times, how those domains intersect, and how we are always surfing the fusion between these business imperatives to drive long-term value for clients.



I would like to go a little bit deeper to talk about where this is especially visible right now, and that has to do with our growing ESG advisory business. And I am sure you are very aware of the emphasis now on sustainability and ESG communications. And certainly, many companies in our category are involved in communicating sustainability commitments and efforts.

We find now that we are moving upstream. And the people that we are hiring into the company are very much focused on the business strategies and the concrete decision making and data inputs that go into making these commitments and creating road maps to fulfil them. And I think we have had some important examples of that most recently, in a couple of different categories.

A graphic with a blue-to-purple gradient background. The text "Climate action planning for a leading freight rail provider" is written in white, sans-serif font. Below it, there is a list of bullet points. In the background, there is a landscape of a forested valley with a winding road and train tracks. A small logo consisting of a grid of squares is in the top right corner.

Climate action planning for a leading freight rail provider

Deliver the plan to fulfill a net zero by 2050 pledge and assemble the world's largest battery-electric locomotive fleet.

- Reducing Scope 1 and 2 greenhouse gas emissions 26% by the end of this decade.
- Publishing a comprehensive report disclosing climate risk assessment strategy and climate governance.
- Followed by an announcement to make the largest investment in battery-electric locomotive technology by a U.S. Class I railroad.

19 | © Hill+Knowlton Strategies

Here is an example of some really exciting work we did, climate action planning for a leading rail freight company. This was a company that, like many companies, have enthusiastically made a commitment to support the Paris Agreement. And they wanted to fulfil a net zero commitment by 2050. It is very hard to do in their segment because the technology is not catching up. And so, they quickly found that they had to have a much more tangible plan. And we worked with them to determine how to reduce their Scope 1 and 2 greenhouse gas emissions 26% by the end of the decade.

We worked with them to develop a comprehensive report that would disclose their climate risk assessment strategy, and also how they were going to govern their process going forward. And then that was followed by an announcement to make the largest investment in battery electric locomotive technology by a US Class 1 railroad.

So, this was a really defining, unprecedented commitment. It's also an example of how companies like Hill+Knowlton engage with both strategy and communication to achieve better result. All of this work was publicly recognised recently by President Biden.



We have done some similar work with P&G, who is one of our longest standing clients. We have worked with them for a very long time across various corporate reputation and corporate brand opportunities. But as we have built our strength and sustainability strategy, we have been able to work with them to also substantiate and help their leadership determine a net zero 2040 commitment. So, I think that they were, like many companies, very concerned, understandably cautious about wanting to make a really robust substantiated net zero commitment and not have it be arbitrary.

And when they communicated their commitment, they wanted there to be a roadmap and a legitimate path to fulfilment that they could engage with their stakeholders on and across their supply chain. And so we did the formative work, the benchmark analysis, the other analyses to help inform management's discussion with the Board. And then once the

commitment was made, the end-to-end communication strategy and engagement with all their stakeholders across their supply chain.

So, I hope this gives you a little bit of texture of how ESG advisory is really becoming a very vivid example of what we do to ensure robust sustainability strategy and comprehensive communication.

Driving vaccine equity to fight COVID-19

15 million+ vaccinations at zip codes ranked high on the Social Vulnerability Index.

Intent to get vaccinated among minority audiences increased from **55 to 72%**

Successful campaign strengthened Walgreens' position as a trusted neighborhood health destination

