

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31 2023

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report _____

For the transition period from _____ to _____

Commission file number 001-38303

WPP plc

(Exact Name of Registrant as specified in its charter)

Jersey

(Jurisdiction of incorporation or organization)

Sea Containers, 18 Upper Ground
London, United Kingdom, SE1 9GL

(Address of principal executive offices)

Andrea Harris

Group Chief Counsel

Sea Containers, 18 Upper Ground, London, United Kingdom, SE1 9GL

Telephone: +44(0) 20 7282 4600

E-mail: andrea.harris@wpp.com

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol (s)	Name of each exchange on which registered
Ordinary Shares of 10p each	WPP	London Stock Exchange
American Depositary Shares, each representing five Ordinary Shares (ADSs)	WPP	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act.

Not applicable

(Title of Class)

Not applicable

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

At December 31, 2023, the number of outstanding ordinary shares was 1,074,837,699 which included at such date 73,184,310 ordinary shares represented by 14,636,862 ADSs.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or an emerging growth company. See definition of “large accelerated filer,” “accelerated filer,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated Filer	<input type="checkbox"/>
Non-accelerated Filer	<input type="checkbox"/>	Emerging Growth Company	<input type="checkbox"/>

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

† The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP <input type="checkbox"/>	International Financial Reporting Standards as issued by the International Accounting Standards Board <input checked="" type="checkbox"/>	Other <input type="checkbox"/>
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If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

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Forward-Looking Statements

In connection with the provisions of the U.S. Private Securities Litigation Reform Act of 1995 (the 'Reform Act'), the Company may include forward-looking statements (as defined in the Reform Act) in oral or written public statements issued by or on behalf of the Company. These forward-looking statements may include, among other things, plans, objectives, beliefs, intentions, strategies, projections and anticipated future economic performance based on assumptions and the like that are subject to risks and uncertainties. These statements can be identified by the fact that they do not relate strictly to historical or current facts. They use words such as 'aim', 'anticipate', 'believe', 'estimate', 'expect', 'forecast', 'guidance', 'intend', 'may', 'will', 'should', 'potential', 'possible', 'predict', 'project', 'plan', 'target', and other words and similar references to future periods but are not the exclusive means of identifying such statements. As such, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that are beyond the control of the Company. Actual results or outcomes may differ materially from those discussed or implied in the forward-looking statements. Therefore, you should not rely on such forward-looking statements, which speak only as of the date they are made, as a prediction of actual results or otherwise. Important factors which may cause actual results to differ include but are not limited to: the impact of epidemics or pandemics including restrictions on businesses, social activities and travel; the unanticipated loss of a material client or key personnel; delays or reductions in client advertising budgets; shifts in industry rates of compensation; regulatory compliance costs or litigation; changes in competitive factors in the industries in which we operate and demand for our products and services; changes in client advertising, marketing and corporate communications requirements; our inability to realise the future anticipated benefits of acquisitions; failure to realise our assumptions regarding goodwill and indefinite lived intangible assets; natural disasters or acts of terrorism; the Company's ability to attract new clients; the economic and geopolitical impact of the conflicts in Ukraine and Gaza; the risk of global economic downturn; slower growth, increasing interest rates and high and sustained inflation; supply chain issues affecting the distribution of our clients' products; technological changes and risks to the security of IT and operational infrastructure, systems, data and information resulting from increased threat of cyber and other attacks; effectively managing the risks, challenges and efficiencies presented by using Artificial Intelligence (AI) and Generative AI technologies and partnerships in our business; risks related to our environmental, social and governance goals and initiatives, including impacts from regulators and other stakeholders, and the impact of factors outside of our control on such goals and initiatives; the Company's exposure to changes in the values of other major currencies (because a substantial portion of its revenues are derived and costs incurred outside of the UK); and the overall level of economic activity in the Company's major markets (which varies depending on, among other things, regional, national and international political and economic conditions and government regulations in the world's advertising markets). In addition, you should consider the risks described in Item 3D, captioned 'Risk Factors,' which could also cause actual results to differ from forward-looking information. In light of these and other uncertainties, the forward-looking statements included in this document should not be regarded as a representation by the Company that the Company's plans and objectives will be achieved. Neither the Company, nor any of its directors, officers or employees, provides any representation, assurance or guarantee that the occurrence of any events anticipated, expressed or implied in any forward-looking statements will actually occur. The Company undertakes no obligation to update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

Unless otherwise specified, content on websites is not incorporated by reference and does not form a part of this Annual Report on Form 20-F.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

Overview

WPP plc and its subsidiaries (WPP) is a leading worldwide creative transformation organisation offering national and multinational clients a comprehensive range of communications, experience, commerce and technology services across digital and traditional platforms. At 31 December 2023, the Group, excluding associates, had 114,173 employees. For the year ended 31 December 2023, the Group had revenue of £14,844.8 million and operating profit of £531.0 million.

Unless the context otherwise requires, the terms “Company”, “Group” and “Registrant” as used herein shall also mean WPP.

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

The Company is subject to a variety of possible risks that could adversely impact its revenues, results of operations, reputation or financial condition. Some of these risks relate to the industries in which the Company operates while others are more specific to the Company. The table below sets out principal risks the Company has identified that could adversely affect it. See also the discussion of Forward-Looking Statements preceding Item 1 of this Annual Report on Form 20-F.

Principal risk	Potential impact
Economic Risk	
Adverse economic conditions, including those caused by the conflicts in Ukraine and Gaza, severe and sustained inflation in key markets where we operate, supply chain issues including around resilience affecting the distribution of our clients’ products and/or disruption in credit markets, pose a risk our clients may reduce, suspend or cancel spend with us or be unable to satisfy obligations.	Economic conditions, including inflation and increasing interest rates, among others, have a direct impact on our business, results of operations and financial position. In the past, clients have responded to weak economic and financial conditions by reducing or shifting their marketing budgets which are easier to reduce in the short term than their other operating expenses.
Geopolitical Risk	
Growing geopolitical tension and conflicts continue to have a destabilising effect in our markets and across geographical regions. This rise in geopolitical activity continues to have an adverse effect upon the economic outlook, the general erosion of trust and an increasing trend of national ideology and regional convergence over global cooperation and integration. Such factors and economic conditions may be reflected in our clients’ confidence in making longer-term investments and commitments in marketing spend.	Actual or threatened geopolitical tension and conflicts lead to greater uncertainty, economic instability and a general lack of confidence for many of our clients who are inclined to scale back, delay or cancel their marketing plans and budgets.

Principal risk	Potential impact
Pandemic	
The impact of a pandemic on our business will depend on numerous factors that we are not able to accurately predict, including the duration and scope of a pandemic, any existing or new variants, government actions to mitigate the effects of a pandemic and the continuing and long-term impact of a pandemic on our clients' spending plans.	A pandemic and any new variants and the measures to contain its spread may have an adverse effect on our business, revenues, results of operations and financial condition and prospects.
Strategic Plan	
The failure to successfully complete the strategic plan updated in January 2024 to lead through AI, data and technology, to accelerate growth through the power of creative transformation, to build world-class, market-leading brands and to execute efficiently to drive financial returns through margin and cash.	A failure or delay in implementing or realising the benefits from the strategic plan may have a material adverse effect on our market share and our business, revenues, results of operations, financial condition or prospects.
Generative AI Strategy	
Delayed adoption and leverage of the opportunities and commercial models offered by generative AI in the services WPP provides to its clients, as well as the overall operation of the business.	Without the automation and efficiency gains offered by generative AI, we may experience increased costs and inefficiencies in our operations impacting profitability and competitiveness.
WPP may incur costs when ensuring it can comply with the introduction of artificial intelligence laws and regulations, including the EU AI Act. This will be through review of IT systems and processes, which may require refinement or amendment, to ensure regulation can be adhered to.	Clients will increasingly expect us to use generative AI-driven tools and technologies in our services and deliverables. If we fail to adopt generative AI at pace and evolve our commercial model, we may struggle to keep up with these demands, leading to decreased relevance and effectiveness of our services and deliverables for clients,
IP laws and in particular the analysis of copyright infringement is evolving in generative AI. Where it is used in client deliverables, IP infringement risk, in particular copyright infringement risk, must be assessed in the context of the underlying data sets used in the creation of client works.	Falling behind competitors leveraging the opportunities generative AI offers to gain a competitive advantage could result in lost market share, decreased revenue, and reduced profitability.
	We may struggle to attract and retain talent, further hindering our ability to innovate and compete.
	Generated materials may infringe third-party IP resulting in legal costs and client reputation impact.
IT And Systems	
We continue to undertake a series of IT transformation programmes devised to prioritise the most critical changes necessary to support the Group's strategic plan whilst maintaining the operational performance and security of core systems.	Any failure or delay in implementing the IT programmes may have a material adverse effect upon the overall strategic plan and the realisation of key targeted benefits and savings.
The Group is reliant on third parties for the performance of a significant portion of our worldwide information technology and operations functions.	Disruption and unavailability of critical systems may lead to disruption in our operations and client service delivery.
A failure to provide these functions could have an adverse effect on our business.	
Client Loss	
We compete for clients in a highly competitive industry which is continuously evolving and undergoing structural change and advancements in AI, data and technology.	The competitive landscape in our industry is constantly evolving and the role of more traditional services and operators in our sector who have not successfully diversified is being challenged. Competitors include multinational advertising and marketing communication groups, marketing services companies, database marketing information and measurement and professional services, and consultants and consulting internet companies.
Client net loss to competitors or as a consequence of client consolidation, insolvency, or a reduction in marketing budgets due to a geopolitical change or shift in client spending, would have a material adverse effect on our market share, business, revenues, results of operations, financial condition and prospects.	Client contracts can generally be terminated on 90 days' notice or are on an assignment basis and clients put their business up for competitive review from time to time.
	The ability to attract new clients and to retain or increase the amount of work from existing clients may be impacted if we fail to react quickly enough to changes in the market and to evolve our structure, as a consequence of any loss of reputation, and may be limited by clients' policies on conflicts of interest.
Client Concentration	
We receive a significant portion of our revenues from a limited number of large clients and the net loss of one or more of these clients or of a major assignment with them could have a material adverse effect on our prospects, business, financial condition and results of operations.	A relatively small number of clients contribute a significant percentage of our consolidated revenues. Our ten largest clients accounted for 16.3% of revenue in the year ended 31 December 2023.
	Clients can reduce their marketing spend, terminate contracts or cancel projects on short notice. The loss of one or more of our largest clients or of a major assignment with them, if not replaced by new accounts or an increase in business from existing clients, would adversely affect our financial condition.

