

RESPONSIBLE BUSINESS

We reduce risks to our business and clients by establishing clear responsible business policies and procedures and by being transparent about our progress

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SUSTAINABILITY GOVERNANCE AND MANAGEMENT

Our governance processes and policies help us manage sustainability risks and opportunities consistently across the Company

SUSTAINABILITY GOVERNANCE MODEL

THE BOARD

- Responsible for the overall long-term success of WPP and for setting our purpose, values and culture and strategic direction, including on sustainability
- Approves our Sustainability Policy and Environment Policy and, where relevant, considers the identification and mitigation of sustainability issues, including climate change, when overseeing major decisions (set out in WPP Matters Reserved for the Board, available on wpp.com)

BOARD COMMITTEES

SUSTAINABILITY COMMITTEE

- Supports the Board in its oversight of corporate responsibility, sustainability, environmental, social and governance (ESG) and related reputational matters
- Understands WPP's sustainability-related risks and opportunities
- Reviews and monitors the management and implementation of our sustainability strategy and Net Zero Transition Plan
- Reviews policy statements on environmental and social matters
- Meets at least four times a year, receiving in-depth progress reviews from management at each meeting, and provides an update to the Board following each meeting

→ See pages 5 and 6

AUDIT COMMITTEE

- Monitors the integrity of WPP's ESG disclosures, including the relationship with our ESG assurance provider
- Provides oversight of internal controls and risk management, including our ESG controls

→ See page 10, 2023 Annual Report

EXECUTIVE COMMITTEES

→ See page 115, 2023 Annual Report

EXECUTIVE COMMITTEE

- Assists the CEO in discharging his responsibilities
- Collectively responsible for implementing strategy, including sustainability strategy, ensuring consistent execution and embedding the Company's culture and values

DISCLOSURE COMMITTEE

- Reports to the Audit Committee
- Responsible for overseeing the accuracy and timeliness of Group disclosures, including sustainability and ESG, and reviewing controls and procedures in relation to the public disclosure of financial information

RISK COMMITTEE

- Assists the Board and Audit Committee by reviewing, monitoring and advising on compliance with laws, regulations, internal procedures, and industry standards, the design and implementation of WPP's compliance framework, compliance policies and procedures and risks that present themselves throughout WPP, including material sustainability and ESG issues

GROUP FUNCTIONS AND AGENCIES

- The Chief Sustainability Officer has overall operational responsibility for sustainability
- Our agencies are required to comply with our Sustainability Policy, and report performance to WPP on an annual basis
- We set a clear policy framework through our Code of Business Conduct, Sustainability Policy, Supplier Code of Conduct and other policies included in the WPP Policy Book
- Our sustainability team works to ensure consistent implementation of our standards and supports the business to identify sustainability-related risks and opportunities, informing the business through targeted briefings, programme meetings and status updates
- Our sustainability team monitors key performance metrics and collates status updates from the business, which are reported to the Chief Sustainability Officer, the relevant Executive committees and Board committees, and the wider business
- In 2023, this included training on ESG reporting and controls, our Green Claims Guide, and employee capability, building on our net zero strategy
- Progress against sustainability metrics and targets is communicated to the business on an annual basis

SUSTAINABILITY GOVERNANCE AND MANAGEMENT CONTINUED

OUR MATERIALITY PROCESS

We continually assess changing stakeholder priorities through ongoing dialogue (see page 50) in the course of doing business. We also use a materiality process to ensure our sustainability strategy, investments and reporting focus on the issues of greatest importance and relevance to our business and our stakeholders.

We completed our most recent impact materiality assessment in January 2023 (see page 51). The top three most material issues have remained consistent since 2020: climate crisis, misleading claims and misinformation, and diversity, equity and inclusion.

In 2024, we will conduct a double materiality assessment (DMA), informed by the impact materiality assessment on page 51. Our DMA will shape the future format and content of our ESG disclosures.

OUR CODE OF BUSINESS CONDUCT

At WPP, we want to encourage a culture of integrity and transparency where our people make the right decisions automatically and instinctively. Our policy framework and training set clear ethical standards for our people and agencies.

