DIRECTORS' COMPENSATION POLICY

This section of the report sets out the proposed new Directors' Compensation Policy ('the Policy'). The Policy will take effect from the date of the 2023 AGM, subject to approval by shareholders.

REVIEW OF EXISTING POLICY

During the year the Committee undertook an extensive review of the existing Directors' Compensation Policy, which was approved by shareholders at the AGM in 2020. The Committee considered the extent to which the existing compensation structure and performance-related pay remain fit for purpose, as well as how appropriate the compensation opportunity is, from both a market competitive and internal relativity basis.

The Committee concluded that, whilst the existing compensation structure and incentive model remain appropriate, as a global business operating in a competitive talent market, achieving competitive market positioning in respect of our executives and senior leadership team is more challenging. The Committee is mindful of both retention of top talent and the increasing compensation compression at leadership levels.

CONSULTATION WITH SHAREHOLDERS

The Committee Chair consulted with a significant number of our largest shareholders to seek their views on potential changes to the Policy. This was a valuable exercise in which shareholders provided thoughtful views and opinions which allowed for a useful and constructive conversation around the challenges and possible solutions. Whilst there were differing views among the shareholder group involved in the consultation, a common theme of the conversations related to the uncertain macro-economic environment and the experience of stakeholders, including the investors and wider workforce.

CHANGES TO DIRECTORS' COMPENSATION POLICY

The Committee considered these views and determined that it would not propose significant changes to the Policy at this time. The Policy will be kept under review and the Committee will undertake further consultation with shareholders if changes to the Policy are proposed.

This section of the report sets out an updated Directors' Compensation Policy which shareholders will be asked to approve at the 2023 AGM. This Policy includes only minor changes with no changes to compensation structure or incentive opportunity.

HOW THE POLICY ADDRESSES THE FACTORS SET OUT IN THE UK CORPORATE GOVERNANCE CODE

The table below summarises how our Directors' Compensation Policy and practices support the expectations of Provision 40 of the 2018 UK Corporate Governance Code.

Clarity	Our Policy, how it is implemented and the decisions the Committee makes are transparent and clearly disclosed. The Committee engages with shareholders on key compensation matters to ensure the rationale for any proposed decisions is clearly communicated and understood.
Simplicity	The performance measures used in our incentive plans are aligned with our strategy and are transparent to stakeholders and participants. We have a simple compensation structure that is familiar to stakeholders comprising the following elements: fixed pay – base salary, a benefits allowance and pension; short-term variable pay – an annual bonus with a combination of financial and non-financial metrics paid partly in cash and partly in deferred shares; and long-term variable pay – a three-year Executive Performance Share Plan subject to the achievement of stretching performance conditions.
Risk	The Directors' Compensation Policy includes elements designed to mitigate any risks including: deferral and additional holding period; malus and clawback provisions on all incentive plans; shareholding requirements including post-employment requirements; and Committee discretion to adjust the formulaic outcome of incentive plans.
Predictability	Target payouts and maximum available opportunity, including potential share price appreciation, have been considered by the Committee and are disclosed in the scenario charts.
Proportionality	The Committee has a pay-for-performance philosophy. A large proportion of Executive Directors' compensation is variable and linked to the achievement of stretching performance conditions based on a combination of financial and strategic non-financial measures.
Alignment to culture	The incentive schemes are designed to underpin the Company's culture and strategy, using measures that are aligned to our overall purpose and WPP's values of being open, optimistic and extraordinary. The inclusion of both financial measures and a scorecard of non-financial strategic measures enables us to ensure alignment.

GUIDING PRINCIPLES

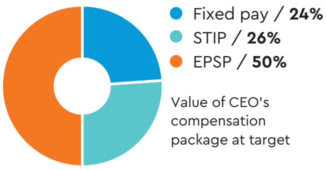
Our Directors' Compensation Policy is designed in the context of the UK Corporate Governance Code to attract and retain best-in-class talent and incentivise Directors to deliver growth, creativity and outstanding performance, thereby producing long-term value for shareholders.

