

CHAIR'S LETTER



WPP IS WELL PLACED TO CAPITALISE ON THE CHANGING MARKET LANDSCAPE"

Philip Jansen,
Chair, WPP

It is a real privilege to chair the Board of a company like WPP. Few organisations have such an impressive client base, or WPP's global presence and depth of talent. Fewer still can match its ambition to transform marketing through the innovative application of creativity and technology for the world's leading brands.

WPP is also a cornerstone of the creative industries. I spent early parts of my career in marketing, which left me with me a deep respect for the profession and an appreciation of the sector's wider value. The marketing services industry not only drives the success of individual brands, but acts as a catalyst for whole economies. It is estimated that advertising contributes more than £200 billion to the UK economy alone.

So I was delighted to be asked to take up the baton from Roberto, who chaired WPP with such skill and dedication throughout his tenure. I am grateful to him, the Nomination and Governance Committee and the rest of the Board for enabling a smooth transition, from joining the Board as Chair-designate in September 2024 to becoming Chair in January this year.

As I write this I have only been in the role for a short period, but I wanted to share some early observations on the business and the environment in which it operates.

A STRONG BOARD, TALENTED PEOPLE AND LEADING CAPABILITIES

First, WPP has a strong and experienced Board which upholds high standards of governance. The Board has refreshed its composition well in recent years and its members have the capabilities and expertise required to support the business effectively.

Second, we have talented people and high-end capabilities throughout the Company. The leadership team headed by Mark is a committed group who are passionate about delivering for our clients to drive success for WPP and value for its shareholders.

I have already had the opportunity to meet many colleagues around the world, including – though not limited to – our senior leaders in the UK and the US. The quality of the work WPP produces for clients, and the Company's status as the most creative in the industry, provide clear evidence of how good our people are and how they strive for excellence.

Our technology credentials are also a significant and important strength. WPP has built a leadership position in AI that creates the opportunity to differentiate the Company from its peers and drive improved performance.

The Board and leadership team are rightly focused on ensuring investment in AI, and in particular WPP Open, the Company's AI-powered marketing operating system, translates into faster growth. There are promising signs, given the role of WPP Open in several major account wins in 2024, and its growing adoption within the business.

TRANSFORMING THE BUSINESS IN A FAST-CHANGING WORLD

Third, WPP has been through a necessary and difficult transformation process over the last few years, the scale of which has perhaps not always been fully appreciated by all external observers. WPP was a deeply complex organisation, creating significant operational, cultural and governance challenges.

Great progress has been made, though there remains work to do as the integration and simplification of very large businesses within WPP bed in, creating the foundations for improved performance in the future.

GroupM, for example, while an exceptional business, has undergone essential but large-scale change and needs time to complete its turnaround under its new leadership and structure.

GroupM's challenges in China also illustrate the task that has faced leadership, who have strengthened oversight and controls in relation to trading activities in this strategically important market.

Fourth, WPP operates in an industry that is not only one of the most competitive in the world, but is also being fundamentally reshaped – at great speed – by technology and other structural changes.

WPP is well placed to capitalise on the changing market landscape but such disruption also presents risks, not least in a global company exposed to the impact on clients of macroeconomic and geopolitical uncertainty. We outline all our principal risks and uncertainties from page 78 of this report.

WORKING WITH THE WORLD'S TOP BRANDS

Finally, WPP has a list of clients and partners that would be the envy of any company in the world. Our agencies work with the biggest names in almost every sector of global business.

As our leadership team has acknowledged, WPP's competitive performance in winning and retaining assignments has not consistently been at the level they would expect.

Nonetheless, the Company continues to serve many of the planet's most admired brands and organisations, who look to WPP to help them grow their businesses, and has been successful in several of the industry's biggest pitches in recent times. It also has the closest relationship among its peers with the major global technology companies. This is a solid platform from which to build.

PERFORMANCE AND OUTLOOK

Prior-year client losses, on top of difficult trading in China and weaker client discretionary spending in the final quarter, made for a disappointing financial performance in 2024. And the macroeconomic environment has weighed on the Company's outlook for 2025.

Despite the challenges, there was strategic progress in 2024, as outlined in this report. The Company improved margin and cash conversion, reduced debt and maintained its final dividend of 24.4p, giving a total dividend of 39.4p for 2024.

Both the Board and management team are clear on the need to drive stronger top-line growth and at the Preliminary Results presentation at the end of February the executive team laid out its plan to achieve this objective.

Supporting the team and reviewing progress will be the number one priority for the Board in 2025.

LISTENING TO OUR STAKEHOLDERS

My personal priority in my first months with WPP has been to spend as much time as possible listening to the Company's most important stakeholders.

A comprehensive induction process has allowed me to speak to many people in different parts of the business, across our agencies and markets, to hear their perspectives and to understand WPP at a more granular level.

Along with my fellow board members I have also reviewed the results of WPP's annual All In survey, which in 2024 was completed by nearly 79,000 employees (72% of the workforce). I know that building on the positives and addressing opportunities for improvement identified by the survey is important to the leadership team, particularly as our agencies look to strengthen culture and collaboration through the new, WPP-wide office attendance policy.

Another aspect of my engagement programme has been to take on board the views of those we do business with. Clients have consistently told me that marketing is an essential part of their strategy and that what WPP does for them is therefore mission-critical – reinforcing the trust that major organisations place in this company.

A common message is that they appreciate the way that WPP has changed to meet their own changing needs, that we have often been a vital part of their own transformation journeys, and that they need us to continue to evolve in line with their requirements.

On that theme, I recently joined other members of the Board and leadership team on a trip to Palo Alto to meet key clients, suppliers and partners who are central to the technological revolution that is reshaping the marketing services industry.

This made clear to me that WPP is a highly regarded and influential partner to these companies, as well as a key player in the ecosystem. It also underlined the scale of both the challenges and the opportunities ahead driven by the incredibly rapid development of AI.

I am looking forward to discussing these trends, and our people's insights and capabilities, when I meet shareholders on our upcoming investor roadshow. As with other stakeholders, I will be mostly in listening mode.

I will, though, emphasise that the Board and management team are absolutely focused on delivering improved returns for our shareholders through sustained, profitable growth at WPP.

CHAIR'S LETTER CONTINUED



**MY PERSONAL PRIORITY
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**BOARD AND LEADERSHIP
TEAM COMPOSITION**

WPP has a robust and long-running programme to ensure that the composition of the Board and executive leadership team is continuously reviewed in line with the principles of good governance and the needs of the business.

As Roberto wrote in this report last year, the Board continues to work closely with Mark and the Company's People team on succession planning for all Executive Board Director, Executive Committee and other key leadership roles.

Such horizon-scanning gives the Board visibility of internal and external candidates for both unforeseen and planned scenarios. It also supports efforts to ensure that the Board and senior executive levels of WPP reflect the world at large, recognising the value of wide representation to the business and its stakeholders.

WPP continues to exceed the UK board diversity recommendations of the FTSE 100 Women Leaders Review and Parker Review.

**FOCUSED ON CLIENTS,
AND THE FUTURE**

There are two things that most of the people I have met at WPP seem to have in common. First, they are relentlessly focused on the needs of their clients. Doing the best possible work is a principle embedded in the fabric of the organisation.

And second they are always looking forwards – towards the new campaign, the upcoming pitch, the latest technological innovation, the next cultural trend.

I am sure these qualities are why clients want to work with our agencies, and why they attract such smart, curious, creative people.

Those people have given me a very warm welcome to WPP, as well as confidence in its future. Thank you to all of them.

Philip Jansen

Chair

28 March 2025