Principal risk	Potential impact
Reputation	
Increased reputational risk associated with working on client briefs perceived to be environmentally detrimental and/or misrepresenting environmental claims.	<p>As societal consciousness around climate change rises, our sector is seeing increased scrutiny of its role in driving consumption. Our clients seek expert partners who can give recommendations that take into account their impact and stakeholder concerns around climate change.</p> <p>Additionally, WPP serves some clients whose business models are under increased scrutiny, for example energy companies or associated industry groups. This creates both a reputational and related financial risk for WPP if we are not rigorous in our content standards.</p>
People, Culture and Succession	
Our performance could be adversely affected if we: do not react quickly enough to changes in our market; fail to attract, develop and retain key creative, commercial, technology and management talent; or are unable to retain and incentivise key and diverse talent; or are unable to adapt to new ways of working by balancing home and office working.	<p>We are highly dependent on the talent, creative abilities and technical skills of our people as well as their relationships with clients.</p> <p>We are vulnerable to the loss of people to competitors (traditional and emerging) and clients, leading to disruption to the business.</p>
Cyber and Information Security	
<p>WPP has in the past, and may in the future experience a cyber attack that leads to harm or disruption to our operations, systems or services. This risk is also likely to increase as the prevalence and sophistication of generative AI means there is potential for both human and AI-generated attacks.</p> <p>Such an attack may also affect suppliers and partners through the unauthorised access to or manipulation, corruption or the destruction of data.</p>	<p>We may be subject to investigative or enforcement action or legal claims or incur fines, damages or costs and client loss if we fail to adequately protect data.</p> <p>A system breakdown or intrusion could have a material adverse effect on our business, revenues, results of operations, financial condition or prospects and have an impact on long-term reputation and lead to client loss.</p> <p>The imposition of sanctions and the associated geopolitical situation following the conflicts in Ukraine and Gaza have triggered an increase in cyber attacks generally.</p> <p>See Item 16K for further discussion on Cybersecurity.</p>
Credit Risk	
<p>We are subject to credit risk through the default of a client or other counterparty.</p> <p>Challenging economic conditions, heightened geopolitical issues, shocks to consumer confidence, disruption in credit markets and challenges in the supply chain disrupting our client operations can lead to a worsening of the financial strength and outlook for our clients who may reduce, suspend or cancel spend with us, request extended payment terms beyond 60 days or be unable to satisfy obligations.</p>	<p>We are generally paid in arrears for our services. Invoices are typically payable within 30 to 60 days.</p> <p>We commit to media and production purchases on behalf of some of our clients as principal or agent depending on the client and market circumstances. If a client is unable to pay sums due, media and production companies may look to us to pay those amounts and there could be an adverse effect on our working capital and operating cash flow.</p>
Internal Controls	
<p>Our performance could be adversely impacted if we failed to ensure adequate internal control procedures are in place.</p> <p>If material weaknesses are identified, they could adversely affect our results of operations, investor confidence in the Group and the market price of our ADSs and ordinary shares.</p>	<p>Failure to ensure that our networks have robust control environments, or that the services we provide and trading activities within the Group are compliant with client obligations, could adversely impact client relationships and business volumes and revenues.</p> <p>If material weaknesses in internal controls are discovered or occur in the future, our ability to accurately record, process and report financial information and, consequently, our ability to prepare financial statements within required time periods, could be adversely affected.</p> <p>In addition, the Group may be unable to maintain compliance with the federal securities laws and NYSE listing requirements regarding the timely filing of periodic reports. Any of the foregoing could cause investors to lose confidence in the reliability of our financial reporting, which could have a negative effect on the trading price of the Group's ADSs and ordinary shares.</p>
Data Privacy	
<p>We are subject to strict data protection and privacy legislation in the jurisdictions in which we operate and rely extensively on information technology systems. We store, transmit and rely on critical and sensitive data such as strategic plans, personally identifiable information and trade secrets:</p> <ul style="list-style-type: none"> – Security of this type of data is exposed to escalating external threats, that are increasing in sophistication, as well as internal data breaches – Data transfers between our global operating companies, clients or vendors may be interrupted due to changes in law (for example, EU adequacy decisions, CJEU Schrems II decision) 	<p>We may be subject to investigative or enforcement action or legal claims or incur fines, damages, or costs and client loss if we fail to adequately protect data or observe privacy legislation in every instance:</p> <ul style="list-style-type: none"> – The Group has in the past, and may in the future, experience a system breakdown or intrusion that could have a material adverse effect on our business, revenues, results of operations, financial condition or prospects – Restrictions or limitations on international data transfers could have an adverse effect on our business and operations

Principal risk	Potential impact
Taxation	
We may be subject to regulations restricting our activities or effecting changes in taxation.	Changes in local or international tax rules and rates, changes arising from the application of existing rules, new demands and assessments or challenges by tax or competition authorities, may expose us to significant additional tax liabilities or impact the carrying value of our deferred tax assets, which would affect the future tax charge.
Regulatory	
We are subject to strict anti-corruption, anti-bribery and anti-trust legislation and enforcement and incoming anti-fraud legislation in the countries in which we operate.	We operate in a number of markets where the corruption risk has been identified as high by groups such as Transparency International. Failure to comply or to create a culture opposed to fraud and corruption or failing to instil business practices that prevent fraud and corruption could expose us to civil and criminal sanctions.
Sanctions	
We are subject to the laws of the United States, the EU, the UK and other jurisdictions that impose sanctions and regulate the supply of services to certain countries. The conflict in Ukraine has caused the adoption of comprehensive sanctions by, among others, the EU, the United States and the UK, which restrict a wide range of trade and financial dealings with Russia and Russian persons.	Failure to comply with these laws could expose us to civil and criminal penalties including fines and the imposition of economic sanctions against us and reputational damage and withdrawal of banking facilities which could materially impact our results.
Civil liabilities or judgements against the Company or its directors or officers based on United States federal or state securities laws may not be enforceable in the United States or in England and Wales or in Jersey.	The Company is a public limited company incorporated under the laws of Jersey. Some of the Company's directors and officers reside outside of the United States. In addition, a substantial portion of the directly owned assets of the Company are located outside of the United States. As a result, it may be difficult or impossible for investors to effect service of process within the United States against the Company or its directors and officers or to enforce against them any of the judgements, including those obtained in original actions or in actions to enforce judgements of the United States courts, predicated upon the civil liability provisions of the federal or state securities laws of the United States.
ESG Regulation and Reporting	
The Group could be subject to increased costs to comply with the potential future changes in Environmental, Social and Governance (ESG) law and regulations. A failure to manage the complexity in carbon emission accounting for marketing and media or to consider Scope 3 emissions in new technology and business model innovation across the supply chain could have an adverse effect on our business and reputation.	We could be subject to increased costs to comply with potential future changes in ESG laws and regulations. This includes increasing carbon offset pricing to meet our net zero commitments. Increased investment is also required in building renovation, electrification, embedding sustainability in AI development and supplier engagement to meet targets, including developing internal ESG capacity and capabilities. In addition, carbon emission accounting for marketing and media is in its infancy and methodologies continue to evolve. This is particularly the case for emissions associated with digital media.
Emerging risks	
The Group's operations could be disrupted by an increased frequency of extreme weather and climate-related natural disasters.	This includes storms, flooding, wildfires and water and heat stress which can damage our buildings, jeopardise the safety and wellbeing of our people and significantly disrupt our operations.

ITEM 4. INFORMATION ON THE COMPANY

WPP is a leading worldwide creative transformation company offering national and multinational clients a comprehensive range of communications, experience, commerce and technology services. The Company provides these services through a number of established global, multinational and national operating companies that are organised into three reportable segments. The largest reportable segment is Global Integrated Agencies, which accounted for approximately 85% of the Company's revenues in 2023. The remaining 15% of our revenues were derived from the reportable segments of Public Relations and Specialist Agencies. The Company currently employs approximately 114,173 people in more than 100 countries.

The Company's ordinary shares are admitted to the Official List of the UK Listing Authority and trade on the London Stock Exchange and American Depositary Shares (which are evidenced by American Depositary Receipts (ADRs) or held in book-entry form) representing deposited ordinary shares are listed on the New York Stock Exchange (NYSE). At 31 December 2023 the Company had a market capitalisation of approximately £8,093.5 million.

The Company's executive office is located at Sea Containers, 18 Upper Ground, London, United Kingdom, SE1 9GL, Tel: +44 (0)20 7282 4600 and its registered office is located at 22 Grenville Street, St Helier, Jersey, JE4 8PX.

A. History and Development of the Company

WPP plc was incorporated in Jersey on 25 October 2012 under the name WPP 2012 plc.

On 2 January 2013, under a scheme of arrangement between WPP 2012 Limited (formerly known as WPP plc), (Old WPP), the former holding company of the Group, and its share owners pursuant to Article 125 of the Companies (Jersey) Law 1991, and as sanctioned by the Royal Court of Jersey (the Jersey Court), a Jersey incorporated and United Kingdom tax resident company, WPP 2012 plc became the new parent company of the WPP Group and adopted the name WPP plc. Under the scheme of arrangement, all the issued shares in Old WPP were cancelled and the same number of new shares were issued to WPP plc in consideration for the allotment to share owners of one share in WPP plc for each share in Old WPP held on the record date, 31 December 2012. Citibank, N.A., depository for the ADSs representing Old WPP shares, cancelled Old WPP ADSs held in book-entry uncertificated form in the direct registration system maintained by it and issued ADSs representing shares of WPP plc in book entry uncertificated form in the direct registration system maintained by it to the holders. Holders of certificated ADSs, or ADRs, of Old WPP were entitled to receive ADSs of WPP plc upon surrender of the Old WPP ADSs, or ADRs, to the Depository. Each Old WPP ADS represented five shares of Old WPP and each WPP plc ADS represents five shares of WPP plc.

Pursuant to Rule 12g-3 under the Securities Exchange Act of 1934, as amended (the Exchange Act), WPP plc succeeded to Old WPP's registration and periodic reporting obligations under the Exchange Act.