Our Code of Business Conduct applies to everyone at WPP. It sets out our responsibilities to our people, partners and shareholders to act ethically, legally and with integrity. Senior managers in all our agencies must certify each year that they have complied and will continue to comply with the Code, and our suppliers are asked to sign a copy of the Code or prove equivalence within their own policies as a pre-condition to engagement to confirm they will comply with its principles.

Part of our Code of Business Conduct is making sure that our people have the confidence and know how to speak up and raise concerns with their managers or supporting teams such as People, through WPP's business integrity team or by calling our Right to Speak hotline (which is confidential and allows for anonymity) if they experience or hear about behaviour which is at odds with the principles stated in our Code.

We publicise our Right to Speak hotline in induction packs, on our intranet and external website, in offices, in the WPP Policy Book and via our mandatory ethics training.

ETHICS TRAINING

100,000+

employees, freelancers and contractors completed online ethics training during the training period 2023–2024

People can also speak directly to the business integrity team, who receive reports through emails, calls, texts and in-person appointments.

Every report received from a whistleblower is investigated and reported into the Audit Committee by WPP's business integrity function. In general, there has been a steady increase in the number of reports received over the past few years, though they fell year-on-year in 2022 following a particular spike in 2020 and 2021, reflecting concerns raised and connected with Covid-19 and lockdowns. In 2023, a total of 612 reports were received from whistleblowers (2022: 372; 2021: 494; 2020: 418), 476 of which were through the Right to Speak hotline. The most commonly raised concerns were about respect in the workplace and protection of WPP's assets.

RISK MANAGEMENT

ESG risks are integrated into WPP's risk appetite and tolerance levels as well as our assessment, management and monitoring of principal risks. This includes the business review process, which includes assessing the possibility of winning or losing major business; succession and the addition or loss of a key employee; regulatory changes; sustainability, privacy, diversity and employment; political instability; and changes in accounting or corporate governance practice.

Our principal risks and uncertainties are set out in detail in the Strategic Report section of our 2023 Annual Report and include risks relating to climate change, cyber and data security and our ability to recruit and retain talented people.

ASSOCIATES, AFFILIATES AND ACQUISITIONS

We expect our associate and affiliate companies to adopt ethical standards that are consistent with our own. Our due diligence process for acquisitions and expansion into new markets includes a review of ethical risks, including those relating to bribery and corruption, human rights or ethical issues associated with client work.

We identify any specific human rights risks associated with different countries of operation, using sources such as Transparency International, Human Rights Watch and government guidance.

Acquired businesses must adopt our policies and their people must undertake our ethics training within a month of joining WPP. This is agreed in an integration plan before the acquisition is finalised, and we monitor progress.

INSTITUTE OF BUSINESS ETHICS

WPP is a member of the Institute of Business Ethics (IBE) and considers it an important partner and support for the approach that the Company takes to business integrity, sustainability and ethics. As set out more fully in the Risk Governance Framework on page 93 and Business Integrity Programme on page 94 of our 2023 Annual Report, we want to champion and facilitate a culture where our people feel that acting with transparency, honesty and integrity is an expected metric for success, and this is also the IBE's ethos.

The IBE shares knowledge and good practice as well as advice on the development and embedding of relevant policies through networking events, regular publications and training sessions, research and benchmarking reports.

The IBE is a registered charity funded by corporate and individual donations.

PUBLIC POLICY

Business can make a valuable contribution to the public policy debate

To protect the public interest, it is important that we conduct all lobbying with integrity and transparency.

Most of our public policy work is carried out for clients by our public affairs businesses, including lobbying public officials and influencing public opinion. We also advocate on issues that affect our business, people and wider stakeholders.

Our agencies engaged in public affairs include BCW, Hill & Knowlton and FGS Global. The majority of this work takes place in the US, UK and EU, although many clients are multinational businesses operating in many countries.

