

**DOUBLE
MATERIALITY
ASSESSMENT 2024**

DOUBLE MATERIALITY ASSESSMENT

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

We continually assess changing stakeholder priorities through ongoing dialogue in the course of doing business. Since 2014, we have also periodically conducted formal impact materiality assessments. In 2024 we conducted our first double materiality assessment in preparation for the requirements of the EU's Corporate Sustainability Reporting Directive (CSRD).

The double materiality approach assesses ESG factors through an 'outside-in' lens (potential to affect our financial performance) and an 'inside-out' lens (our potential impact on society and the environment).

The table (right) sets out the ESG topics identified as material for WPP. These topics will inform WPP's ESG approach going forward, to focus activity on the topics of greatest importance and relevance to the business and its stakeholders. As materiality is dynamic, we will monitor and adjust as needed.

SCOPE OF THE ASSESSMENT

We have considered the following parameters:

- **Time horizon:** we considered a time horizon of three years, aligned with WPP's business planning practices
- **Stakeholder views:** we used surveys and interviews to engage internal stakeholders, and proxies and desk-based research to ensure external stakeholder views are represented

ESG TOPIC		READ MORE
Corporate culture and business ethics		People chapter, 2024 Sustainability Report Policies, procedures and culture, 2024 Annual Report
Fraud, corruption and bribery		Policies, procedures and culture, 2024 Annual Report
Data privacy and security		Clients chapter, 2024 Sustainability Report
Equal treatment and opportunities for all employees		People chapter, 2024 Sustainability Report
Operational greenhouse gas emissions		Planet chapter, 2024 Sustainability Report
Regulatory compliance		Policies, procedures and culture, 2024 Annual Report
Responsible AI and technology use		Clients chapter, 2024 Sustainability Report
Responsible marketing and communications		Clients and Communities chapters, 2024 Sustainability Report
Social and environmental impact of our client work		Clients and Communities chapters, 2024 Sustainability Report
Supply chain greenhouse gas emissions		Planet chapter, 2024 Sustainability Report
Talent attraction, retention and development		People chapter, 2024 Sustainability Report

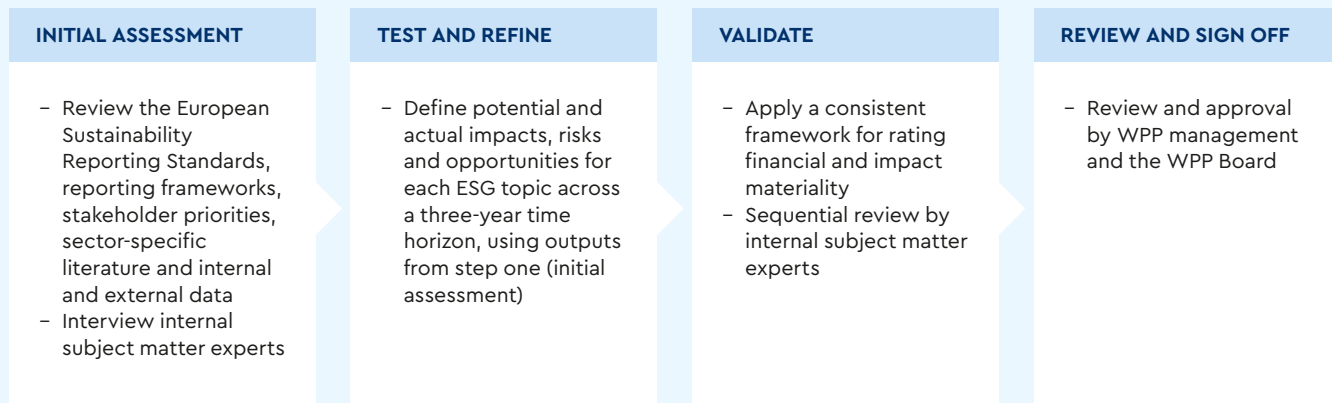
KEY Indicates where a topic is material from a financial perspective Indicates where a topic is material from an impact perspective

- **Value chain:** the impact of our operations on our wider value chain was considered where practicable
- **Opportunities:** our first double materiality assessment focuses on risks; in 2025 we will evolve the process to assess opportunities

[Read how we are managing material topics in our 2024 Sustainability Report](#)

DOUBLE MATERIALITY PROCESS

Our first double materiality assessment was informed by the European Financial Reporting Advisory Group (EFRAG) double materiality guidance:¹