21 | © Hill+Knowlton Strategies

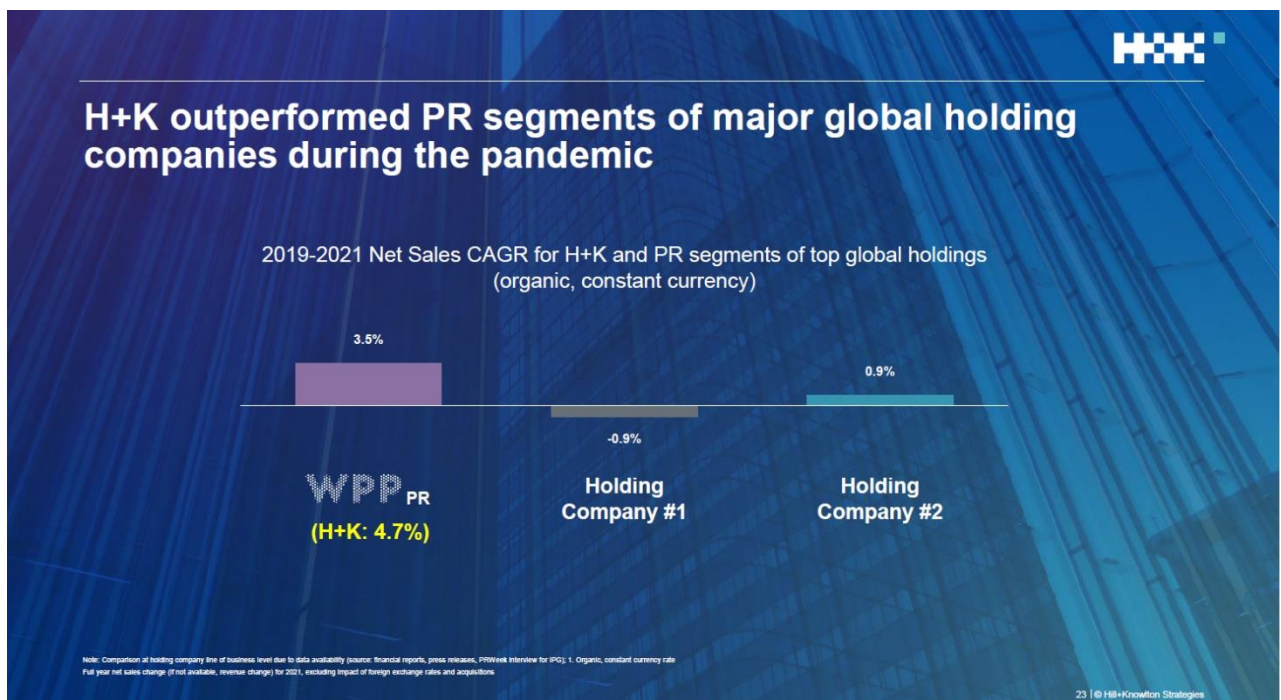
I will just quickly acknowledge that we have done some wonderful work across the pandemic with Walgreens and WBA to really creatively engage with driving immunisation strategy and growth with those who are most vulnerable and those who are most at risk and where vaccine inequities have been the most persistent.

And I think that it is just an incredible public health story, again, based on a commitment by WBA, a recognition that they have an outsized role to play to get into these communities and transform public health outcomes, but also tapping into our significant creativity and innovation capability to understand what would actually work and how to reach these difficult-to-reach populations.