Old WPP was incorporated in Jersey on 12 September 2008 and became the holding company of the WPP Group on 19 November 2008 when the company now known as WPP 2008 Limited, the prior holding company of the WPP Group which was incorporated in England and Wales, completed a reorganisation of its capital and corporate structure. WPP 2008 Limited had become the holding company of the Group on 25 October 2005 when the company now known as WPP 2005 Limited, the original holding company of the WPP Group, completed a reorganisation of its capital and corporate structure. WPP 2005 Limited was incorporated and registered in England and Wales in 1971 and is a private limited company under the Companies Act 1985, and until 1985 operated as a manufacturer and distributor of wire and plastic products. In 1985, new investors acquired a significant interest in WPP and changed the strategic direction of the Company from being a wire and plastic products manufacturer and distributor to being a multinational communications services organisation. Since then, the Company has grown both organically and by the acquisition of companies, most significantly the acquisitions of J. Walter Thompson Group, Inc. (now known as Wunderman Thompson LLC) in 1987, The Ogilvy Group, Inc. (now known as The Ogilvy Group LLC) in 1989, Young & Rubicam Inc. (now known as Young & Rubicam LLC) in 2000, Tempus Group plc (Tempus) in 2001, Cordiant Communications Group plc (Cordiant) in 2003, Grey Global Group, LLC (Grey) in 2005, 24/7 Real Media Inc (subsequently known as Xaxis LLC and now part of Choreograph LLC) in 2007, Taylor Nelson Sofres plc (TNS) in 2008, AKQA Holdings, Inc. (AKQA) in 2012, IBOPE Participações Ltda (IBOPE) in 2015, Triad Digital Media, LLC and the merger of most of the Group's Australian and New Zealand assets with STW Communications Group Limited in Australia (re-named WPP AUNZ Limited) in 2016. During 2018, the Company focused on simplifying its organisation with the completion of the merger of VML and Y&R to create VMLY&R as well as the merger of Burson-Marsteller and Cohn & Wolfe to create Burson Cohn & Wolfe (BCW). The merger of Wunderman and J. Walter Thompson to create Wunderman Thompson began at the end of 2018 and was finalized in 2019. In December 2019, the Company sold 60% of the Kantar group to Bain Capital Private Equity. In May 2021, WPP completed the acquisition of the remaining shares in WPP AUNZ Limited (WPP AUNZ) by way of a scheme of arrangement. During 2021, AKQA and Grey were combined to form the AKQA Group, Geometry moved into VMLY&R to create VMLY&R Commerce and the specialist agency GTB became part of VMLY&R. In December 2021, the Company announced the completion of the merger of Finsbury Glover Hering and Sard Verbinen & Co., with the combined entity being rebranded as FGS Global in 2022. Effective in January 2023, Essence and Mediacom merged to form EssenceMediacom and Design Bridge and Superunion merged to create Design Bridge and Partners. In October 2023, the Company announced the merger of VMLY&R and Wunderman Thompson to create VML. In January 2024 the Group announced the merger of BCW and Hill & Knowlton to create Burson, which is effective in July 2024.

The Company paid £138.3 million, £282.7 million and £449.5 million in 2023, 2022 and 2021 respectively, related to acquisitions and disposals, including proceeds on disposal of investments and subsidiaries, payments in respect of earnout payments resulting from acquisitions in prior years and net of cash and cash equivalents disposed. For the same periods, cash spent on purchases of property, plant and equipment and other intangible assets was £217.2 million, £223.3 million and £293.1 million, respectively, and cash spent on share repurchases and buybacks was £53.9 million, £862.7 million and £818.5 million, respectively.

The Company is subject to the informational requirements of the Exchange Act. In accordance with these requirements, the Company files reports and other information with the United States Securities and Exchange Commission. You may read and copy any materials filed with the SEC at <http://www.sec.gov> that contains reports, proxy statements and other information regarding registrants that file electronically with the SEC. The Company's Form 20-F is also available on the Company's website, <http://www.wpp.com>.

B. Business Overview

Introduction

Certain Non-GAAP measures included in this business overview and in the operating and financial review and prospects have been derived from amounts calculated in accordance with IFRS but are not themselves IFRS measures. They should not be viewed in isolation as alternatives to the equivalent IFRS measure, rather they should be read in conjunction with the equivalent IFRS measure. These include constant currency, like-for-like, headline operating profit, headline PBIT (Profit Before Interest and Taxation), headline PBT (Profit Before Taxation), billings and estimated net new business/billings, adjusted free cash flow, adjusted net debt and average adjusted net debt, share of profit before interest and taxation of associates, share of adjusting items of associates, share of interest and non-controlling interests of associates, and share of taxation of associates which we define, explain the use of and reconcile to the nearest IFRS measure on pages 21 to 24.

Management believes that these measures are both useful and necessary to present herein because they are used by management for internal performance analyses; the presentation of these measures facilitates comparability with other companies, although management's measures may not be calculated in the same way as similarly titled measures reported by other companies; and these measures are useful in connection with discussions with the investment community.

In the calculation of headline profit measures, judgement is required by management in determining which revenues and costs are considered to be significant, non-recurring or volatile items that are to be excluded.

The exclusion of certain adjusting items may result in headline profit measures being materially higher or lower than reported profit measures, for example when significant impairments or restructuring charges are excluded but the related benefits are included, headline profit measures will be higher. Headline measures should not be considered in isolation as they provide additional information to aid the understanding of the Group's financial performance.

The Company is a leading worldwide creative transformation organisation offering national and multinational clients a comprehensive range of marketing and communications services.

Global Integrated Agencies

Our creative agencies develop and scale ideas that connect brands and products with consumers. Services include marketing strategy, creative ideation, production, commerce, influencer marketing, social media management and technology implementation e.g., CRM and app development. Our media agencies place creative content across digital and analogue channels to reach audiences. Services include media strategy, planning, buying and activation, commerce media, data analytics and consulting, delivered primarily through GroupM, the world's leading media investment company, and its constituent agencies. In 2023, WPP's integrated agency networks included Ogilvy, VMLY&R, Wunderman Thompson, AKQA, GroupM, and Hogarth. In October 2023, we announced the merger of Wunderman Thompson and VMLY&R to create VML, the world's largest creative agency, which was effective in January 2024.

Public Relations

Our PR firms help clients manage reputation and communicate with their stakeholders, from consumers and investors to governments and NGOs. Services include media management, public affairs, reputation, risk and crisis management, social media management and strategic advisory. In 2023 our PR companies included BCW, FGS Global (formed from the combination of Finsbury Glover Hering and Sard Verbinen & Co), and Hill & Knowlton. In January 2024 WPP announced the merger of BCW and Hill & Knowlton to create Burson, which is effective in July 2024.

Specialist Agencies

Our specialist agencies provide services by region or type. Services include brand consulting, brand identity, product and service design and corporate and brand publications. In 2023, our specialist agencies included the brand consultancies Landor and Design Bridge and Partners, and the specialist healthcare media business CMI.

During 2023, we reallocated a number of businesses between Global Integrated Agencies, Public Relations and Specialist Agencies. Prior year figures were re-presented to reflect the reallocation.

The following tables show, for the last three fiscal years, reported revenue and revenue less pass-through costs attributable to each reportable segment in which the Company operates.

Revenue ¹	2023		2022		2021	
	£m	% of total	£m	% of total	£m	% of total
Global Integrated Agencies	12,594.9	84.8	12,191.9	84.5	10,887.6	85.1
Public Relations	1,262.2	8.5	1,232.4	8.5	963.5	7.5
Specialist Agencies	987.7	6.7	1,004.4	7.0	950.0	7.4
Total	14,844.8	100.0	14,428.7	100.0	12,801.1	100.0

¹ Intersegment sales have not been separately disclosed as they are not material.

Revenue less pass-through costs ¹	2023		2022		2021	
	£m	% of total	£m	% of total	£m	% of total
Global Integrated Agencies	9,808.2	82.8	9,743.6	82.6	8,680.4	83.5
Public Relations	1,180.0	9.9	1,161.2	9.8	914.2	8.7
Specialist Agencies	871.5	7.3	894.5	7.6	802.6	7.8

¹ Revenue less pass-through costs is revenue less media and other pass-through costs. Pass-through costs comprise fees paid to external suppliers when they are engaged to perform part or all of a specific project and are charged directly to clients, predominantly media costs. See note 3 to the consolidated financial statements for more details of the pass-through costs.

The following tables show, for the last three fiscal years, reported revenue and revenue less pass-through costs attributable to each geographic area in which the Company operates and demonstrates the Company's regional diversity.

Revenue ¹	2023		2022		2021	
	£m	% of total	£m	% of total	£m	% of total
North America ²	5,527.6	37.2	5,549.5	38.5	4,494.2	35.1
United Kingdom	2,155.4	14.5	2,003.8	13.9	1,866.9	14.6
Western Continental Europe	3,037.2	20.5	2,876.2	19.9	2,786.3	21.8
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	4,124.6	27.8	3,999.2	27.7	3,653.7	28.5
Total	14,844.8	100.0	14,428.7	100.0	12,801.1	100.0

¹ Intersegment sales have not been separately disclosed as they are not material.

² North America includes the United States with revenue of £5,187.1 million (2022: £5,230.9 million, 2021: £4,220.8 million).

Revenue less pass-through costs ¹	2023		2022		2021	
	£m	% of total	£m	% of total	£m	% of total
North America ²	4,556.3	38.4	4,688.1	39.7	3,849.2	37.0
United Kingdom	1,626.3	13.7	1,537.2	13.0	1,414.3	13.6
Western Continental Europe	2,410.5	20.3	2,318.5	19.6	2,225.4	21.4
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	3,266.6	27.6	3,255.5	27.7	2,908.3	28.0

¹ Revenue less pass-through costs is revenue less media and other pass-through costs. Pass-through costs comprise fees paid to external suppliers where they are engaged to perform part or all of a specific project and are charged directly to clients, predominantly media costs. See note 3 to the consolidated financial statements for more details of the pass-through costs.

² North America includes the United States with revenue less pass-through costs of £4,270.6 million (2022: £4,402.0 million, 2021: £3,597.4 million).

WPP Head Office

The core functions of WPP, with the principal executive office in London, are to develop the strategy of the Company, coordinate the provision of services to cross-Company clients, perform a range of cross-Company functions in areas such as new business, talent recruitment and development, training, IT, finance, audit, legal and compliance, mergers & acquisitions (M&A), property, sustainability, investor relations and communications, promote best practice in areas such as our agencies' approach to diversity and inclusion, drive operating efficiencies and monitor the financial performance of WPP's operating companies.

