

## CHAIRMAN'S LETTER



### CEO APPOINTMENT

The Board of any company has no more important task than to select its leader.

The process to appoint the new Chief Executive Officer of WPP was a rigorous one, and we considered a range of outstanding candidates for the role. The external benchmarking was especially valuable in helping us to gauge the strength of the internal pool.

The Board was unanimous in its decision to name Mark Read as CEO. His stewardship of the business alongside Andrew Scott in the weeks following Sir Martin Sorrell's resignation was exemplary, and he demonstrated all the qualities required of an inspiring and effective leader.

The interim arrangements, with Mark and Andrew stepping up as co-Chief Operating Officers, and Mark's subsequent appointment as CEO, reflect the robustness of the Board's succession planning over a number of years.

We engaged with investors and clients throughout the recruitment process and we were grateful for the strong levels of support for the Company and management team during the period of transition, and for the choice of Mark as CEO.

### NEW STRATEGY

In a year of significant change for WPP – and challenges on a number of fronts – the Board and the executive team worked together very constructively to stabilise the business and position it for future success.

WPP, like the wider industry, faces deep structural shifts that – as well as posing questions – present significant opportunities. We have been pleased by the backing we have received from investors, clients, partners and our own people for the new strategy that will help the Company to capture those opportunities, and for the new leadership team assembled to deliver it.

### BOARD CHANGES

As your Company changes, so too does its Board. In October 2018 Paul Richardson, Group Finance Director, informed the Board that he would step down during the course of 2019, and the process to find his successor is well underway. We would like to thank Paul for his contribution to WPP over 27 years with the Company. Paul joined as Director of Treasury, was appointed to his current role four years later, and is one of the architects of the present-day WPP. He leaves with our best wishes for the future.

### ANNUAL GENERAL MEETING 2019

12 noon on Wednesday 12 June 2019  
Purcell Room, Southbank Centre  
Belvedere Road, London SE1 8XX

We also thank Hugo Shong, who decided to retire from the Board in 2018 due to additional commitments outside WPP and increased pressure on his time and availability. He was an important contributor to the Board and its Compensation, Audit and Nomination and Governance Committees during his five years as a Director, and we are grateful for his ongoing assistance with WPP's businesses in China. As Ruigang Li comes to the end of his tenure in 2019, and will not be standing for re-election at this year's Annual General Meeting, we are seeking a new Director with similar levels of experience of the Chinese market as we refresh the Board's composition.

We are delighted to be joined by Cindy Rose OBE as the newest member of the Board and the Audit Committee. Cindy is hugely respected within the worlds of technology and business, and her input will be of great benefit as WPP responds to a changing marketplace and transforms its business.

### VALUES AND CULTURE

Mark and the wider executive team have the Board's full support as they implement the plan to restore the Company to sustainable top-line growth. A key element of that plan is an emphasis on promoting the kind of values and building the kind of culture that make WPP a magnet for talented people, and a company everyone is proud to work for.

The new team places great importance on listening to people across the Company and taking their opinions into account when formulating strategy. We have established our first employee forum in the UK, and these will be rolled out in other markets.

The views from these forums will be shared with Sally Susman and Daniela Riccardi, who are responsible on behalf of the Board for engagement with our people.

### GENDER DIVERSITY

The commitment to create diverse and inclusive workplaces applies throughout WPP – including at the level of the Board. Cindy's appointment raises the proportion of women on the Board to 33%. We are pleased to have made progress but clearly we still have work to do to reach gender parity in terms of Board-level representation. This mirrors the position in WPP as a whole and, indeed, the wider sector.

Although WPP has good gender balance up to and including senior management level, the proportion of women falls significantly in the most senior executive tiers – as seen in our UK Gender Pay Gap figures for 2018. It is encouraging, as we work to address this imbalance, that WPP was recognised in Bloomberg's 2019 Gender-Equality Index (GEI) as an industry leader committed to transparency in gender reporting and advancing women's equality – the only company among its peers to be included in the list.

### SUSTAINABILITY

The team's determination to place culture and values at the heart of the new strategy builds on WPP's longstanding commitment to sustainable business and sustainability reporting. The Board welcomes the focus on sustainable business and purpose within the new UK Corporate Governance Code.

WPP has been a leader in its sector on sustainability; we provide details of our approach – from the work we do for clients and our substantial pro bono contribution to the ongoing programme to reduce our carbon intensity – from page 60. We support the Taskforce on Climate-related Financial Disclosures and this year we have underlined its importance in our report and made our voluntary disclosures.

### OUR PEOPLE

Finally, I would like to say how much the Board appreciates the dedication and passion for great work shown by the thousands of people worldwide who make up WPP and our agencies. WPP is a talent business and we are fortunate to have so much of it within our Company.



**Roberto Quarta**  
Chairman  
10 April 2019

**"IN A YEAR OF SIGNIFICANT CHANGE FOR WPP, THE BOARD AND THE EXECUTIVE TEAM WORKED TOGETHER TO STABILISE THE BUSINESS AND POSITION IT FOR FUTURE SUCCESS."**

**Roberto Quarta**  
Chairman