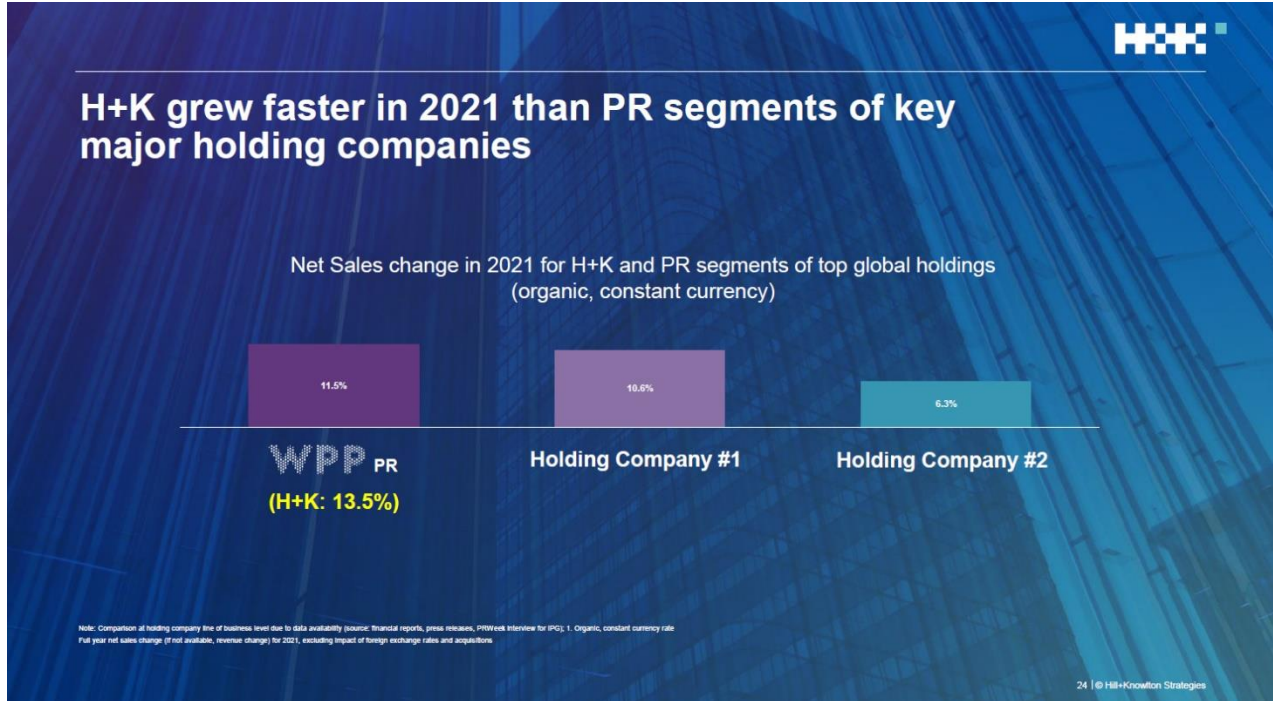


I would like to share some data as I conclude here to add some additional perspective. I have dedicated my career to corporate communication, strategic communication. I am a boomerang to Hill+Knowlton. I was here in the late 2000s, leading the global healthcare practice. I spent about a dozen years as a senior client. I am technically still a client because I am Vice Chairman of the Board of a supply chain management and freight transportation company, globally, and also their governance and sustainability chair on the Board.

And so all of these issues and all of these opportunities really mean a great deal to me. It is something that I understand deeply in terms of our market opportunity and the opportunity for investment.



It has been just great to see that there has been a receptivity to our value proposition and, that we have been able to perform as Hill+Knowlton during the pandemic. And in the ways that John Rogers described at the start of the call, our experience has been almost countercyclical during a downturn and as the world becomes more chaotic, demands for our services increase.



You can see that there has been really attractive growth in the category and an opportunity for us at WPP to participate in that growth and to be growth companies ourselves and to grow even faster than the market. So, I am passionate about our opportunity as H+K and as WPP and across the segment to do even more and to be an engine for value creation for WPP going forward.



We are rebranding Hill+Knowlton. It is just a reflection that I would like to leave with you that our work really has never mattered more. And this is a call to action and, an expression of purpose. We do live in an era of disruption. It is an extraordinary time. But at the same time, there is an opportunity and a race to ignite innovation to generate more growth, that there are grand challenges. And all of these grand challenges demand extraordinary communication.

And I think what you are seeing is across these companies at WPP, across the category, just an ability to respond to that challenge and to build these assets for purpose. And that is what we feel like we are doing at H+K.

So, thank you. And with that, I will hand it over to Alexander to talk about FGS Global.