The WPP Directors' Compensation Policy is determined by the following guiding principles:

1

PERFORMANCE-DRIVEN REWARD

Our compensation structure has a high proportion of performance-based variable compensation



Value of CEO's compensation package at target

2

COMPETITIVENESS

Director compensation is designed to attract and retain best-in-class talent

3

LONG-TERM ALIGNMENT WITH SHAREHOLDER INTERESTS

Executive Directors have a large portion of their compensation paid in the form of shares as well as significant share ownership requirements both during and post-employment

4

ALIGNMENT TO WPP STRATEGY AND VALUES

Our incentive plans contain metrics linked to WPP strategy and values. These measures are regularly reviewed by the Committee to ensure continued performance in line with strategy

ALIGNING COMPENSATION WITH STRATEGY

Performance measures are selected to align to our business strategy and include a range of financial and non-financial measures. Non-financial measures are set out in a scorecard based on role and accountabilities of the Executive. There are four categories: client – relating to new business and client satisfaction; people and DE&I – this will include improvements in relation to diversity as well as the delivery of our broader people strategy; purpose and reputation – aligned to the Company's sustainability strategy, the management of governance and controls as well as industry achievements and awards; and strategic priorities – in relation to our Group-wide transformation.

		STRATEGIC ELEMENTS				
		Vision & offer	**Creativity**	**Data & technology**	**Simpler structure**	**People**
Short-term incentive plan (STIP)	**Financial measures**					
	Like-for-like headline operating profit growth	●	●	●	●	●
	Headline operating profit margin improvement	●	●	●	●	●
	Like-for-like revenue less pass-through costs growth	●	●	●	●	●
	Non-financial scorecard					
	Client	●	●	●	●	●
	People and DE&I	●	●			●
	Purpose and reputation	●	●	●	●	●
	Strategic priorities	●	●	●	●	●
Long-term incentive plan (EPSP)	Return on invested capital			●	●	
	Adjusted free cash flow	●			●	
	Relative TSR	●	●	●	●	●

REMUNERATION POLICY TABLE

The table below summarises the new proposed Policy. Whilst no significant changes have been made to the existing Policy, some minor adjustments have been made to the core elements of compensation and to the Executive Director appointment and loss of office provisions to ensure alignment with the wider workforce and good governance. These changes include: updating the default base salary review period for Executive Directors and Executive Committee to be annual to align to the wider workforce cycle; clarification on buy-out policy; inclusion of the ability to provide one-off benefits on appointment; inclusion of a payment in lieu of notice provision to align with executive contracts; clarification of incentive treatment for leavers including full vesting of the deferred element of the STIP (ESA) and aligning the Policy around Good Leaver treatment for EPSP awards to the updated EPSP rules (approved by shareholders at the 2022 AGM).

FIXED ELEMENTS

BASE SALARY

Purpose and link to strategy	To maintain package competitiveness and reflect skills and experience; to enable recruitment and retention.
Operation	Base salary is typically reviewed annually to align with the wider workforce. The Committee may realign base salary over a phased period for new Board appointees who start on a below-market salary. Salary levels and increases take into consideration: – Salary increases awarded across the Group – Individual performance – Levels in other companies of similar size, scope and complexity
Opportunity	Increases for Executive Directors will usually be aligned to the wider workforce which will reflect the performance of the Company, the individual and local economic factors. Increases above the normal level may be made to take into account special circumstances such as: – Increase in nature and scope of the role – To reflect development in a role such as in the case of an Executive Director appointed at a below-market salary

BENEFITS

Purpose and link to strategy	Provide an annual fixed and non-itemised allowance, to enable the Executive Director to ensure their wellbeing and security.
Operation	The fixed annual allowance will be reviewed periodically by the Committee. The allowance is set with regard to the individual concerned and the role they undertake. Should the Executive Director be required to move to a different country, a relocation benefit may be provided in addition to the usual benefit allowance over and above the maximum stated opportunity.
Opportunity	**Maximum opportunity**: the maximum fixed annual benefit allowance payable is £50,000 (excluding relocation benefit).