OUR STANDARDS

Our Code of Business Conduct and Political Activities and Engagement Policy govern our political activities. They commit us to acting ethically in all aspects of our business, and to maintaining the highest standards of honesty and integrity. Political activities should be conducted legally, ethically and transparently, and all related communication should be honest, factual and accurate. Our policies apply to all agencies and employees, at all levels.

Our Group Chief Counsel has responsibility for developing and implementing our Political Activities and Engagement Policy and public reporting procedures. Agency CEOs and CFOs in each country or region are responsible for implementing the policy locally.

Any third parties conducting political activities on behalf of WPP or our agencies must comply with the policy. Third parties are required to complete WPP mandatory ethics training or equivalent within their own organisations.

WPP agencies comply with all applicable laws and regulations governing the disclosure of public affairs activities. In the US, this includes the Lobby Disclosure Act and the Foreign Agent Registration Act, which are designed to achieve transparency on client representation and require lobbying firms to register the names of clients on whose behalf they contact legislators or executive branch personnel. A number of our agencies are listed on the EU Transparency Register

of lobbying activities. Our agencies in the US whose sole or primary business is lobbying have representatives of both major political parties among senior management.

Many of our agencies are members of professional organisations and abide by their codes of conduct. Examples include the UK Association of Professional Political Consultants and the European Public Affairs Consultancies' Association.

We will not undertake work that is intended to mislead, and always seek to identify the underlying client before taking on work. Our Assignment Acceptance Policy and Framework provides guidance to our leaders and people about how to conduct additional due diligence in relation to clients and any work we are asked to undertake (see page 31).

LOBBYING AND POLITICAL ADVOCACY

We occasionally directly contribute to the debate on public policy issues relevant to our business, people and wider stakeholders. For example, we are part of the Race to Zero campaign managed by the UNFCCC. We engaged with the UK Government on its AI regulatory framework by contributing to the public consultation, participating in ministerial roundtables, and providing insight into AI systems. Where relevant, we contributed to the public policy debate through trade bodies, such as the Federal Trade Commission's updated Green Guides, or the EU's rules on late payments.

We also support clients' advocacy on a wide range of issues, including LGBTQ+ rights, through both pro bono and paid work. Our agencies contribute to public policy debate in areas where they have expertise and a special interest, such as privacy, data protection and AI issues.

WPP agencies must implement clear procedures for employing serving or former politicians, including a six-month 'cooling-off' period for people joining WPP from public office or the public sector.

POLITICAL CONTRIBUTIONS

WPP agencies are not permitted to make direct cash donations. Other political donations can only be made with the prior written approval of a WPP Executive Director. Donations must be reported to WPP's legal function before they are made, to confirm they comply with this policy and to obtain the necessary approvals.

POLITICAL ACTION COMMITTEES

In countries where it is consistent with applicable law, individuals working at WPP agencies may make personal voluntary political contributions directly to candidates for office. BCW and FGS Global also maintain political action committees, which accept voluntary donations from their people to support political candidates. In 2023, these committees made disbursements worth \$164,389 (data from fec.gov).

MEMBERSHIP OF TRADE ASSOCIATIONS

WPP and our agencies are members of industry groups, business associations and other membership organisations with robust governance processes. WPP agencies must nominate a senior manager to manage and oversee trade association relationships.

We actively support initiatives and projects that align with our values and priorities, such as the Global DEI Census, Ad Net Zero and Global Alliance for Responsible Media. This can help accelerate progress across the industry. For example, we are working with trade bodies to agree a consistent and transparent methodology for calculating emissions from media placement.

WPP's memberships include: 30% Club, Accounting for Sustainability, the American Benefits Council, Business Disability Forum, Business in the Community, Champions of Change Coalition, China-Britain Business Council, Global Equity Organization, Institute of Business Ethics, Living Wage Foundation, Media Trust, RE100, UN Global Compact, Unmind, The Valuable 500, Women on Boards and Partnership for Global LGBTIQ+ Equality.

At a local level, our agencies are often members of local advertising, PR, public affairs and market research industry associations, as well as national chambers of commerce and business councils.