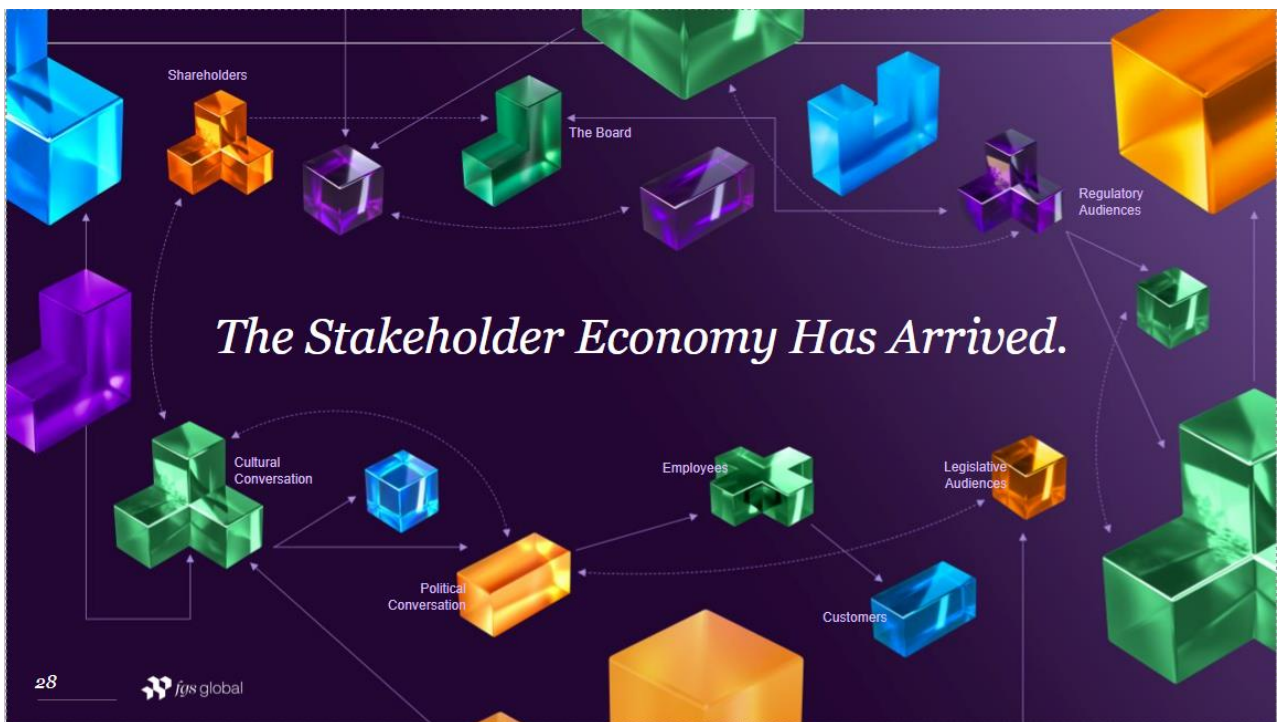
FGS Global Overview

Alexander Geiser
CEO, FGS Global

Welcome



Hi, AnnaMaria. Thank you. I feel just as passionate. Looks awesome. We are the new kid on the block.



We are a lot smaller. We are a lot younger. But the core principle is the same. The world has moved. You have heard it from Larry Fink. You have heard it from others. You are reading it, you are seeing it, you are experiencing it yourself. We are moving from the shareholder economy to the stakeholder economy.

As a firm, and I think that is probably the biggest difference to my previous speakers, we are very focused on work that matters to the boardroom and to the C-suite. So, we tend not to (in 99.9% of cases) work for products. And that is what the firm essentially is built for. We are helping companies to essentially execute against stakeholder-related issues. I will get into that and what that looks like.

The Strategic Advisor For The Stakeholder Economy

Complete Integrated Offering
Strong Momentum
Select Global Clients

The Strategic Advisor For The Stakeholder Economy

 **fgs global** – Global Team. Local Experts.

26
Offices

1,200
Professionals

26
Languages spoken



29 

NORTH AMERICA

Boston	New York
Chicago	San Francisco
Houston	South Florida
Kingston	Washington, DC
Los Angeles	

EUROPE

Berlin	London
Brussels	Munich
Dublin	Paris
Düsseldorf	Zurich
Frankfurt	

MIDDLE EAST

Abu Dhabi
Dubai
Riyadh

ASIA

Beijing
Hong Kong
Shanghai
Singapore
Tokyo

- For that, we had to build a global firm. So, we merged four firms:
- Sard Verbinen and Co, which some of you might be familiar with, traditionally the number one leading financial communication, transaction communications, shareholder activism, crisis communications firm in the US;
- Finsbury, which was the number one financial communications firm in London and built up a tremendous business in Asia, and also had a very strong crisis operation in the US;
- Hering Schuppener, which was the leading capital markets and crisis and regulatory communications firm in Europe; and
- The Glover Park Group, which was the leading public affairs firm in Washington D.C.

And we merged those four firms. Over the last 18 months, and it was a busy 18 months, we merged them together into FGS Global. So, the brand is new, the name is new. And we actually launched it three weeks ago, and now are essentially one single operating platform globally, one firm, 1,200 professionals, 500 of those are shareholders in the company themselves. So, it is a true partnership. And as the CEO, I serve the partnership and really help steer the organisation forward.

The Strategic Advisor For The Shareholder Economy
Complete Integrated Offering
Strong Momentum
Select Global Clients

Complete Integrated Offering

Five Practice Areas

- Transaction and Financial Communications
- Corporate Reputation and Leadership Strategies
- Crisis Issues and Management
- Government Affairs, Policy, and Advocacy
- Transformation and Change

Additional Capabilities

- Presentation and Media Coaching
- Research and Insights
- Digital Strategy
- Design and Creative Services

#1
M&A firm by deal value and count in 2021 (Mergermarket)

>\$100B
of global IPOs since 2010

14
stock exchanges in which we have capital market experience

\$1.2T
combined AUM of top 5 PE clients

#1
firm for Crisis & Risk Management and Litigation Support 2021/ 2022 (Chambers)

30 fgs global

The business is very clearly set up against what matters to the C-suite. We have five practice areas. One is focused on transactional financial communications. They work on issues such as the takeover battle for Twitter, think of Porsche and their ambition to go public this year, Ernst & Young in their proposed split of the company and potential listing of the consulting business, think of the potential Arm IPO, think of Zendesk, think of VMware, think of Spirit Airlines, those kinds of projects. And obviously a market leader for decades in shareholder activism and helping Boards deal with activists.