PENSIONS

Purpose and link to strategy	To enable provision for retirement benefits.
Operation	Pension is provided by way of a contribution to a defined contribution retirement arrangement, a cash allowance or a combination of the two. Determined as a percentage of base salary.
Opportunity	**Maximum opportunity**: Executive Director: 10% of base salary.

VARIABLE ELEMENTS

SHORT-TERM INCENTIVE PLAN (STIP)

The STIP is an incentive plan designed to reward annual performance. The plan makes awards in cash and Executive Share Awards (ESA)

Purpose and link to strategy	To drive the achievement of strategic priorities for the financial year and to motivate, retain and reward executives over the short and medium term; the ESA element of the incentive aligns executives with shareholder interests.
Operation	Targets are set early in the year. The Committee determines the extent to which these targets have been achieved at the end of the year based on the performance and has discretion to adjust the formulaic outcome both upwards and downwards (including to zero) to ensure the outcome reflects underlying Company performance and value creation for shareholders. At least 40% of the STIP pay-out is delivered in the form of conditional deferred shares (ESA) which will be released after a period of two years. STIP is subject to the malus and clawback policy as may be amended from time to time.
Opportunity	**Maximum opportunity**: 250% of base salary. **Target opportunity:** 50% of the maximum opportunity. Dividends will accrue on the ESA during the deferral period.
Performance	Performance measures and targets are reviewed and set annually to ensure continued strategic alignment. Financial measures represent a minimum of 75% of the award; individual strategic or non-financial objectives may represent up to 25% of the award. These might include Company-wide priorities tied to ESG, individual performance goals and/or other individual or Company-wide non-financial objectives.

LONG-TERM INCENTIVE PLAN – EXECUTIVE PERFORMANCE SHARE PLAN (EPSP)

The EPSP is an incentive plan that rewards long-term performance. Awards are made in shares which vest subject to the achievement of certain metrics over a three-year period

Purpose and link to strategy	To drive the achievement of long-term strategic priorities, to aid retention and to align Executive Director and shareholder interests over the long term.
Operation	The EPSP comprises a grant of performance share awards which will vest subject to the achievement of performance conditions. The Committee has the discretion to adjust the formulaic outcome of the award to ensure that vesting reflects underlying Company performance and value creation for shareholders. The EPSP has a performance period of three years, followed by a two-year holding period of the vested shares. EPSP is subject to the malus and clawback policy as may be amended from time to time.
Opportunity	**Maximum opportunity:** 400% of base salary. Less than the maximum opportunity may be applied to Executive Directors. Dividends will accrue on awards during the performance period.
Performance	Vesting of the EPSP is subject to the achievement of stretching performance targets. Performance measures and targets are reviewed and set annually by the Committee to ensure continued strategic alignment. These may be a mix of market, financial and non-financial measures. Threshold performance will produce an award of 20% of the award granted and increase on a sliding scale to 100% for maximum performance achievement. Full details of the awards are in the Annual Report on Compensation.

SHAREHOLDING REQUIREMENTS

Purpose and link to strategy	To align the interests of Executive Directors with shareholders.
Operation	Executive Directors and other members of the senior management team are subject to share ownership requirements which seek to reinforce the WPP principle of alignment of management's interests with those of shareholders. Executive Directors are required to hold 100% of their shareholding requirement, or their shareholding at the date of departure, for a period of one year following cessation of employment, reducing to 50% for a second year. If an Executive Director fails to achieve the required level of share ownership, the Committee will decide what remedial action or penalty is appropriate. This may involve a reduction in future share awards or requiring the Executive Director to purchase shares in the market to meet the ownership requirements. If an Executive Director fails to maintain their shareholding requirement post-employment, this may result in a reduction of outstanding awards.
Opportunity	Chief Executive Officer: 600% of base salary; Chief Financial Officer: 300% of base salary; minimum for any other new Executive Director appointed to the Board: 200% of base salary. Executive Directors will be permitted a period of seven years from the date of their appointment to achieve the required level.

