

SUSTAINABILITY COMMITTEE CHAIR STATEMENT



KEITH WEED CBE
CHAIR OF THE
SUSTAINABILITY COMMITTEE

DEAR SHAREHOLDER

As the Chair of the Committee, I am pleased to present the Committee's 2022 report.

In 2022, the Committee continued to place increased focus on sustainability for the Board and the Company, monitoring sustainability performance as we strive to meet the expectations of our stakeholders as well as ensuring we are managing our risks and taking advantage of opportunities.

The ongoing impacts of the war in Ukraine, energy security, inflation, social unrest, political division, and climate-related disasters around the globe continue to drive a focus on environmental, social and governance (ESG) matters, with significant risks and opportunities for our business and our clients.

A large focus for the Committee and the Company in 2022 has been the impact these different pressures have on our people, who want to work for a company that is willing to stand up for the issues they care about. The Committee has received updates on a wide range of topics throughout the year, ranging from the launch of our new Green Claims Guide to equip our people to make effective green claims that are not misleading in any way (page 30), to support for our people in Ukraine and the generosity of our people around the world who donated \$670,000 (matched by WPP to bring the total to \$1.34 million) to the UNHCR Ukraine appeal, and, more recently, the response to the earthquakes in Turkey and Syria.

Throughout the year, the Committee has supported management in the development of a revised Assignment Acceptance Policy and Framework, detailed on page 31, that subsidiaries are expected to follow when taking on new business. For work that may present an ethical risk, such as work for government clients or work relating to sensitive products, all potential new assignments need to be considered by our agencies' risk committees or escalated to WPP for review.

CLIMATE CRISIS

The Committee had regular in-depth progress reviews on the Company's ambitious commitments to reach net zero carbon emissions. In July, the Committee received an update on GroupM's media decarbonisation programme (page 29) and in December the Committee conducted its annual review of climate-related risks and opportunities. The planet section on pages 16 to 25 sets out the Company's net zero commitments and performance. In 2023, the Committee will receive regular updates as the Company develops a formal transition plan to deliver against these commitments.

Recognising the growing urgency of the climate crisis, in September the Board welcomed Professor Dr Johan Rockström, Director of the Potsdam Institute for Climate Impact Research and Professor in Earth System Science at the University of Potsdam, to engage with and present to the Board on climate-related issues. Several members of the Committee are also active members of Chapter Zero, an online community of non-executive directors which aims to equip us to lead crucial UK boardroom discussions on the impacts of climate change.

Committee members

- Keith Weed CBE (Chair)
- Angela Ahrendts DBE
- Jasmine Whitbread
- Dr. Ya-Qin Zhang
(appointed 15 March 2022)


Regular attendees include the Chief Executive Officer, the Chief Financial Officer, the Senior Independent Director, the Group Chief Counsel, the Chief People Officer, the Chief Sustainability Officer and the Director of Communications and Corporate Affairs.

The Company Secretary is Secretary to the Committee and attends all meetings.

Key responsibilities

- Understanding the sustainability risks and opportunities for the Company
- Assisting the Board in its oversight of corporate responsibility, sustainability, health and safety and reputation matters taking into account the Company's purpose, strategy and culture
- Assessing the Company's current sustainability footprint, reviewing sustainability targets and commitments and materiality
- Reviewing and considering the Company's Modern Slavery Statement and sustainability-related policies, including the Environment Policy, for approval by the Board

Attendance at Committee meetings during the year can be found on page 115 of our 2022 Annual Report.

The directors of WPP plc are solely responsible for the preparation and presentation of this 2022 Sustainability Report. We have established fair, balanced and understandable reporting criteria for preparing and presenting the non-financial information. Selected metrics marked with the symbol  have been prepared in accordance with the WPP Sustainability Reporting Criteria 2022, available at wpp.com/sustainabilityreport2022.

HEALTH, SAFETY AND WELLBEING


The Committee assists the Board in its oversight of health and safety-related matters and, during the year, received updates on the Company's investment in mental health and wellbeing, including on WPP's new Making Space campaign, an initiative focused on giving people space to look after their wellbeing (see page 15), and regular updates on new ways of working as office occupancy levels improved. Employee mental health and wellbeing will be a continued area of focus for the Board and the Committee in 2023.

Throughout the year the Committee, alongside the Board, received regular updates on WPP's response to disasters including the Colorado wildfires, war in Ukraine and, in February 2023, the devastating Turkey-Syria earthquakes, including support for employees directly impacted, support through WPP's Employee Assistance Programme (page 15) and employee match-funding run in partnership with UNHCR.

The Committee will continue to monitor how well prepared WPP agencies and people are to recognise and respond to existing and emerging disruptive events, including the social and economic impacts of climate change.

TRANSPARENCY AND ENGAGEMENT

Measuring and monitoring sustainability KPIs is critical to delivering against our sustainability strategy and targets. In 2021, WPP strengthened its approach to data assurance: the Committee participated in the selection process to appoint PricewaterhouseCoopers LLP (PwC) as independent limited assurance provider over selected ESG metrics disclosed in this report. In May 2022 PwC presented their first management report to the Committee, and throughout the year management provided regular updates to the Committee on progress in addressing the weaknesses identified by PwC in the first year of their assurance programme. The sustainability governance and management section of this report on page 40 outlines work undertaken during the year to strengthen data quality, including new ESG data controls, training and work to centralise data.

Throughout this report, selected content highlighted with the symbol  was subject to independent limited assurance procedures by PwC for the year ended 31 December 2022. For the details and results of the limited assurance, see page 53.

The Committee will continue to monitor sustainability KPIs. The Committee welcomes the significant progress made during the year towards the Company's commitment to phase out single-use plastics across its offices and notes there is still work to do to meet this target. Monitoring progress on single-use plastics will remain a priority for the Committee in 2023.

Progress against our strategy also relies on accountability. Diversity, equity and inclusion (DE&I) goals are included in our incentive plans for senior executives, and we also included carbon-reduction targets in incentive plans for Executive Directors from 2021.

The Committee continues to support management's engagement strategy on sustainability. Employee engagement remains a high priority and this Sustainability Report highlights a number of initiatives, from encouraging volunteering (page 35) and taking a stand on the issues that matter to our people, to building ESG capability (page 8). In January 2023, a sustainability-focused CEO townhall discussion attracted an audience of over 8,500 employees. During the year, I also enjoyed engaging with key investors on ESG topics and look forward to continued dialogue in 2023.

TERMS OF REFERENCE

The Committee's terms of reference are reviewed annually by the Committee and adopted by the Board most recently on 1 February 2023.

A copy of the Committee's terms of reference is available on the Company's website at wpp.com/investors/corporate-governance.

I would like to thank members of the Committee and the management team for their commitment throughout the year, and I look forward to continuing our work in 2023.

Keith Weed
Chair of the
Sustainability Committee
23 March 2023