The second area of focus is our corporate reputation and leadership strategies business. Think of a thousand CEOs and chairs and helping them launch their strategies, articulate their strategies, and not just to the capital market, but to all stakeholder groups, to customers, to their leadership teams, Boards, media, etc., and making sure that the strategy essentially continues to resonate and feels compelling to your stakeholder groups over time.

The third practice group is crisis and issues management. We were actually ranked last week as the only firm in the US by Chambers in their Band 1 category, ranking us as the number one crisis communications firm. And that is something that we are very proud of. We have a tremendous team, over 200 colleagues around the world. So, when Volkswagen had the diesel crisis, we have 40 people jumping in, those kinds of things.

Our fourth major practice is our government relations practice. Think 300 professionals between, Washington, Beijing, Brussels, Berlin, etc., really helping companies with mission critical work in getting their licence to operate in political capitals.

The Strategic Advisor For The Stakeholder Economy
 Complete Integrated Offering
 Strong Momentum
 Select Global Clients

Strong Momentum

<p><i>Highest-profile transactions</i></p>	<p><i>Multi-regional work increases</i></p> <p>200 clients expanded their work across regions*</p>
<p><i>Rising number of integrated campaigns</i></p> <p>UNITEDHEALTH GROUP BIONTECH zoom</p>	<p><i>Clients continue sticking with us</i></p> <p>150+ clients with a 10 year+ relationship</p>
<p><i>Clients “double-down” with us</i></p> <p>40%+ clients with fees in excess of \$1M*</p>	<p><i>2021 all-time high new business</i></p> <p>18% revenue growth in 2021 (YoY)</p>

31 *Between the Finsbury Glover Hering and Sard Verbrinnen & Co merger and the end of 2021

If we look at the momentum, last year we grew 18%, globally. So, it was a tremendous year. And we are really doing the work that we want to do, gaining market share.

The momentum we are building now is building on decades of having gained trust among literally thousands of management teams. Over the past four decades, we have been down the foxhole with leading investment banks, law firms, so on and so forth. And they trust us because we have been there – together.

BioNTech was actually referred to us via a banker who we worked with on another transaction. He recommended us and then we were brought in, and the company was like, “Listen, we need to license essentially in political capitals around the world very quickly. We need to get capital in. We have a billionaire German family behind us. We need to make sure that they essentially sign up to this. We need to develop this relationship with Pfizer and so on and so forth, and get it all communicated, especially to markets. And all that happened while the „phone" was ringing off the hook with the world’s media wanting to find out more about the company.

So, we brought in 40 people from around the world - essentially went to a small town near Frankfurt and worked there. And that is really what clients love about us, because the firm essentially originated in the transactions and the political campaigns business. Just to give you an idea for the talent, we have the campaign manager for Macron in Paris, we have the person who ran all three winning chancellor campaigns for Angela Merkel, and so on and so forth.

And those people come together, and they come in and they come in to win. And what that has led to, since we have announced the merger, is that our client relationships are growing. Clients are really saying – “finally, you are a global firm, so we can really deploy you globally and not just locally.”

So, over the last year, we have had an increase of 40% of clients where we charge fees in excess of \$1 million. We have had 200 clients expand their work from one geographic region to multiple regions with us, which was tremendous. And that obviously, is on the back of having 150 clients that we have been working with for a decade plus, and that obviously led to great organic growth.

And even this year to date, we are up near double digits, despite having been the market leader in SPACs last year in the US, which essentially is a business that went to zero. So, we have replaced quite a bit of business, and that shows the resilience of the business.

The Strategic Advisor For The Stakeholder Economy

Complete Integrated Offering Strong Momentum Select Global Clients

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 <ul style="list-style-type: none"> — Capital markets — Activist strategy — Across 3 continents 	 <ul style="list-style-type: none"> — CEO positioning — Redefining ESG strategy — Corporate Strategy 	 <ul style="list-style-type: none"> — Government relations — Corporate & Leadership positioning — Across 4 continents 	 <ul style="list-style-type: none"> — New corporate strategy — Financial communications — Across 3 continents
 <ul style="list-style-type: none"> — M&A — Strategic board room adviser — Across 2 continents 	 <ul style="list-style-type: none"> — Crisis & litigation — Leadership visibility — External positioning — Thought leadership 	 <ul style="list-style-type: none"> — C-suite advisers — Litigation communications — Issues management 	 <ul style="list-style-type: none"> — Deal of the decade in UK telecoms — Board level adviser — Comms and Government relations
 <ul style="list-style-type: none"> — Issues management — Reputation communications — Government relations 	 <ul style="list-style-type: none"> — Financial communications — Corporate narrative — Across 3 continents 	 <ul style="list-style-type: none"> — M&A — Regulatory — Board room adviser 	 <ul style="list-style-type: none"> — Global fund expansion — M&A

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This slide provides you a brief overview of some of the companies that we are currently working with, some of the biggest companies in the world. And these are all focused on top level work. Bayer is a client we are very proud of.