Our Strategic Approach

At our Capital Markets Day in January 2024 we announced the next phase of our strategy – ‘Innovating to Lead’ – which is built on four strategic pillars:

- 1 **Lead through AI, data and technology**, by building on our leadership position in the application of artificial intelligence through the acquisition of the AI research firm Satalia in 2021; organic investment in WPP Open, our AI-driven platform, client technology and data; and deep partnerships with strategic technology partners such as Adobe, Google, IBM, Microsoft, Meta and Nvidia. Our plans include annual cash investment of around £250 million in proprietary technology to support our AI and data strategy.
- 2 **Unlock the full potential of creative transformation to drive growth**, expanding our client relationships by further leveraging WPP’s global scale, integrated offer in creative, media, production and PR, and capabilities in growth areas such as commerce, influencer marketing and retail media to capture share in a growing market.
- 3 **Build world-class, market-leading brands** through our six powerful agency networks – VML, Ogilvy, AKQA, Hogarth, GroupM and Burson – representing close to 90% of WPP’s revenue, and in particular reap the benefits of unrivalled scale from VML as the world’s largest integrated creative agency, leverage GroupM’s simplified operating model and scale as the world’s largest media agency and establish Burson as a leading global strategic communications agency by bringing together BCW and Hill & Knowlton.
- 4 **Execute efficiently to drive strong financial returns**, by delivering growth and structural cost savings from the creation of VML and Burson, and simplification of GroupM, unlocking scale advantages and further efficiency savings.

Our strategy will continue to be underpinned by a disciplined approach to capital allocation with ongoing organic investment, a progressive dividend policy and a disciplined approach to M&A, supported by a strong balance sheet and an investment grade credit rating.

Sustainability

Our sustainability strategy sets out how we use the power of creativity to build better futures for our people, planet, clients and communities. It supports all elements of our corporate strategy. Our sustainability commitments are not just the right thing to do, they add meaning for our people, who want to work for a company that shares their values, and our clients, who look to us to help them find and scale solutions to achieve their own goals and deliver positive impact.

People

- In 2023, we invested £27.9 million in learning and development opportunities for our people (2022: £31.3 million).
- We continue to focus on driving greater gender balance throughout the company. Over half (53%) of our senior managers are women (2022: 54%). In 2023, the proportion of women in executive leadership roles slightly increased to 41% (2022: 40%), and within this the proportion of women on the Executive Committee was 40%, same proportion compared with previous year. In 2023 we were once again featured in the Bloomberg Gender-Equality Index.

Planet

- During 2021, we set near-term science-based targets, validated by the Science Based Targets initiative, to reduce our absolute Scope 1 and 2 greenhouse gas emissions by at least 84% by 2025 and reduce Scope 3 greenhouse gas emissions by at least 50% by 2030, both from a 2019 base year. We also committed to reach net zero across our own operations (Scope 1 and 2) by 2025, and across our supply chain (scope 3) by 2030. These targets include emissions from media buying (more than half of our total footprint) – an industry first.
- WPP is a member of RE100 and has committed to sourcing 100% of its electricity from renewable sources by 2025. In 2023, we purchased 88% of our electricity from renewable sources (2022: 83%).
- We continue to make good progress towards our Scope 1 and 2 targets, largely driven by an increase in electricity purchased from renewable sources, as well as improved energy efficiency in our buildings as we move our people to fewer, more efficient buildings through our campus strategy. Our market based scope 1 and 2 carbon emissions per full-time equivalent employee for 2023 were 0.19 tonnes of CO₂e. This represents a 17% reduction from 2022 of 0.23 tonnes of CO₂e/head and a 77% reduction from our 2019 baseline.

- In 2023 we simplified our reporting to reflect our campus consolidation programme (detailed in our 2023 reporting criteria). An error was highlighted in our 2022 energy consumption caused by the complexity of our historic structure and resulting in an 8% and 6% restatement in Scope 2 market-based and location-based emissions respectively.
- The first step to limiting emissions must always be to reduce the total footprint of any product or service as far as possible. Our environment policy, introduced in 2022, sets out how we manage the cost and quality of the carbon credits we buy to offset emissions.

Clients

- We continue to strengthen our sustainability capabilities to support clients: in 2023 clients gave us a score out of ten of 8.3 for our ability to support their diversity, equity and inclusion goals (2022: 8.2) and 8.0 for our ability to support their sustainability goals.
- In 2023 we launched a client version of our Green Claims Guide and ran training for employees and clients in potentially higher-risk and higher-emissions sectors. The Guide is informed by guidance from regulators including the US Federal Trade Commission, and complemented by a legal toolkit that has been incorporated into our legal clearance process.

Communities

- In June 2020, as part of a set of commitments and actions to help combat racial injustice and support Black and ethnically marginalised talent, we set up our Racial Equity Fund, committing to invest \$30 million over three years in inclusion programmes and to support external organisations. To date, we have invested \$21.1 million and committed a further \$1.9 million to projects kicking-off from 2024. We will continue to invest to reach our \$30 million commitment.
- WPP employees around the world donated generously in 2023 to emergency relief appeals set up to support those affected by the devastating earthquakes in Turkey and Syria and then in Morocco, which we matched. In October, in response to the terrible events in Israel and Gaza, employees once again gave generously; with match funding we raised a total of £60,000 in partnership with the British Red Cross. We will continue to run employee match funding appeals for disaster relief.
- Our total social contribution in 2023 was £36.1 million (2022: £35.5 million). This includes pro bono work for NGOs and charities; negotiating free media space on behalf of pro bono clients, cash donations to charities, and racial equity initiatives (2022 figure excludes racial equity initiatives).
- Our pro bono work was worth £9.0 million (2022: £9.6 million) in 2023 covering a range of issues from the arts to conservation, health and human rights. We also made cash donations to charities of £3.6 million (2022: £5.2 million). This resulted in a total social investment of £12.6 million (2022: £14.8 million).
- WPP media agencies negotiated free media space worth £19.5 million on behalf of pro bono clients. Our total social contribution, taking into account cash donations, pro bono work, in kind contributions and free media space, and inclusion programmes through our Racial Equity Programme was £36.1 million (2022: £35.5 million excluding racial equity initiatives).

Clients

The Group works with 303 of the Fortune Global 500, all 30 of the Dow Jones 30, and 60 of the FTSE 100.

The Company's 10 largest clients accounted for 16% of the Company's revenues in the year ended 31 December 2023. No client of the Company represented more than 5% of the Company's aggregate revenues in 2023. The Group's companies have maintained long-standing relationships with many of their clients, with an average length of relationship for the top 10 clients of approximately 46 years.

Government Regulation

From time to time, governments, government agencies and industry self-regulatory bodies in the United States, European Union, United Kingdom and other countries in which the Company operates have adopted statutes, regulations, and rulings that directly or indirectly affect the form, content, and scheduling of advertising, public relations and public affairs, and market research, or otherwise limit the scope of the activities of the Company and its clients. Some of the foregoing relate to privacy and data protection, AI, and general considerations such as truthfulness, substantiation and interpretation of claims made, comparative advertising, relative responsibilities of clients and advertising, public relations and public affairs firms, and registration of public relations and public affairs firms' representation of foreign governments.

There has been a trend towards legislation and guidance on the use of AI, as well as expansion of specific rules, prohibitions, media restrictions, labeling disclosures and warning requirements with respect to advertising for certain products, such as over-the-counter drugs and pharmaceuticals, certain foods and alcoholic beverages, and to certain groups, such as children and energy companies as well as a focus on substantiated and credible green claims. Though the Company does not expect any existing or proposed regulations to have a material adverse impact on the Company's business, the Company is unable to estimate the effect on its future operations of the application of existing statutes or regulations or the extent or nature of future regulatory action.

IT

The WPP Risk Subcommittee regularly reviews and monitors our data ethics, privacy and security risk, as well as our approach to regulatory and legal compliance.

Our Chief Privacy Officer leads our work on privacy, supported by our Data Protection Officer. Together, and with the WPP privacy team, they provide practical support to our agencies, promote best practices and ensure that privacy risks are well understood.

The WPP Data Privacy and Security Charter - reviewed and updated throughout the year - sets out core principles for responsible data management through our Data Code of Conduct, our technology, privacy and social media policies, and our security standards.

Safer Data training, which includes content on data protection, security and privacy, must be completed by all new and current employees, as well as consultants. Throughout the year, agency and subject matter-specific training is provided across WPP. These have included sessions focused on new regulations such as the Digital Personal Data Protection Act in India.

Our privacy teams establish direct relationships with their client counterparts to ensure engagement and alignment, as well as organising training across WPP and client teams.

Our annual Data Health Checker provides us with insight into how data is used, stored and transferred and helps to identify any parts of the business that need further support. In 2023, the average risk score was 1.6 (2022: 1.6), where five is the maximum score possible and indicates maximum risk.

C. Organizational Structure

The Company's business comprises the provision of creative transformation services on a national, multinational and global basis. It operates in more than 100 countries. For a list of the Company's subsidiary undertakings and their country of incorporation see Exhibit 8.1 to this Form 20-F.

D. Property, Plant and Equipment

The majority of the Company's properties are leased, although certain properties which are used mainly for office space are owned. Owned properties are in Latin America (principally in Argentina, Brazil, Chile, Mexico, Peru and Puerto Rico), Asia (India) and in Europe (Spain and UK). Principal leased properties, which include office space at the following locations:

Location	Use	Approximate square footage
3 World Trade Center, New York, NY	GroupM, Mindshare, Wavemaker, EssenceMediacom, Xaxis, Kinetic, WPP, Wunderman Thompson, AKQA, Finance+, WPP-IT, Spec Comm, Landor, Grey, Hogarth, VMLY&R, Hill & Knowlton, Ogilvy, DesignBridge	690,000
636 Eleventh Avenue, New York, NY	100% vacant held for disposition	564,000
399 Heng Feng Road, Zhabei, Shanghai	GroupM, Ogilvy, Wunderman Thompson, Hill & Knowlton, GTB, VMLY&R, VMC, Burson Cohn & Wolfe, Hogarth, Peclers	430,000
Volklinger Strasse, Dusseldorf	GroupM, Essence, Mindshare, Wavemaker, Thjnk, Scholz & Friends, VMLY&R, Hill & Knowlton, Grey, Wunderman Thompson, Ogilvy, Hogarth, Kinetic, GCI	407,000
971 Mofarrej Avenue, Sao Paulo	Ogilvy, Wunderman Thompson, VMLY&R, VMLY&R Commerce, Grey, AKQA, David, Mirum, GTB, Fbiz, Blinks Essence, Jussi, Corebiz, Enext, Try, PmWeb, Foster, Mutato, Burson Cohn & Wolfe, Maquina Cohn & Wolfe, Superunion, Hill & Knowlton, JeffreyGroup, Hogarth, WPP (Estimated Occupancy 2025).	314,000
Calle de Ríos Rosas, 26, Madrid	WPP, Finance+, Hogarth, Superunion + Lambie Nairn, Burson Cohn & Wolfe, GroupM (including: Mindshare, Mediacom, NEO, Wavemaker), Hill & Knowlton, Ogilvy, Axicom, Wunderman Thompson, The Cocktail, VMLY&R, Grey, David	382,000
The Orb at Sahar, Andheri East, Mumbai	GroupM, Wavemaker, Mindshare, Mediacom, Kinetic, Ogilvy, Grey, Wunderman Thompson, Hill & Knowlton, Landor & Fitch, VMLY&R, Genesis Burson Cohn & Wolfe, WPP	374,000