NOTES TO THE POLICY TABLE

Plan rules

Copies of the various plan rules are available for inspection at the Company's registered office and head office.

The Directors' Compensation Policy table for Executive Directors provides a summary of the key provisions relating to their ongoing operation.

The Committee has the authority to ensure that any awards being granted, vested or lapsed are treated in accordance with the plan rules which are more extensive than the summary set out in the table.

Selection of performance measures

Performance measures are selected by the Committee based on their alignment with strategic priorities and the key metrics used across the business.

STIP

STIP measures are reviewed annually by the Committee taking into account business performance and priorities. The performance targets for the STIP are set to incentivise and reward strong, sustainable performance. The Committee is of the view that the targets for the STIP are commercially sensitive and it would be detrimental to the Company to disclose them in advance of or during the relevant performance period. The Committee will disclose these targets at the end of the relevant performance period in that year's Annual Report, if these targets are no longer commercially sensitive.

EPSP

The EPSP performance measures are selected to complement the annual STIP measures and capture the longer-term performance of the Company.

When setting targets, the Committee takes into account a combination of factors including internal forecasts, analysts' expectations and historical performance relative to budgets.

Cascade to WPP Group pay policy

As well as setting the policy for the Executive Directors, the Committee is also responsible for managing the compensation of the Executive Committee and the Company Secretary.

Compensation packages for these individuals are typically reviewed annually to align with the Executive Directors and the wider workforce. As is the case for Executive Directors, the WPP Group pay policy ensures a clear and direct link between the performance of the Group or relevant operating company and compensation. Substantial use of performance-driven compensation not only ensures the continued alignment of the interests of shareholders and senior individuals within the Group, but also enables the Group to attract, retain and motivate the talented people upon whom its success depends.

Stock Plan 2018

The WPP plc Stock Plan 2018 is used to satisfy awards under the short-term incentive plans (including ESAs) as well as to grant awards to management under the WPP Leadership Award programme. In this programme, awards are made to participants that vest three years after grant, provided the participant is still employed within the Group.

Executive Directors, and other senior management employees, may receive part of their annual bonus entitlement as a deferred share award (ESA) under the Stock Plan 2018. Executive Directors are ineligible to participate in any other aspect of the management share award programme, other than in relation to awards granted prior to appointment or in relation to awards granted to buy-out previous awards on appointment.

Share Option Plan 2015

The WPP plc Share Option Plan 2015 is an all-employee plan that makes annual grants of stock options to employees with two years of service who work in wholly-owned subsidiaries. This plan replaced the legacy Worldwide Ownership Plan.

The WPP plc Share Option Plan 2015 has the capability to make grants of executive share options.

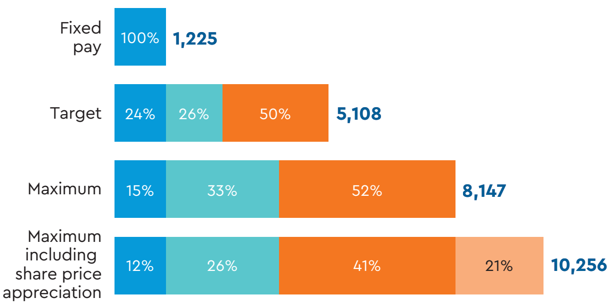
ILLUSTRATIONS OF TOTAL COMPENSATION

The charts below provide an illustration of the potential future total remuneration of the Executive Directors. Four scenarios of potential outcomes are provided based on the assumptions set out in the notes on the following page. The charts are reflective of the Policy that is being presented for approval at the 2023 AGM.