And if you have questions on any of the others, do not hesitate to ask later. And maybe with that, I will pass it on to you, Peregrine, for Q&A.

Q&A

Peregrine Riviere: Super. Thank you so much everyone for that. We have got about 15 minutes now to take your questions. We have had a few that have come in.

So, I guess the first question we have is, who do you see as your main competitors? And how are you differentiated from them?

AnnaMaria DeSalva: Sure, I would be delighted. Well, look, it varies, because as you could see the point that I made about diversity, and then we have extraordinary geographic diversity. We have incredible diversity in the portfolio. And a big part of our proposition is to be the integrator working at the strategic hub with very senior clients who are dealing with the fusion of growth, risk and reputation.

There are specialist companies that are also our competition. On the one hand, we compete with the other large global firms that are supporting clients globally all around the world, and those are some of the biggest companies in our category. Then we have some competitors, who are specialists either in the public affairs, financial communications or even brand domains.

I have a short list of companies that I benchmark against and that I keep a close eye on, who I think are our most worthy competitors, but they tend to break down into those general categories.

Brooke Hovey: And I would echo some of what AnnaMaria said as well. Because we are a full service business, it really depends on the service that we are selling. So we do compete with the other large integrated marketing, communications agencies, whether that is Edelman or Weber Shandwick or those from time to time.

We do compete with more specialised consultancies. And I think as we lean more into strategy, creative digital, we compete against creative agencies and digital agencies, even media agencies that are vying for the same type of influencer marketing work. So, it is a pretty broad spectrum of competitors.

Alexander Geiser: And for us, on the traditional side, it is essentially Brunswick, Teneo and FTI in different kind of variations. Those are our key competitors. In the US specifically, for our capital markets communications, it will be Joele Frank.

And on the corporate leadership and strategy side, it is a good one. I had a meeting with a senior partner of a strategic business consultancy a couple of months ago at a client Board meeting. And he, after the meeting, said, you guys are essentially stealing the last mile from us. And that is obviously one of our big opportunities that as it becomes more difficult for leaders to lead, we are the firm they turn to, because they know us, they know we understand stakeholders and not just shareholders and then we help them devise essentially their leadership strategies and so on and so forth, and work hand in hand with, whoever it may be, Goldman Sachs, Morgan Stanley, the law firms, McKinsey, BCG, etc.

The core focus essentially is built on taking a little bit from everybody, and that little bit, as ever marginal that may be, is quite meaningful to us.

Peregrine Riviere: Super. Thank you. There are a couple of questions here that I think I am going to combine, because they are kind of two sides of the same coin. So do you see an

increasing trend of your services being integrated with eg, creative agencies in the Group, is one. And then from Steve Liechti. Can you please discuss conflicts with other group agencies in a converged world? So, I guess that is the yin and yang of integrated services. Brooke, why don't you take that?

Brooke Hovey: I think, within WPP, we are involved in the vast majority of the WPP key client teams. I think one thing that WPP has done really, really well culturally is just to get a client-centric mindset to how we do our business, how we go to market. So, we are part of fully integrated teams. Every organisation demands a slightly different structure in terms of whether there is a lead agency or not. But I think more often than not, we are a part of an integrated WPP team.

We do overlap in some parts of our services. But that is usually pretty easy to resolve. And probably one thing you have heard on this call is that we bring different specialisations that our sister agencies do not when it comes to this pretty complex consulting around corporate affairs, public affairs, ESG, and of course, that earned heritage.

AnnaMaria DeSalva: And Peregrine, if you do not mind, if I could just add to that one example that I would not name by name. But WPP has a very large global client that we and other companies support, and we play a large role in creating communication solutions for that client all around the world. And that client has a new CEO, who believes that in today's world, the earned strategy and the influencer strategy is much more important than the paid strategy.

And so it begins to turn the relationship and the strategic emphasis, and the demand for our discipline starts to become a much bigger part of the mix. It is a great example of a multiyear engagement, where the integration of disciplines has been critical to the success, and where WPP's ability to flex into the earned and influencer strategy, part of the relationship now is just so important.