Location	Use	Approximate square footage
200 Fifth Avenue, New York, NY	100% vacant held for disposition	343,000
3 Columbus Circle, New York, NY	100% vacant held for disposition	340,000
Tower B, DLF Cyber Park, Gurugram	GroupM, Wavemaker, Mindshare, Mediacom, Ogilvy, Wunderman Thompson, Hogarth, Grey, GTB, AKQA, ADK, WPP	308,000
145-149 rue Anatole France, Levallois-Perret, Paris	Axicom, Burson Cohn & Wolfe, GroupM, Ogilvy, Peclers, Poster Conseil, Wunderman Thompson, VMLY&R, WPP (Estimated Occupancy 2023)	300,000
1 Southwark Bridge Road, London	GroupM, EssenceMediacom, Wunderman Thompson (Forecast Occupation 2024)	287,000
Via Lodovico il Moro/ Via Giuglio Richard 3, Milan	GroupM, Mindshare, Wavemaker, EssenceMediacom, MediaClub, T&P, Kinetic, WPP, Wunderman Thompson, AKQA, Grey, Fast, WPP-IT, Hogarth, Ogilvy, VMLY&R, Landor, Hill & Knowlton, Burson Cohn & Wolfe, Axicom, AQUEST	283,000
333 North Green Street, Chicago, IL	GroupM, Ogilvy, Wunderman Thompson, Hill & Knowlton, GTB, VMLY&R, Burson Cohn & Wolfe, Hogarth, Landor & Fitch, Design Bridge, WBA, Gorilla	271,000
125 Queens Quay, Toronto	GroupM, Wunderman Thompson, Ogilvy, Grey, VMLY&R, Hill+Knowlton Strategies, Burson Cohn & Wolfe, Hogarth, Landor & Fitch, SJR, Spafax, Buchanan	265,000
Jinbao & Huali Building, Beijing	Ogilvy, Wunderman Thompson, Grey, Superunion, Landor & Fitch, Hill & Knowlton	180,000
2 Southwark Bridge Road, London	Burson, Axicom, Choreograph, PSB, SJR, Metro, GCI Health, Clarion Communications, MindShare, Grey & Nexus	242,000
Sea Containers House, Upper Ground, London SE1	WPP, Landor & Fitch, Hogarth, Ogilvy, Ogilvy Health, VMLY&R, VMLY&R Commerce, Wavemaker, GroupM	225,000
Bubenska 1, Prague	EssenceMediacom, GroupM, Mindshare, Ogilvy, VMLY&R, WPP, Wavemaker, Wunderman Thompson	206,000

The Company considers its properties, owned or leased, to be in good condition and generally suitable and adequate for the purposes for which they are used. At 31 December 2023, the fixed asset value (cost less depreciation) representing land, freehold buildings and leasehold buildings as reflected in the Company's consolidated financial statements was £623.5 million.

By 2025, we expect approximately 75,000 of our people will work in 47 campuses. This is revised from the previous target of 85,000 in at least 65 campuses, due to the rise in hybrid working. Consolidating into fewer, larger buildings provides an opportunity to reduce our space requirements by about 15-20% on average.

See note 12 to the consolidated financial statements for a schedule by years of lease payments as at 31 December 2023.

ITEM 4A.UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5.OPERATING AND FINANCIAL REVIEW AND PROSPECTS

As introduced on page 7, certain Non-GAAP measures are included in the operating and financial review and prospects.

A. Operating Results

Overview

The following discussion is based on the Company's audited consolidated financial statements beginning on page F-1 of this report. The Group's consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB.

WPP is a creative transformation company with a service offering that allows us to meet the present and future needs of our clients. Our business model is client-centric, and we leverage resources and skills across our internal structures to provide the best possible service. The Company offers services in three reportable segments:

- Global Integrated Agencies
- Public Relations
- Specialist Agencies

In 2023, approximately 85% of the Company's consolidated revenues were derived from Global Integrated Agencies, with the remaining 15% of its revenues being derived from the remaining two segments.

In 2023, our industry felt the impact of a tougher economic environment. Spending by clients in the consumer packaged goods sector – WPP’s largest segment – grew well, but this was offset by a more cautious approach to marketing spend in other sectors, and notably lower spend from technology clients.

Against this challenging backdrop, our performance was resilient, with growth in like-for-like revenue of 3.2%. Strong growth in the UK and India was set against weaker trading in the US, China and Germany. Thanks to disciplined cost control, we were able to grow our like-for-like headline operating margin in 2023, while continuing to invest in AI, data, technology and talent.

GroupM, our media investment business, grew well, and Ogilvy – supported by major new client assignments – also performed strongly. Our creative production business, Hogarth, was another standout performer, benefiting from increasing demand for its technology- and AI-driven capabilities.

We expect 2024 to be a transitional period of modest growth as we cycle through the impact of some assignment losses last year and as technology companies continue to manage through a period of disruption, but we are optimistic about the strategic opportunities ahead of us.

The share price decreased by 8% in 2023 as compared to 2022, closing at 753.0 pence at year end. Since then it has decreased to 707.2 pence, down 6%, at 15 March 2024. Dividends in respect of 2023 and 2022 are 39.4 pence.

2023 compared with 2022

Revenue

Revenue was up 2.9% at £14.845 billion in 2023 compared to £14.429 billion in 2022. Revenue on a constant currency basis was up 4.4% compared with last year. Net changes from acquisitions and disposals had a positive impact of 1.2% on growth. Like-for-like revenue growth for 2023, excluding the impact of currency, acquisitions and disposals, and other adjustments as further described on page 21, was 3.2%.

Our unique offer continues to drive partnerships with new clients. In 2023 we won \$4.500 billion worth of new business billings, including key accounts with Adobe, Allianz, Estée Lauder, Ford, Hyatt, Krispy Kreme, Lenovo, Lloyds Banking Group, Maruti Suzuki, Mondelēz, Nestlé, Pernod Ricard, SC Johnson and Verizon.

Costs of services, general and administrative costs

Costs of services increased by 3.7% in 2023 to £12,325.8 million from £11,890.1 million in 2022.

General and administrative costs increased by 68.4% in 2023 to £1,988.0 million from £1,180.4 million in 2022, principally in relation to an increase in adjusting items of £835.6 million as explained further below.

Staff costs decreased by 0.3% in 2023 to £8,137.6 million from £8,165.8 million in 2022. Staff costs, excluding incentives (short- and long-term incentives and cost of share-based incentives), increased by 0.1%. Incentive payments were £386.9 million compared to £423.6 million in 2022.

The average number of people in the Group in 2023 was 114,732 compared to 114,129 in 2022. The total number of people at 31 December 2023 was 114,173 compared to 115,473 as at 31 December 2022.

The Group incurred £1,219.2 million of adjusting items in 2023, mainly relating to the amortisation of acquired intangible assets, restructuring and transformation costs, and property and goodwill impairments. This compares with net adjusting items in 2022 of £383.6 million:

- Goodwill impairment, amortisation and impairment of acquired intangibles and other impairment charges were £809.1 million (2022: £177.0 million, mainly related to the accelerated amortisation of indefinite life brands resulting from the VML merger. This includes accelerated amortisation charges of £430.8 million and £202.3 million for Wunderman Thompson and Y&R brands respectively).
- Restructuring costs of £195.5 million in 2023 (2022: £218.8 million) mainly relate to: the Group’s IT transformation; property costs associated with impairments prior to 2023; and costs related to the continuing restructuring plan, including the creation of VML and simplification of GroupM.
- Charges associated with property, including the property review conducted in 2023, were £232.5 million and primarily relate to non-cash lease impairments in the US.

Operating profit

Operating profit was down 60.9% to £0.531 billion in 2023 compared to £1.358 billion in 2022. Headline operating profit was up 0.5% to £1.750 billion in 2023 compared to £1.742 billion in 2022, and our operating margin was flat year-on-year at 14.8% and up 0.2 percentage points year-on-year on a constant currency basis.

Profit before interest and tax

Profit before interest and tax was down 53.7% to £0.601 billion in 2023, compared to £1.298 billion in 2022. Headline PBIT for 2023 was down 1.7% to £1.786 billion from £1.816 billion for 2022.

Finance and investment income, finance costs and revaluation and retranslation of financial instruments

Net finance costs, defined as finance and investment income less finance costs (excluding the revaluation and retranslation of financial instruments), were £261.7 million, an increase of £47.7 million year-on-year, due to higher levels of debt through the year, higher interest rates and lower investment income partially offset by higher interest earned on cash. Revaluation and retranslation of financial instruments resulted in a profit of £6.8 million in 2023, a decrease of £69.2 million from a profit of £76.0 million in 2022 primarily driven by revaluation losses from investments held at fair value through profit or loss, revaluation losses from put options over non-controlling interests and gains from revaluation of payments due to vendors (earnout agreements). See note 6 to the consolidated financial statements for more details of the revaluation and retranslation of financial instruments.

Profit before taxation

Profit before tax was down 70.1% to £0.346 billion in 2023, compared to £1.160 billion in 2022. Headline PBT was down 4.8% to £1.525 billion in 2023 from £1.602 billion in 2022.

Taxation

Tax charges were £149.1 million in 2023 and £384.4 million in 2022. The Group's effective tax rate on profit before tax was 43.1% in 2023 against 33.1% in 2022.

The difference in the rate in 2023 was principally due to the impact of permanent differences on a significantly lower reported profit before tax.

Profit for the year

Profit after tax was £0.197 billion, compared to £0.775 billion in 2022. Profits attributable to shareholders was £0.110 billion, compared to £0.683 billion in 2022.

Diluted earnings per share was 10.1p, compared to diluted earnings per share of 61.2p in the prior period.