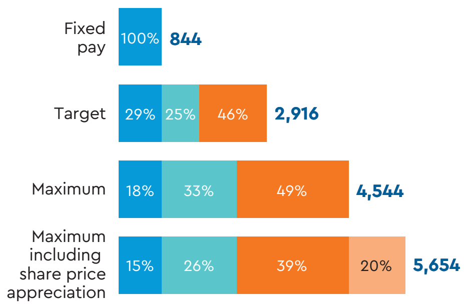
COMPENSATION SCENARIO

£000

Mark Read



Joanne Wilson (incoming CFO announced 8 November 2022)



- Fixed, consisting of base salary, benefits and pension
- Short-term incentives (STIP)
- Long-term incentives (EPSP)
- 50% share price appreciation

NOTES TO THE COMPENSATION SCENARIO CHARTS

The scenarios in the charts on the previous page have been calculated based on the following assumptions:

Fixed pay	Consists of base salary, benefits and pension Base salary as at 1 January 2023 (or date of appointment if later) Pension at 10% of base salary
Target	Assumes STIP of 50% of maximum Assumes EPSP vesting of 60% of maximum
Maximum excluding any share price growth	Assumes maximum STIP and maximum EPSP
Maximum including 50% share price growth	Assumes maximum STIP, maximum EPSP and 50% share price appreciation on the EPSP element of the package

HOW WE WILL IMPLEMENT OUR PROPOSED COMPENSATION POLICY IN 2023

On the assumption that the proposed Policy is approved at the 2023 AGM, the table below demonstrates how we plan to implement the Policy specifically for 2023.

	Policy	2023	2024	2025	2026	2027	Implementation for 2023
Base salary	Typically reviewed annually to align with the wider workforce.						Mark Read: £1,081,600 John Rogers: £784,400 Joanne Wilson: £740,000 Salary levels may be reviewed in 2023
Benefits	Provide an annual fixed and non-itemised allowance, to enable the Executive Director to ensure their wellbeing and security.						Mark Read: £35,000 John Rogers: £30,000 Joanne Wilson: £30,000
Pension	Pension is provided by way of a contribution to a defined contribution arrangement, or a cash allowance, or a combination of the two. Determined as a percentage of base salary.						All Executives: 10%
Short-term incentives	– 75%-100% financial – 0%-25% individual strategic objectives – One-year performance period – At least 40% delivered in the form of deferred shares released after a period of two years	Cash	Deferred shares				Mark Read: 0-250% John Rogers: N/A Joanne Wilson: 0-200% 75% financial and 25% non-financial targets 60% cash/40% deferred shares
Long-term incentives	– Performance measures may be a mix of market, financial and non-financial measures – Three-year performance period – Two-year holding period	Performance period			Holding period		Mark Read: 0-390% John Rogers: N/A Joanne Wilson: 0-300% Performance measures: TSR, ROIC and AFCF

APPOINTMENTS TO THE BOARD

This section sets out details with respect to the appointment of a new Executive Director to the Board of WPP, whether it is an external or internal appointment.

FIXED COMPENSATION

Base salary will be set considering a range of factors, including the profile and prior experience of the candidate, internal relativities, cost and external market data. If base salary is set at a lower initial level, contingent on individual performance, the Committee retains the discretion to realign the base salary over a phased period of one to three years following appointment, which may result in an exceptional rate of annualised increase in excess of that set out in the Policy table.

Other elements of fixed pay will be set in accordance with the Policy table. The Committee may also provide one-off benefits such as reasonable relocation expenses and assistance with visa applications. Short-term benefits, such as accommodation following appointment and tax filing assistance may also be provided.

ONGOING VARIABLE COMPENSATION

The Committee will seek to pay only that level of reward necessary to recruit the exceptional talent needed to lead such a broad and diverse global group. The actual level of incentive offered will be in accordance with the Policy limits and will be dependent on the role and existing package of the candidate.

The Committee retains the discretion to make awards on recruitment, within the Policy limits, to provide an immediate alignment with the interests of shareholders.

BUY-OUT AWARDS

In addition to the above (and outside the Policy limits) the Committee may consider buying-out compensation entitlements that the individual has had to forfeit by accepting the appointment. The structure and value of the awards will generally be made on a like-for-like basis and will be informed by the structure and value of those entitlements being forfeited, unless the Committee consider it not to be practical or appropriate. The performance targets, time horizon and method of payment will be set in an appropriate manner at the discretion of the Committee and may or may not reflect the vesting, deferral and holding requirements in the Policy.