SUPPLY NETWORK

Creating an inclusive, sustainable, ethical and diverse network of suppliers

The wide range of services we offer and our organisational structure mean we have to manage a complex and dynamic supply chain.

We work with more than 60,000 parent companies across our supply network. Our suppliers fall into two main categories: 'indirect suppliers' providing goods and services such as IT, telecommunications, travel, facilities management, people services and real estate, and 'direct suppliers' used in client work such as advertising and marketing services, production and media.

In 2023 our newly expanded responsible procurement team strengthened how we manage environmental, social and governance issues in our supply chain, focusing on supply chain risk, carbon reduction and supplier diversity.

SUPPLY CHAIN RISK

We continually assess our supply chain risk based on country, industry sector, categories of goods and services and individual suppliers.

We have established due diligence processes to help us select suppliers that meet our responsible sourcing standards.

In 2023, we developed and rolled out a refreshed risk assessment methodology and mitigation framework, alongside workshops to help us identify and rank risks across each supply category. The next phase, which will continue into 2024, will assess key suppliers in each category, formulating plans to manage specific supplier risks.

Suppliers are asked to sign a copy of WPP's Code of Business Conduct or prove equivalence within their own policies as a pre-condition to engagement, to confirm they will comply with its principles.

These standards include requirements relating to labour practices (such as anti-harassment and discrimination, and health and safety), human rights (including modern slavery issues such as child, forced or bonded labour), social impacts (such as anti-bribery and corruption) and other sustainability issues.

Our Code of Business Conduct requires suppliers to apply similar standards to companies within their own supply chains, including evidencing diversity and social responsibility in their cultures, behaviours and attitudes. We also include a right-to-audit provision in the supplier documentation and/or standard terms and conditions of contract.

CARBON REDUCTION

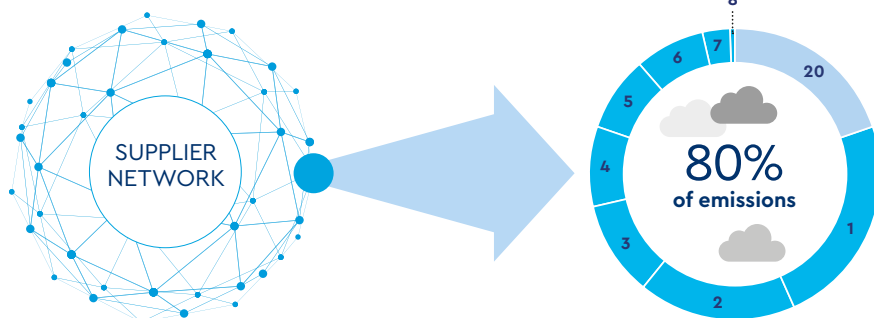
We are committed to halving carbon emissions across our supply chain by 2030, from a 2019 baseline. We know that the size and complex nature of our supply chain makes this target ambitious, but it's one we are determined to reach. In 2023 we commissioned sustainability consultancy Anthesis to help map our indirect suppliers' carbon footprint in detail, identifying those 'carbon strategic suppliers' we can engage with to help reduce their emissions (below). This remains a priority in 2024 and beyond.

SUPPLIER DIVERSITY

We are committed to including Certified Diverse Suppliers (CDS) in our purchasing lifecycle, both internally and for the benefit of our clients. We define CDS as minority-owned, women-owned, veteran-owned, LGBTQ-owned, service disabled, historically underutilised and small businesses.

We partner with Supplier.IO to actively search and include CDS in our sourcing process. We continue to support MSDUK (Minority Supplier Development UK) on its Integrated Supply Chain Accelerator scheme, hosting the Accelerator programme in January 2024. Through the programme we are one of four major industry leaders collaborating to find ways of embedding an ethos of diversity in our ways of working.

WORKING WITH OUR CARBON STRATEGIC SUPPLIERS



1 WPP manages a complex and dynamic supply chain of over **60,000** parent companies

2 However, **80%** of WPP's total indirect purchased goods and services' emissions come from around **800** suppliers

3 This helps us prioritise which suppliers to work with to understand and reduce emissions

¹ Indirect purchased goods and services makes up 39% of PG&S emissions

HUMAN RIGHTS

Respect for human rights is a fundamental principle for WPP. In our business activities we aim to prevent, identify and address negative impacts on human rights.