Segment performance

Performance of the Group's businesses is reviewed by management based on headline operating profit. A table showing these amounts by reportable segment and geographical area for each of the three years ended 31 December 2023, 2022 and 2021 is presented in note 2 to the consolidated financial statements. To supplement the reportable segment information presented in note 2 to the consolidated financial statements, the following tables give details of revenue change and revenue less pass-through costs change by geographical area and reportable segment on a reported and like-for-like basis. Headline operating profit and headline operating profit margin by reportable segment are also provided below.

Reportable Segments

During 2023, we have reallocated a number of businesses between Global Integrated Agencies, Public Relations and Specialist Agencies. Prior year figures have been re-presented to reflect the reallocation.

Revenue Analysis

	Reported revenue change %+/-		Like-for-like revenue change %+/-	
	2023	2022	2023	2022
Global Integrated Agencies	3.3	12.0	3.7	6.9
Public Relations	2.4	27.9	2.0	9.4
Specialist Agencies	(1.8)	5.7	(2.5)	1.9
Total Group	2.9	12.7	3.2	6.7

Revenue less pass-through costs analysis

	Revenue less pass-through costs ¹ change %+/(–)		Like-for-like revenue less pass-through costs ¹ change %+/(–)	
	2023	2022	2023	2022
Global Integrated Agencies	0.7	12.2	1.3	6.9
Public Relations	1.6	26.9	1.4	8.2
Specialist Agencies	(2.6)	11.6	(3.4)	5.6

¹ Revenue less pass-through costs is revenue less media and other pass-through costs. Pass-through costs comprise fees paid to external suppliers where they are engaged to perform part or all of a specific project and are charged directly to clients. See note 3 to the consolidated financial statements for more details of the pass-through costs.

Headline operating profit analysis

	2023		2022		2021	
	£m	Headline operating profit ¹ margin %	£m	Headline operating profit ¹ margin %	£m	Headline operating profit ¹ margin %
Global Integrated Agencies	1,474.3	15.0	1,433.4	14.7	1,221.2	14.1
Public Relations	191.1	16.2	191.9	16.5	144.6	15.8
Specialist Agencies	84.8	9.7	116.5	13.0	127.7	15.9
Total Group	1,750.2		1,741.8		1,493.5	

¹ Headline operating profit margin is calculated as headline operating profit as a percentage of revenue less pass-through costs

Global Integrated Agencies revenue was up 3.3% and like-for-like revenue less pass-through costs was up 1.3%. GroupM, our media planning and buying business, grew well in 2023, benefiting from continued client investment in media. Headline operating profit was up £40.9 million to £1,474.3 million for the year ended 31 December 2023 from £1,433.4 million for the year ended 31 December 2022.

Public Relations revenue was up 2.4% and like-for-like revenue less pass-through costs was up 1.4%. FGS Global continued to grow strongly in 2023, while Hill & Knowlton delivered modest growth lapping strong performance in 2022; partially offset by a weaker year for BCW. Headline operating profit was down £0.8 million to £191.1 million for the year ended 31 December 2023 from £191.9 million for the year ended 31 December 2022.

Specialist Agencies revenue was down 1.8% and like-for-like revenue less pass-through costs was down 3.4%. CMI Media Group, our specialist healthcare media planning and buying agency, grew strongly, offset by declines at Landor and Design Bridge and Partners. Our smaller specialist agencies continued to be affected by more cautious client spending, including delays in project-based spending. Headline operating profit was down £31.7 million to £84.8 million for the year ended 31 December 2023 from £116.5 million for the year ended 31 December 2022.

Geographical area

Revenue Analysis

	Reported revenue change %+/(–)		Like-for-like revenue change %+/(–)	
	2023	2022	2023	2022
North America	(0.4)	23.5	(0.4)	7.8
United Kingdom	7.6	7.3	6.5	6.3
Western Continental Europe	5.6	3.2	3.8	4.8
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	3.1	9.5	6.3	7.0
Total Group	2.9	12.7	3.2	6.7

Revenue less pass-through costs analysis

	Revenue less pass-through costs ¹ change %+ /(-)		Like-for-like revenue less pass-through costs ¹ change %+ /(-)	
	2023	2022	2023	2022
North America	(2.8)	21.8	(2.7)	6.6
United Kingdom	5.8	8.7	5.6	7.6
Western Continental Europe	4.0	4.2	1.8	5.5
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	0.3	11.9	3.7	8.0

¹ Revenue less pass-through costs is revenue less media and other pass-through costs. Pass-through costs comprise fees paid to external suppliers where they are engaged to perform part or all of a specific project and are charged directly to clients. See note 3 to the consolidated financial statements for more details of the pass-through costs.

North America revenue was down 0.4% and like-for-like revenue less pass-through costs declined by 2.7% in 2023 reflecting lower revenues from technology clients and in the retail sector. This was partially offset by growth in GroupM.

United Kingdom revenue was up 7.6% and like-for-like revenue less pass-through costs was up 5.6%. GroupM and Ogilvy were the strongest performers.

Western Continental Europe revenue was up 5.6% and like-for-like revenue less pass-through costs was up 1.8%. France performed strongly with Germany experiencing a challenging end to the year.

Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe revenue was up 3.1% and like-for-like revenue less pass-through costs was up 3.7%. In 2023, the growth was driven by India in the second half. This was partially offset by China which declined with a consistent level of decline across the first and second half.

2022 compared with 2021

For a discussion of the year ended 31 December 2022 compared to the year ended 31 December 2021, please refer to "Item 5. Operating and Financial Review and Prospects" in our Annual Report on Form 20-F for the year ended 31 December 2022.

B. Liquidity and Capital Resources

General—The primary sources of funds for the Group's short-term and long-term cash requirements are cash generated from operations and funds available under its credit facilities. The primary uses of cash funds in recent years have been for debt service and repayment, capital expenditures, acquisitions, share repurchases and cancellations and dividends. For a breakdown of the Company's sources and uses of cash and for the Company's liquidity risk management see the "Consolidated Cash Flow Statement" and notes 10, 11 and 24, which are included as part of the Company's consolidated financial statements in Item 18 of this Annual Report on Form 20-F.

Our exposure to growth markets, strong client relationships, leading capabilities and robust financial position enable us to accelerate growth, expand margins and improve cash generation to drive shareholder returns. Our business is cyclical but our cost base is flexible, allowing maintenance of strong profitability and cash generation across the cycle. We combine this with a disciplined approach to capital allocation, enabling us to reinvest in the business, acquire new companies and talent, and reward shareholders. We are focused on maintaining our investment grade balance sheet and a target leverage ratio of 1.5 to 1.75 times our average net debt (which excludes lease liabilities) to headline EBITDA.

As at 31 December 2023 we had cash and cash equivalents of £1.9 billion comprised of £2.2 billion of cash and short-term deposits and £0.3 billion of bank overdrafts. Total liquidity, including undrawn credit facilities, was £3.8 billion.

Funds returned to shareholders in 2023 totaled £422.8 million of dividends (2022: £365.4 million). There were no share buybacks in 2023 (2022: £807.4 million). In 2023, 6.1 million shares, or 0.6% of the issued share capital, were purchased at a cost of £53.9 million (2022: £55.3 million) and represent purchases by the Employee Share Ownership Plan (ESOP) trusts of shares in the Company for the purposes of funding certain of the Group's share-based incentive plans.

The Group's liquidity is affected primarily by the working capital flows associated with its media buying activities on behalf of clients. The working capital movements relate primarily to the Group's billings. Billings comprise the gross amounts billed to clients in respect of commission-based/fee-based income together with the total of other fees earned. In 2023, billings were £52.6 billion, or 3.5 times the revenue of the Group. The inflows and outflows associated with media buying activity therefore represent significant cash flow within each month of the year and are forecast and re-forecast on a regular basis throughout the

year by the Group's treasury staff so as to ensure that there is continuing coverage of peak requirements through committed borrowing facilities from the Group's bankers and other sources.

In 2023, net cash inflow was broadly neutral, compared to a £1.4 billion outflow in 2022. The main drivers of the improved cash flow performance year-on-year were a smaller outflow from investment in net working capital and lower share purchases.

Liquidity risk management—The Group manages liquidity risk by ensuring continuity and flexibility of funding even in difficult market conditions. Undrawn committed borrowing facilities are maintained in excess of peak net-borrowing levels and debt maturities are closely monitored. Targets for average debt less cash position are set on an annual basis and, to assist in meeting this, working capital targets are set for all the Group's major operations. See additional discussion on liquidity risk in note 24 to the consolidated financial statements.

Debt

The Company's borrowings consist of bonds and revolving credit facilities; details on the Company's borrowings are provided in note 10 to the consolidated financial statements.

Borrowings under the \$2.5 billion Revolving Credit Facility have no financial covenants from refinancing in February 2024. In February 2024, we refinanced our five-year Revolving Credit Facility of £2.5 billion to extend the maturity date from March 2026 to February 2029 with two further one-year extension options and no financial covenants.

During 2023, all covenants have been complied with. The Group had available undrawn committed credit facilities of £2.0 billion (\$2.5 billion) (2022: £2.1 billion (\$2.5 billion)) at 31 December 2023.

In May 2023, we issued bonds of €750.0 million maturing May 2028. Our bond portfolio at 31 December 2023 had an average maturity of 6.2 years. In November 2023 we repaid the €750.0 million 3.0% November 2013 bond.

In March 2024, we refinanced the September 2024 \$750 million and March 2025 €500 million bonds as planned, issuing two bonds of €600 million priced at 3.625% and €650 million priced at 4.0%, due September 2029 and 2033 respectively.

Hedging of financial instruments—The Group's policy on interest rate and foreign exchange rate management sets out the instruments and methods available to hedge interest and currency risk exposures and the control procedures in place to ensure effectiveness. The Group uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

Cash flow and balance sheet

Net cash inflow from operating activities increased to £1.238 billion in 2023 from £0.701 billion in 2022. Operating profit was £531.0 million, depreciation and amortisation £1,174.6 million, non-cash share-based incentive charges £140.1 million, working capital and provisions outflow £260.2 million, earnout payments £30.5 million, net interest paid £158.7 million, tax paid £395.3 million, lease liabilities (including interest) paid £361.6 million, capital expenditure £217.2 million and other net cash inflows £215.0 million. Adjusted free cash flow was, therefore, an inflow of £637.2 million.

Adjusted free cash flow inflow was enhanced by £122.0 million disposal proceeds (of which £98.8 million was disposals of investments and subsidiaries net of cash disposed and £4.8 million was disposal of property, plant and equipment) and reduced by £279.6 million in net initial acquisition payments, £53.9 million of share repurchases and £422.8 million in cash to shareholders through dividend payments. This resulted in a cash inflow of £2.6 million compared to a cash outflow of £1.4 billion in 2022.