Peregrine Riviere: Alex, anything you would like to add?

Alexander Geiser: WPP is great at identifying opportunities where FGS Global can support. As we tend to have really strong Board and C-suite relationships, we can help WPP gain a bit of an edge.

WPP recently had a very meaningful pitch on a client we already had. Once we found out that the WPP team was trying to get their bearings, we simply took a couple of partners who really had been working with the Board and with the senior leadership and knew everybody and really helped the team and said, "Listen, we can give you a briefing that the client will probably not give you and really tell you this is the strategy, this is this stuff that you really need to look at. This is where their head is at, this is what is important, and so on and so forth." It really created a win-win for the client and for WPP.

Peregrine Riviere: Okay, fantastic. In a way that takes us into the next question on the benefits of being part of WPP. Clearly, there is that cross fertilisation of information and ideas. Anything else the team would like to bring out? I guess, AnnaMaria, you have probably seen this more than anyone.

AnnaMaria DeSalva: We pull on the capabilities, the relationships, for sure. And we, H+K have collaborated with Alex and have been a beneficiary in the way that he just described

actually with one of their significant clients. So that collaboration is invaluable. The range of capabilities and the opportunity to innovate, I think, is what becomes very exciting. We see this through the Executive Committee that Mark Read has established.

It gives all the operating company CEOs of the major companies a chance to be together on a regular basis to form relationships. And it gives us fodder for new types of collaborations and avenues for more innovation. I think that is important. From a technology standpoint, at Hill+Knowlton, we have just hired our first Global Chief Technology Officer, and that is indeed an opportunity that really became very clear to me as a new CEO, given WPP's investment and commitment to technology. And also going back to the voice of the customer, some of our very large clients were asking us for more technological innovation.

So, I feel as though I had the confidence and the range and the scope to be able to start looking very proactively and very creatively about what we can do from a technology standpoint and within the WPP ecosystem. So those are just a few I would say.

Brooke Hovey: If I could just add to that, building on that, I do think the investments that WPP has made into central data solutions and a data community, into AI, into some of the different more tech and platform partnerships. All of that is very easy for opcos like ourselves to leverage. So, we do not have to duplicate building these things ourselves, that I can have our head of data, for example, partner with the WPP data team or the commerce team, for example, and really draw upon that to build solutions that are bespoke for our clients. That is a huge advantage to us we have been able to leverage in the past couple of years.

Peregrine Riviere: Okay, super clear. Thank you. And here is a question we get asked a lot at the WPP level around reputation and the clients we work for. And I guess really, it is most sensitive in the current PR and public affairs arena. So how do you manage your own reputational risk in terms of clients and sectors? Alex, why do not you kick off on that?

Alexander Geiser: Sure. We have a global business acceptance committee. So, think of a very similar process that Goldman Sachs or Morgan Stanley would go through, where we have 16 people from different regions and different backgrounds, and they look at every opportunity. So, every opportunity has to get cleared.

AnnaMaria DeSalva: This is a very important question. It is increasingly important for all of us in terms of, yes, risk management, but also value protection and creation going forward. And we have been working with WPP, with WPP General Counsel, with the ExCo and the Board in terms of advancing a policy and a framework for client acceptance and for ongoing risk and ethics evaluation. And our mechanism is probably somewhat similar to the one that Alex just described, where we have both a risk and an ethics committee. And those committees are very active.

Peregrine Riviere: Brooke, anything you would like to build?

Brooke Hovey: I think my colleagues summed it up perfectly. We have a similar client risk committee. I would just say, we work with all kinds of companies across sectors that are wrestling with big issues. Of course, climate change is a major issue. And there are imperfect companies that are working to get better. And it is important that we help them to get better and to tell their stories. And so, I think we take that responsibility really seriously as well.

Peregrine Riviere: Super. Now, if you remember, when we talked before going live, I said I was not going to give you any financial forecast questions, and I will stick to that. We have a question from Berndt here. And maybe we could talk about the second half of the question, which is, what growth opportunities are you most excited about over the next two, five and 10 years? So, Brooke, since you have got the mic.

Brooke Hovey: Yeah, I mean, there are different ways to answer that, of course. If I look at it from a sector perspective, we see phenomenal growth in healthcare. Of course, we are very, very strong in healthcare, technology, incredible innovation happening in retail and education. So, from a sector perspective, those stand out.