We look for opportunities to promote and support human rights, including children's rights, through our business activities and in areas such as our pro bono work.

All WPP agencies must comply with our Human Rights Policy Statement, which reflects international standards and principles, including the UN Guiding Principles on Business and Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and UNICEF's Children's Rights and Business Principles.

Our most direct impact on human rights is as a major employer. We recognise the rights of our people, including those relating to freedom of association and collective bargaining, and do not tolerate harassment or any form of forced, compulsory or child labour. Human rights are included in the mandatory ethics training completed on joining, and then annually, by all employees.

We work with clients to manage any human rights risks from marketing campaigns, for example by protecting children's rights in relation to marketing. We will not undertake work that is intended to mislead on human rights or any other issue.

MODERN SLAVERY

We do not tolerate any form of modern slavery or human trafficking in any part of our business or supply chain.

We aim to implement appropriate measures to mitigate the risk of it occurring, either in our own operations or those of our partners.

We recognise the prevalence of modern slavery across all countries. To strengthen how we identify and manage modern slavery risk in our indirect supply chain, we recently partnered with third-party service provider SlaveCheck, who identify and flag any potential slavery risks or incidences within global supply chains.

We also introduced new mandatory modern slavery training, which was completed by all group procurement employees.

Our global supplier agreement includes a specific clause relating to modern slavery compliance. We reserve the right to terminate a contract with any supplier found to breach or fail to comply with any legislation relating to modern slavery.

➔ See wpp.com/sustainability/modern-slavery-act-statement

REMEDiation

Our people can report concerns or suspected cases of misconduct confidentially (and, if they wish, anonymously) through our independently managed Right to Speak facility, which is overseen by our business integrity team and is available via phone or email in local languages.

We publicise the facility in induction packs, on our intranet and external website, in offices, in the WPP Policy Book and via our mandatory ethics training.

Our people can also speak directly to our business integrity team who receive a number of reports through emails, calls, texts and in-person appointments.

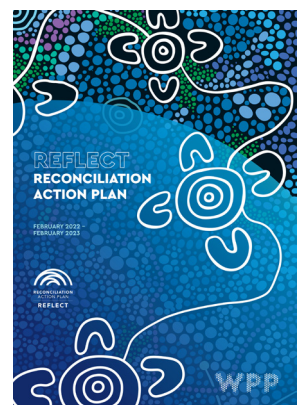
In 2023, a total of 612 reports were received from whistleblowers (see page 43). All reports were followed up, investigated where appropriate by our business integrity team, and reported to the Audit Committee. None of these reports were linked to concerns of human rights or modern slavery.

AUSTRALIAN RECONCILIATION ACTION PLAN

In 2023 WPP Australia and New Zealand completed its 'Reflect' Reconciliation Action Plan (RAP), which outlined a total commitment towards a more diverse, equitable and inclusive future. The plan, which was formally endorsed by Reconciliation Australia, paid respect to the rich culture of Aboriginal and Torres Strait Islander peoples. It enabled us to deepen our understanding of the unique contributions WPP can make to the five dimensions of reconciliation: race relations; equality and equity; institutional integrity; unity; and historical acceptance. As part of this, during 2023 WPP sponsored the interactive, state-of-the-art 'Burra Learning Place' at the Australian Museum, and took an affirmative stance on The Voice referendum.

At the end of 2023, we submitted our second 'Innovate' Reconciliation Action Plan to Reconciliation Australia for endorsement, which outlines actions for furthering our reconciliation efforts.

➔ [Download the Reflect Reconciliation Action Plan](#)



TAX POLICY

TAX PAYMENTS IN 2023

The Group paid corporation and overseas taxes of £395 million in 2023 (2022: £391 million). Estimated social security taxes collected and paid during 2023 were £1,137 million (2022: £1,104 million). Other taxes (primarily property taxes) paid during 2023 were £34 million (2022: £36 million).