The main drivers of the improved cash flow performance year-on-year were a smaller outflow from investment in net working capital and lower share purchases. A working capital outflow of £260.2 million (2022: £846.7 million) includes an adverse impact of £89.0 million from less favourable FX rates at the end of the year compared to the prior year. The movement in total working capital of £260.2 million reflects a favourable movement of £112.6 million in trade working capital driven by improved collections, compared with an adverse movement of £328.0 million in 2022 due to year-end mix and timing factors. This is offset by an outflow of £372.8 million from non-trade working capital, primary reflecting year-on-year movements in bonus, landlord incentives relating to our campus programme and prepayments (2022: £518.7 million).

As at 31 December 2023 we had cash and cash equivalents of £1.9 billion (2022: £2.0 billion) and total liquidity, including undrawn credit facilities, of £3.8 billion. Debt financing was £4.7 billion at 31 December 2023, compared to £5.0 billion at 31 December 2022, a decrease of £0.3 billion. Average adjusted net debt in 2023 was £3.6 billion, compared to £2.9 billion in the prior period, at 2023 exchange rates. As at 31 December 2023, adjusted net debt was £2.5 billion, against £2.5 billion as at 31 December 2022, unchanged on a reported basis and an increase of £0.1 billion at 2023 exchange rates.

The Company has several material contractual obligations at 31 December 2023. The following table summarises the Company's estimated contractual obligations at 31 December 2023, and the effect such obligations are expected to have on its

liquidity and cash flows in the future periods. Certain obligations presented below held by one subsidiary of the Company may be guaranteed by another subsidiary in the ordinary course of business.

£m	Payments due in						Beyond 2028
	Total	2024	2025	2026	2027	2028	
Debt financing under the Revolving Credit Facility and in relation to unsecured loan notes ¹							
Eurobonds	2,904.3	—	433.5	650.2	650.2	650.2	520.2
Sterling bonds	650.0	—	—	—	—	—	650.0
US\$ bonds	834.7	589.1	—	—	—	—	245.6
Subtotal	4,389.0	589.1	433.5	650.2	650.2	650.2	1,415.8
Interest payable	892.2	122.2	101.1	96.0	76.0	53.9	443.0
Total	5,281.2	711.3	534.6	746.2	726.2	704.1	1,858.8
Lease liabilities ²	2,772.2	405.9	326.9	282.1	261.0	231.1	1,265.2
Capital commitments ³	38.4	36.7	1.7	—	—	—	—
Investment commitments ³	2.2	2.2	—	—	—	—	—
Financial derivatives	(23.8)	25.5	8.0	5.6	5.1	(68.0)	—
Estimated obligations under acquisition earnouts and put option agreements	302.3	86.9	78.1	109.5	10.2	6.2	11.4
Total contractual obligations	8,372.5	1,268.5	949.3	1,143.4	1,002.5	873.4	3,135.4

¹ In addition to debt financing under the Revolving Credit Facility and in relation to unsecured loan notes, the Company had short-term overdrafts at 31 December 2023 of £358.2 million. The Group's adjusted net debt at 31 December 2023 was £2,503.8 million and is analysed above.

² In addition to the lease liabilities, the total committed future cash flow for leases not yet commenced at 31 December 2023 is £280.0 million. In 2023, variable lease expenses were £45.5 million which primarily include real estate taxes and insurance costs.

³ Capital and investment commitments include commitments contracted, but not provided for in respect of property, plant and equipment and in respect of interests in associates and other investments, respectively.

The Company has a large number of defined benefit plans. Contributions to funded plans are determined in line with local conditions and practices. Contributions in respect of unfunded plans are paid as they fall due. The total contributions (for funded plans) and benefit payments (for unfunded plans) paid for 2023 amounted to £19.8 million. Employer contributions and benefit payments in 2024 are expected to be approximately £17.0 million. Projections for years after 2024 are subject to a number of factors, including future asset performance and changes in assumptions which mean the Company is unable to make sufficiently reliable estimates of future contributions.

Further to the above, the Company has short-term commitments to purchase media and other short-term and long-term contractual commitments such as software and IT infrastructure service contracts as part of its day-to-day operations. In the ordinary course of business we incur costs in respect of these commitments, as disclosed in note 3 of the consolidated financial statements along with other costs expensed as incurred over the course of the year.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Operating Results on pages 12 to 16 and Risk Factors on pages 2 to 5. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the financial statements and the notes to the financial statements include: the Company's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposures to credit risk and liquidity risk. The Company's forecasts and projections, taking account of (i) reasonably possible declines in revenue less pass-through costs and (ii) remote declines in revenue less pass-through costs for stress-testing purposes compared to 2023, considering the Group's liquidity headroom taking into account the suspension of share buybacks, dividends and acquisitions, and cost mitigation actions which could be implemented, show that the Company and the Group would be able to operate with appropriate liquidity and be able to meet its liabilities as they fall due. The ongoing impact of the conflicts in Ukraine and Gaza has been considered. The Company modelled a range of revenue less pass-through cost declines up to 31% compared with the year ended 31 December 2023. The Directors therefore have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

This section is included in the 2023 WPP Annual Report posted on the Company's website at <http://www.wpp.com/investors> pursuant to UK requirements and is provided in this Form 20-F as supplemental information and is not incorporated herein by reference.

Summarised financial information about Guarantors and Issuers of Guaranteed Securities

As at 31 December 2023, WPP Finance 2010 had in issue \$93 million (\$28 million was repaid in 2018 and \$179 million was repaid in 2019 from the \$300 million initially issued) of 5.125% bonds due September 2042 with WPP plc as parent guarantor and WPP Air 1, WPP 2008 Limited, WPP 2005 Limited, WPP 2012 Limited and WPP Jubilee Limited as subsidiary guarantors.

In the event that WPP Finance 2010 fails to pay the holders of the securities, thereby requiring WPP plc, WPP Air 1, WPP 2008 Limited, WPP 2005 Limited, WPP 2012 Limited or WPP Jubilee Limited to make payment pursuant to the terms of their full and unconditional, and joint and several guarantee of those securities, there is no impediment to WPP plc, WPP Air 1, WPP 2008 Limited, WPP 2005 Limited, WPP 2012 Limited or WPP Jubilee Limited obtaining reimbursement for any such payments from WPP Finance 2010.

For the year ended 31 December 2023, £m

	WPP Finance 2010 (issuer), WPP plc and Subsidiary Guarantors
Revenue	—
Costs of services	—
Gross profit	—
Administrative income/(expenses) due from/to non-guarantors	163.4
Earnings/(loss) from associates - after interest and tax	32.3
Finance and investment income from non-guarantors	126.1
Finance costs to non-guarantors	(1,410.0)
Loss for the year	(1,382.6)

	WPP Finance 2010 (issuer), WPP plc and Subsidiary Guarantors
Due from Non-Guarantors-long term	2,437.8
Non-current assets	2,658.8
Due from Non-Guarantors-short term	1,317.6
Current assets	1,957.5
Due to Non-Guarantors-short term	(12,939.0)
Current Liabilities	(13,667.6)
Due to Non-Guarantors-long term	—
Non-current liabilities	(339.3)

As at 31 December 2023, WPP Finance 2010 had in issue \$750 million of 3.750% bonds due September 2024 and \$220 million (\$50 million was repaid in 2018 and \$230 million was repaid in 2019 from the \$500 million initially issued) of 5.625% bonds due November 2043, with WPP plc as parent guarantor and WPP Jubilee Limited and WPP 2005 Limited as subsidiary guarantors.

In the event that WPP Finance 2010 fails to pay the holders of the securities, thereby requiring WPP plc, WPP Jubilee Limited or WPP 2005 Limited to make payment pursuant to the terms of their full and unconditional, and joint and several guarantee of those securities, there is no impediment to WPP plc, WPP Jubilee Limited or WPP 2005 Limited obtaining reimbursement for any such payments from WPP Finance 2010.

For the year ended 31 December 2023, £m

	WPP Finance 2010 (issuer), WPP plc and Subsidiary Guarantors
Revenue	—
Costs of services	—
Gross profit	—
Administrative income/(expenses) due from/to non-guarantors	163.4
Earnings/(loss) from associates - after interest and tax	32.3
Finance and investment income from non-guarantors	125.9
Finance costs to non-guarantors	(1,410.0)
Loss for the year	(1,382.8)

	WPP Finance 2010 (issuer), WPP plc and Subsidiary Guarantors
Due from Non-Guarantors-long term	2,437.8
Non-current assets	2,658.8
Due from Non-Guarantors-short term	1,317.5
Current assets	1,957.4
Due to Non-Guarantors-short term	(12,942.6)
Current Liabilities	(13,671.2)
Due to Non-Guarantors-long term	—
Non-current liabilities	(339.3)

The issuer and guarantors of the bonds (issuer and subsidiary guarantors are 100% owned by WPP plc) are consolidated subsidiaries of WPP plc and are each subject to the reporting requirements under section 15(d) of the Securities Exchange Act of 1934. The summarised financial information for WPP Finance 2010 and the guarantors is presented on a combined basis with intercompany balances and transactions between the entities in the issuer and guarantors group eliminated. The summarised financial information is prepared in accordance with IFRS as issued by the IASB and is intended to provide investors with meaningful financial information, and is provided pursuant to the adoption of Rule 13-01 of Regulation S-X which allows for alternative financial disclosures or narrative disclosures in lieu of the separate financial statements of WPP Finance 2010 and the guarantors. The financial information presented is that of the issuers and guarantors of the guaranteed security, and the financial information of non-issuer and non-guarantor subsidiaries has been excluded.

C. Research and Development, Patents and Licenses, etc.

Not applicable.

D. Trend Information

The discussion below and in the rest of this Item 5 in this Annual Report on Form 20-F includes forward-looking statements regarding plans, objectives, projections and anticipated future performance based on assumptions that are subject to risks and uncertainties. As such, actual results or outcomes may differ materially from those discussed in the forward-looking statements. See “Forward-Looking Statements” preceding Item 1 in this Annual Report on Form 20-F.

For information regarding the trends in our business, see Item 5A Operating Results and Item 5B Liquidity and Capital Resources above.

E. Critical Accounting Estimates

Not applicable. The Company's consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB. A summary of the Group's principal accounting policies is provided in the Accounting Policies section of the consolidated financial statements.

Non-GAAP Information

As introduced on page 7, the following metrics are the Group's Non-GAAP measures.