SERVICE CONTRACTS

The following terms will apply for any new Executive Director role appointed to the Board in the future:

- Executive Directors will normally be appointed on a notice period of up to 12 months from both parties
- Remuneration terms include base salary, benefits allowance, pension, holidays and participation in the short and long-term incentive plans
- At the Committee's discretion, the Executive Director's employment may be terminated by making a payment in lieu of notice of fixed compensation (base salary, benefits and pension) either in a lump sum or by monthly instalments rather than as a lump sum. The Committee has the discretion to reduce or stop the monthly instalment payments if alternative employment is taken up or other remuneration is received for the provision of services during the period when monthly instalments are due. Current Executive Directors' contracts align to the above
- More detail on the loss of office provisions are included on page 141

TERMS SPECIFIC TO INTERNAL APPOINTMENTS

The Committee can honour any pre-existing commitments if an internal candidate is appointed to the Board.

SERVICE CONTRACTS

Executive Directors' service contracts are on a rolling basis without a specific end date.

The effective dates and notice periods under the current Executive Directors' service contracts are shown in this table:

Name	Effective from	Notice period
Mark Read	3 September 2018	12 months
John Rogers	27 January 2020	12 months

The Executive Directors' service contracts are available for inspection at the Company's registered office and head office.
Joanne Wilson's contract also includes a 12 months' notice period that will be effective from her commencement of employment.

LOSS OF OFFICE PROVISIONS

FIXED COMPENSATION ELEMENTS

As noted on page 140, the service contracts of Executive Directors provide for notice to be given on termination.

The fixed compensation elements of the contract will continue to be paid in respect of any notice period. Alternatively, a payment in lieu of notice (as described on page 140 under 'Service Contracts') may be made at the Committee's discretion. If an Executive Director is placed on garden leave, the Committee retains the discretion to settle benefits in the form of cash.

The Executive Directors are entitled to compensation for any accrued and unused holiday although, to the extent it is possible and in shareholder interests, the Committee will encourage Executive Directors to use their leave entitlements prior to the end of their notice period. Except in respect of any remaining notice period, no aspect of any Executive Director's fixed compensation is payable on termination of employment.

VARIABLE COMPENSATION ELEMENTS

The table below summarises the policy on short-term and long-term incentives in certain leaver scenarios. As noted on page 138, the Committee has the authority to ensure that any awards that vest or lapse are treated in accordance with the plan rules, which are more extensive than the summary set out in the table below.

STIP	– The Executive Directors are entitled to receive their short-term incentive (cash element and/or ESA element) for any particular year provided they are employed on the last date of the performance period. If they are not employed they will not receive it unless the Committee decides to award a pro rata bonus in respect of the period worked
ESA (unvested existing awards)	– Provided the Executive Director is a Good Leaver, awards will vest in full on the normal vesting date subject to their terms. If the Executive Director is not a Good Leaver, unvested awards will lapse. Good Leaver for these purposes includes leaving on retirement, ill health, injury or disability, as a result of death in service and other circumstances determined by the Committee. In exceptional circumstances, the Committee may determine that an award will vest on a different basis
EPSP	– Provided the Executive Director is a Good Leaver, awards will vest subject to performance to the end of the performance period and (unless the Committee decides otherwise) time pro-rating. Awards will vest on the normal date. If the Executive Director is not a Good Leaver, unvested awards will lapse. Good Leaver for these purposes includes leaving on retirement, ill health, injury or disability, as a result of death in service and other circumstances determined by the Committee – Generally, awards will vest on the date of death, having regard to the extent to which any performance conditions have been achieved and any holding period will come to an end (and subject to time pro-rating unless the Committee decides otherwise) – Awards will vest immediately on a change of control subject to performance and time pro-rating will be applied (unless the Committee decides otherwise) unless the outstanding shares are exchanged for equivalent new awards – In exceptional circumstances, the Compensation Committee may determine that an award will vest on a different basis

OTHER COMMITTEE DISCRETIONS NOT SET OUT ABOVE

Leaver status: the Committee has the discretion to determine an Executive Director's leaver classification considering the guidance set out within the relevant plan rules.