We are working to quantify the wider economic impacts of our business and the benefits associated with our activities, including tax payments to governments.

GOVERNANCE

Responsibility for tax strategy, the supporting governance framework and management of tax risk, ultimately sits with the Chief Financial Officer (CFO). Day-to-day responsibility for each of these areas sits with the Group Tax Director, who reports to the CFO.

The Audit Committee, which is made up of Independent Non-Executive Directors, reviews the Group's tax strategy annually. It is supported by a tax risk management strategy, which aligns our monitoring and reporting of tax risks and controls with our policies for other risks and controls. Key risks and issues related to tax are escalated to and considered by the CFO throughout the year, and the Audit Committee (and, if appropriate, the full Board) on at least an annual basis.

We disclose our UK Tax Strategy in our 2023 Annual Report and key elements are summarised below.

MANAGING TAX RISK

As a large multinational group with operations globally, the Group is exposed to a variety of tax risks. These can be grouped under the following headings:

1. Tax compliance and reporting risks which cover risks associated with compliance failures, such as submission of late or inaccurate returns, the failure to submit claims and elections on time or where finance or operational systems and processes are not sufficiently robust to support tax compliance and reporting requirements

2. Transactional risks which arise where transactions are carried out or actions are taken without appropriate consideration of the potential tax consequences or where advice taken is not correctly implemented

3. Reputational risks which look beyond financial risks to the wider impact tax risk may have on our relationships with our stakeholders, including shareholders, clients, tax authorities and the general public

WPP Tax is made up of a team of tax professionals based predominantly in London and New York. In addition to an oversight role, they provide advice on tax-related issues, undertake or assist with tax filings, manage relationships with tax authorities and assist with various forms of tax and financial reporting.

Where appropriate, we look to engage with tax authorities to disclose and resolve issues, risks and uncertain tax positions. The subjective nature of many tax rules does, however, mean that it is often impossible to mitigate all known tax risk. Indeed, in certain situations, an element of tax risk may be maintained, where we believe our approach is consistent with the principles set out in our tax strategy and where the range of potential outcomes is in accordance with our risk parameters. Thus, at any given time, the Group may be exposed to some risk arising from its tax affairs, although one of the key responsibilities of WPP Tax is to manage and mitigate tax risk wherever possible.

TAX COMPLIANCE AND RELATIONSHIP WITH TAX AUTHORITIES

We are committed to complying with our tax filing, reporting, payment and disclosure obligations globally.

We look to maintain open and transparent relationships with the tax authorities in the jurisdictions in which we operate. This may take the form of discussing key developments in our business and the potential impacts of those developments. Equally, it may involve disclosing and seeking to resolve a known issue prior to the filing of the relevant tax return.

From time to time, our views (and those of our advisors) on the appropriate tax treatment in any given case may differ from those of the tax authorities. Where such circumstances arise, we will work constructively and proactively with the tax authorities in question, with a view to achieving an early resolution to any matters arising.

In accordance with transfer pricing regulations, our transfer pricing policies require transactions between group companies to be priced as though the companies are unrelated to one another.

TAX PLANNING

We will not engage in artificial transactions, the sole purpose of which is to reduce tax.

We enter into transactions or arrangements on the basis that they have the substance required by law, as well as a business, commercial or other non-tax purpose. Furthermore, we will not enter into transactions or claim tax incentives with the purpose of securing a tax advantage clearly and unambiguously contrary to the relevant legislation.

External tax advice is sought in relation to areas of complexity or uncertainty to support our work in complying with our tax strategy.

We will not enter into transactions or arrangements unless they are consistent with our tax strategy.

Our tax policy requires that, where tax law is unclear or subject to interpretation, we take external tax advice and any adopted tax position is at least probable to apply.

TRANSPARENCY

We support initiatives to improve international transparency on taxation matters, including OECD measures on country-by-country reporting and automatic exchange of information.

We do not tolerate tax evasion, nor do we tolerate the facilitation of tax evasion by any person(s) acting on our behalf.