¹ ESRS 1 General Requirements, Section 3 and EFRAG IG1 Materiality Assessment

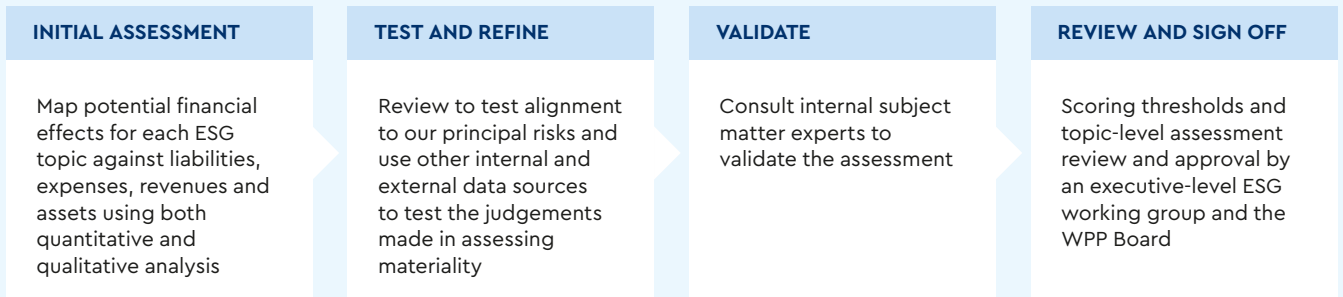
DOUBLE MATERIALITY ASSESSMENT CONTINUED

ASSESSING FINANCIAL MATERIALITY

Financial materiality gives an 'outside-in' view of materiality and measures whether ESG topics have the potential to impact WPP's financial position.

We applied WPP's financial materiality thresholds so that the double materiality results can be integrated into financial planning processes.

➔ See Financial Statements of our 2024 Annual Report



1. DO WE PERCEIVE THERE TO BE A FINANCIAL EFFECT FROM THE ESG TOPIC ACROSS AND OF THE FOLLOWING CATEGORIES?

Liabilities | Expenses | Revenues | Assets

2. WHAT IS THE LIKELIHOOD AND FINANCIAL EFFECT OF THIS IMPACT?

LIKELIHOOD RATING

- 1 Low, not likely to occur
- 2 Medium, moderate likelihood of occurring
- 3 High likelihood of occurring

FINANCIAL EFFECT RATING

- 1 Low, £0-<39 million
- 2 Medium, £39-<65 million
- 3 High, >=£65 million

CALCULATION

Likelihood + financial effect = materiality score

3. CALCULATE THE SCORE BASED ON THE ASSESSMENT

LIKELIHOOD	EFFECT		
	Low	Medium	High
Low	2	3	4
Medium	3	4	5
High	4	5	6

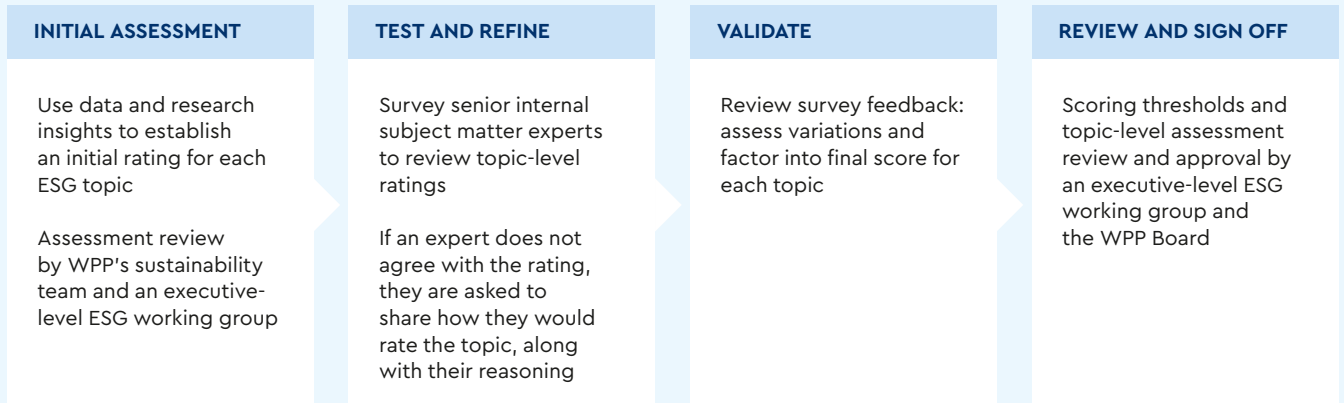
4. IDENTIFY TOPICS MATERIAL FROM A FINANCIAL PERSPECTIVE

< 5 Immaterial | > 5 Material

DOUBLE MATERIALITY ASSESSMENT CONTINUED

ASSESSING IMPACT MATERIALITY

Impact materiality gives an 'inside-out' view and measures the extent to which WPP's activities have an impact on stakeholders.



1. FOR EACH ESG TOPIC, RATE THE IMPACT ON STAKEHOLDERS AGAINST THE FOLLOWING MEASURES

MEASURE	SCALE
Type of impact	None, Positive, Negative
When are stakeholders impacted	Current, short term (<1 year), medium term (<3 years), long term (3+ years)
Remediation potential	① fully to ⑤ irreversible
Scale of impact	① limited to ⑤ widespread
Magnitude of impact	① minimal to ⑤ very significant
Change in next 3 years	decrease, stay the same, increase

2. CALCULATE THE SEVERITY SCORE AND STYLE AS % OF TOTAL MAXIMUM SEVERITY RATING

MEASURE	SCALE
Positive impacts	$\frac{= (\text{Scale} + \text{Magnitude})}{\text{Maximum potential score}}$
Negative and dual impacts	$\frac{= (\text{Remediability} + \text{Scale} + \text{Magnitude})}{\text{Maximum potential score}}$

3. DETERMINE MATERIALITY THRESHOLD BASED ON THE CALCULATED SCORE FOR EACH TOPIC

< 6.5 Immaterial | > 6.5 Material