From a regional perspective, we are a truly global company. We are seeing strong growth, of course, coming out of Asia Pacific right now, Middle East as well. We have strong growth opportunities there. And then in terms of our solutions, it is what we covered earlier. So, a lot of good growth in corporate affairs, public affairs, ESG, advisory, digital marketing. That is how I will answer that.

Peregrine Riviere: Thank you. Alex, anything you want to add?

Alexander Geiser: Lots of organic opportunity. We really cannot complain. Demand is coming from nearly every client. And the core or the key success factor to actually being able to manage it is we have a lot more opportunity to come in than, A, and that was the question before we are willing to accept, and B, we can only grow as quickly as we can essentially grow our people. And that is something that is absolutely central to the business model. Because obviously, if you're charging high rates for the services you provide, plus success fees, value billing, those kinds of things, clients expect the exceptional. So, the investments into talent, especially at the highest end of the talent market, are absolutely going to be critical for us. And that is where we are very much focused on in the coming years.

AnnaMaria DeSalva: It is so interesting to look at how the Boards of major companies are prioritising reputation risk, and many of them, especially in certain regulated industries are now forming reputation risk committees or public policy committees or even dedicated sustainability committees. The work that we are doing is highly material to long-term sustainable value creation.

I think it is an enormous growth opportunity. And frankly, I think it is incumbent upon us to really make the case to WPP and to our Board and to our investors about what the opportunity is, frankly, to invest more in the segment, because I think it is an extraordinary growth opportunity.

Peregrine Riviere: And maybe, then I can give you the last question around the additional capabilities you would like to acquire or grow. You mentioned data science, I think, in particular, in your presentation. It would be great to unpack that a bit more.

AnnaMaria DeSalva: I think that we have to have a genuine muscle in terms of understanding the role of data, how to ensure quality data that really drives our insights and strategy and allows us to do more predictive types of work. To not just reflect on what has happened but foresee what is going to happen in an environment that is just keeps moving faster and is more dynamic all the time.

I also think that in the business leadership and governance circles that I travel in, I am struck by the degree of alarm that business leaders are expressing on the problem of disinformation. And, I feel, as though the threat of disinformation and deep fakes is understood, but it is hard to grasp the magnitude of that threat. And I think that our discipline, our segment, our company has to lean into that challenge and opportunity to make the right investments and develop the right technological solutions to help our clients solve for the disinformation problem.

So those are just a couple of examples. I could, I suppose, reflect on more, but I will share the mic.

Peregrine Riviere: Last chance on that for Brooke or Alex before I hand back to John to close.

Alexander Geiser: Happy to jump in. Cyber is a big issue. So not just cyber with regards to your systems, but also cyber how do you communicate, how do you deal with the situation and so on and so forth. And a lot of situations are incredibly complex. And the type of people we are targeting there are, one, boutiques, but on the other hand, really we are looking to poach lawyers from law firms who are specialised. that is one area of focus right now. And the other end is really the geopolitical advisory. So, you can expect a lot more former political leaders or people incredibly close to the most senior political leaders in the world, because that is one thing, the world is getting a heck lot more geopolitical. And that is relevant to our clients. And it is incredibly relevant to what they say, when they say it and to whom they say it. And that is a muscle we are definitely investing into.

AnnaMaria DeSalva: Axios recently had an article about that how every CEO now needs their own geopolitical advisory team or geopolitical advisor. And we have seen that in our business. We invested in someone who is strong, both from a government relations and public affairs standpoint, but also is a military leader who is in the French Special Forces still and has brought a diplomatic and international relations and military intelligence capability. That has, I mean, just mushroomed in terms of interest from clients. So, it is a real harbinger of, I think, directions for us in the future.

Brooke Hovey: I would echo my colleagues. I think we are looking at specific parts of policy. So, tech policy, health policy, really that niche expertise that gives us a seat at the table with C level executives.

Peregrine Riviere: Fantastic. Thank you so much, all three of you. John, I will hand back to you to close.

Close:

John Rogers: Thank you, Peregrine. And look, let me just say a huge thank you to our three speakers today, so AnnaMaria, Alex and Brooke. I think they did a fantastic job actually of bringing to life the huge growth potential of our PR business. We are certainly very excited about what the business has achieved over the last three years and very excited, of course, about the growth opportunity in the future. So, thank you to them for bringing that to life.

Thank you to everyone for listening today. Hopefully, you found it valuable. Please give us some feedback, positive and negative, so we can improve these events going forward. And I look forward to seeing you or hearing from you at our next event, which, of course, is our interims on 5th August when we will report our half year results.

Thanks very much everyone and goodbye for now.

[END OF TRANSCRIPT]