Settlement agreements: the Committee is authorised to reach settlement agreements with departing Executive Directors, informed by the default position set out above.

EXTERNAL APPOINTMENTS

Executive Directors are permitted to serve as non-executives on the boards of other organisations. If the Company is a shareholder in that organisation, non-executive fees for those roles are waived. However, if the Company is not a shareholder in that organisation, any non-executive fees can be retained by the office holder.

PAYMENTS IN EXCEPTIONAL CIRCUMSTANCES

In unforeseen and exceptional circumstances, the Committee retains the discretion to make emergency payments which might not otherwise be covered by this Policy. The Committee will not use this power to exceed the recruitment policy limit, nor will awards be made in excess of the limits set out in the Directors' Compensation Policy table. An example of such an exceptional circumstance could be the untimely death of a Director, requiring another Director to take on an interim role until a permanent replacement is found.

DIRECTORS' COMPENSATION POLICY TABLE – CHAIR AND NON-EXECUTIVE DIRECTORS

The following table sets out details of the ongoing compensation elements for WPP's Chair and Non-Executive Directors. No element of pay is performance-linked.

Base fees To reflect the skills, experience and time required to undertake the role.	The Chair and Non-Executive Directors receive a 'base fee' in connection with their appointment to the Board. Fees are typically reviewed annually and consider the skills, experience and time required to undertake the role, as well as fee levels in similarly-sized UK companies.	An overall cap on all non-executive fees, excluding consultancy fees, will apply consistent with the prevailing and shareholder-approved limit in the Articles of Association.
Additional fees To reflect the additional time required in any additional duties for the Company.	Non-Executive Directors are eligible to receive additional fees in respect of serving as: – Senior Independent Director – Chair of a Board Committee – Member of a Board Committee – Consultancy fees in respect of other work that falls outside the remit of their role for the Company	An overall cap on all non-executive fees, excluding consultancy fees, will apply consistent with the prevailing and shareholder-approved limit in the Articles of Association. Consultancy fees will be set on a discretionary basis, taking account of the nature of the role and time required.
Benefits and allowances To enable the Chair and Non-Executive Directors to undertake their roles.	The Company will reimburse the Chair and Non-Executive Directors for all reasonable and properly documented expenses incurred in performing their duties of office. The Company may provide additional allowance to facilitate the operation of the Board such as a travel allowance for attendance at international meetings. In the event that the reimbursement of these expenses gives rise to a personal tax liability for the Chair or Non-Executive Director, the Company retains the discretion to meet this cost (including, where appropriate, costs in relation to tax advice and filing). While not currently offered, the Company retains the discretion to pay additional benefits to the Chair including, but not limited to, use of car, office space and secretarial support.	Benefits and allowances for the Chair and Non-Executive Directors will be set at a level that is appropriate for the performance of the role.

OTHER CHAIR AND NON-EXECUTIVE DIRECTOR POLICIES

LETTERS OF APPOINTMENT FOR THE CHAIR AND NON-EXECUTIVE DIRECTORS

Letters of appointment have a one- to two-month notice period and there are no payments due on loss of office.

APPOINTMENTS TO THE BOARD

Letters of appointment will be consistent with the current terms as set out in this Annual Report. The Chair and Non-Executive Directors are not eligible to receive any variable pay. Fees for any new Non-Executive Directors will be consistent with the operating policy at their time of appointment. In respect of the appointment of a new Chair, the Committee has the discretion to set fees considering a range of factors including the profile and prior experience of the candidate and external market data.

SHAREHOLDING

Non-Executive Directors are encouraged to hold shares in the Company. The ownership guideline is to reach a shareholding equal to 1 x annual base fee within a three-year period.