Constant currency

These consolidated financial statements are presented in pounds sterling. However, the Company's significant international operations give rise to fluctuations in foreign exchange rates. To neutralize foreign exchange impact and illustrate the underlying change in revenue and profit from one year to the next, the Company has adopted the practice of discussing results in both reportable currency (local currency results translated into pounds sterling at the prevailing foreign exchange rate) and constant currency.

The Group uses US dollar-based, constant currency models to measure performance across all jurisdictions. These are calculated by applying budgeted 2023 exchange rates to local currency reported results for the current and prior year, which excludes any variances attributable to foreign exchange rate movements.

Like-for-like

Management believes that discussing like-for-like contributes to the understanding of the Company's performance and trends because it allows for meaningful comparisons of current year to that of prior years.

Like-for-like comparisons are calculated as follows: current year, constant currency actual results (which include acquisitions from the relevant date of completion) are compared with prior year, constant currency actual results, adjusted to include the results of acquisitions and disposals, the reclassification of certain businesses to associates in 2022.

The following table reconciles reported revenue growth for 2023 and 2022 to like-for-like revenue growth for the same period.

	Revenue	
	£m	
2021 Reportable	12,801	
Impact of exchange rate changes	732	5.7%
Impact of acquisition	38	0.3%
Like-for-like growth	858	6.7%
2022 Reportable	14,429	12.7%
Impact of exchange rate changes	(211)	(1.5%)
Impact of acquisition	172	1.2%
Like-for-like growth	455	3.2%
2023 Reportable	14,845	2.9%

Headline operating profit

Headline operating profit is one of the measures that management uses to assess the performance of the business.

Headline operating profit is calculated as profit before finance income/costs and revaluation and retranslation of financial instruments, taxation, earnings/(loss) from associates - after interest and taxation, gains/losses on disposal of investments and subsidiaries, investment and other impairment charges/(reversals), goodwill impairment, amortisation and impairment of acquired intangible assets, restructuring and transformation costs, property-related restructuring costs, litigation settlement, and gains on remeasurement of equity interests arising from a change in scope of ownership.

Adjustments to operating profit described above are included in costs of services and general administrative costs as provided in note 3 to the consolidated financial statements and are components of operating profit.

A tabular reconciliation of profit before taxation to headline operating profit is provided in note 30 to the consolidated financial statements.

Headline PBIT

Headline PBIT is one of the metrics that management uses to assess the performance of the business.

Headline PBIT is calculated as profit before finance income/costs and revaluation and retranslation of financial instruments, taxation, gains/losses on disposal of investments and subsidiaries, investment and other impairment charges/(reversals), goodwill impairment, amortisation and impairment of acquired intangible assets, restructuring and transformation costs, property-related restructuring costs, litigation settlement, share of adjusting and other items for associates and gains/losses on remeasurement of equity interests arising from a change in scope of ownership.

A tabular reconciliation of profit before interest and taxation to headline PBIT is shown below.

	Year ended 31 December		
	2023	2022	2021
	£m	£m	£m
Profit before taxation	346.3	1,159.8	950.8
Finance and investment income	(127.3)	(145.4)	(69.4)
Finance costs	389.0	359.4	283.6
Revaluation and retranslation of financial instruments	(6.8)	(76.0)	87.8
Profit before interest and taxation	601.2	1,297.8	1,252.8
Amortisation and impairment of acquired intangible assets	727.9	62.1	97.8
Goodwill impairment	63.6	37.9	1.8
(Gains)/losses on disposal of investments and subsidiaries	(7.1)	36.3	10.6
Gains on remeasurement of equity interests arising from a change in scope of ownership	—	(66.5)	—
Investment and other impairment charges/(reversals)	17.8	77.0	(42.4)
Property-related restructuring costs	232.5	18.0	—
Restructuring and transformation costs	195.5	218.8	175.4
Share of adjusting and other items for associates	(34.0)	134.3	62.3
Litigation settlement	(11.0)	—	21.3
Headline PBIT	1,786.4	1,815.7	1,579.6

Headline PBT

Headline PBT is one of the metrics that management uses to assess the performance of the business.

Headline PBT is calculated as profit before taxation, gains/losses on disposal of investments and subsidiaries, investment and other impairment charges/(reversals), goodwill impairment, amortisation and impairment of acquired intangible assets, restructuring and transformation costs, property-related restructuring costs, litigation settlement, share of adjusting and other items for associates, revaluation and retranslation of financial instruments and gains/losses on remeasurement of equity interests arising from a change in scope of ownership.

A tabular reconciliation of profit before taxation to headline PBT is shown below.

	Year ended 31 December		
	2023 £m	2022 £m	2021 £m
Profit before taxation	346.3	1,159.8	950.8
Amortisation and impairment of acquired intangible assets	727.9	62.1	97.8
Goodwill impairment	63.6	37.9	1.8
(Gains)/losses on disposal of investments and subsidiaries	(7.1)	36.3	10.6
Gains on remeasurement of equity interests arising from a change in scope of ownership	—	(66.5)	—
Investment and other impairment charges/(reversals)	17.8	77.0	(42.4)
Property-related restructuring costs	232.5	18.0	—
Restructuring and transformation costs	195.5	218.8	175.4
Share of adjusting and other items for associates	(34.0)	134.3	62.3
Litigation settlement	(11.0)	—	21.3
Revaluation and retranslation of financial instruments	(6.8)	(76.0)	87.8
Headline PBT	1,524.7	1,601.7	1,365.4

Billings and estimated net new business/billings

Billings and estimated net new business/billings are metrics that management uses to assess the performance of the business.

Billings comprise the gross amounts billed to clients in respect of commission-based/fee-based income together with the total of other fees earned. Net new business/billings represent the estimated annualised impact on billings of new business gained from both existing and new clients, net of existing client business lost. The estimated impact is based upon initial assessments of the clients' marketing budgets, which may not necessarily result in actual billings of the same amount.

Adjusted free cash flow

The Group bases its internal cash flow objectives on adjusted free cash flow. Management believes adjusted free cash flow is meaningful to investors because it is the measure of the Company's funds available for acquisition related payments, dividends to shareholders, share repurchases and debt repayment. The purpose of presenting adjusted free cash flow is to indicate the ongoing cash generation within the control of the Group after taking account of the necessary cash expenditures of maintaining the capital and operating structure of the Group (in the form of payments of interest, corporate taxation and capital expenditure). This computation may not be comparable to that of similarly titled measures presented by other companies.

Adjusted free cash flow is calculated as net cash inflow from operating activities plus payment on early settlement of bonds and proceeds from the issue of shares, less earnout payments, purchases of property, plant and equipment, purchases of other intangible assets, repayment of lease liabilities, and dividends paid to non-controlling interests in subsidiary undertakings.

A tabular reconciliation of net cash inflow from operating activities to adjusted free cash flow is shown below.

	Year ended 31 December		
	2023 £m	2022 £m	2021 £m
Net cash inflow from operating activities	1,238.2	700.9	2,029.0
Payment on early settlement of bonds	—	—	13.0
Share option proceeds	0.7	1.2	4.4
Earnout payments ¹	(24.5)	(46.6)	(53.2)
Purchases of property, plant and equipment	(177.2)	(208.4)	(263.2)
Purchases of other intangible assets (including capitalised computer software)	(40.0)	(14.9)	(29.9)
Repayment of lease liabilities	(258.7)	(309.6)	(320.7)
Dividends paid to non-controlling interests in subsidiary undertakings	(101.3)	(69.5)	(114.5)
Adjusted free cash flow	637.2	53.1	1,264.9

¹ Earnout payments in 2023 include a £28.0 million receipt connected with a previous earnout arrangement, that was settled within the year.

Adjusted net debt and average adjusted net debt

Management believes that adjusted net debt and average adjusted net debt are appropriate and meaningful measures of the debt levels within the Group.

Adjusted net debt at a period end consists of cash and short-term deposits, bank overdraft, bonds and bank loans due within one year and bonds and bank loans due after one year. Average adjusted net debt is calculated as the average monthly net borrowings of the Group. Adjusted net debt excludes lease liabilities.

The following table is an analysis of adjusted net debt:

	2023	2022	2021
	£m	£m	£m
Cash and short-term deposits	2,217.5	2,491.5	3,882.9
Bank overdrafts, bonds and bank loans due within one year	(946.3)	(1,169.0)	(567.2)
Bonds and bank loans due after one year	(3,775.0)	(3,801.8)	(4,216.8)
Adjusted net debt	(2,503.8)	(2,479.3)	(901.1)

Components of earnings/(loss) from associates - after interest and tax

Management reviews the earnings/(loss) from associates - after interest and tax by assessing the underlying component movements including share of profit before interest and taxation of associates, share of adjusting items of associates, share of interest and non-controlling interests of associates, and share of taxation of associates, which are derived from the income statements of the associate undertakings.

The following table is an analysis of earnings/loss from associates - after interest and tax and underlying component movements:

	2023	2022	2021
	£m	£m	£m
Share of profit before interest and taxation	181.2	219.6	208.5
Share of adjusting items	34.0	(134.3)	(62.3)
Share of interest and non-controlling interests	(112.5)	(104.7)	(83.9)
Share of taxation	(32.5)	(41.0)	(38.5)
Earnings/(loss) from associates - after interest and tax	70.2	(60.4)	23.8

Share of adjusting and other items for associates was £34.0 million (2022: £134.3 million, 2021: £62.3 million). In 2023 this included £45.1 million of distributions received from Kantar, described in note 4. In 2022 this included £75.8 million (2021: £38.8 million) of amortisation and impairment of acquired intangible assets as well as restructuring and one-off transaction costs of £54.8 million (2021: £18.8 million) within Kantar.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The Directors and Executive Officers of the Company are as follows:

Roberto Quarta, Age 74: Chairman. Roberto Quarta was appointed as a Director on 1 January 2015 and became Chairman on 9 June 2015. Roberto has extensive experience in corporate governance and global commerce having served on the boards of a number of UK and international companies. His career in private equity brings valuable experience to WPP, particularly when evaluating acquisitions and new business opportunities. Roberto is a Partner of Clayton, Dubilier & Rice, and Chairman of Clayton, Dubilier & Rice Europe. He is an Independent Non-Executive Director of Gulf Capital. Previously he was Chairman of Smith and Nephew plc, Chief Executive and then Chairman of BBA Group plc, Chairman of Rexel SA, Chairman of IMI plc and a Non-Executive Director at BAE Systems plc, Equant NV, Foster Wheeler AG and PowerGen plc.

External appointments: Partner, Clayton, Dubilier & Rice; Chairman, Clayton, Dubilier & Rice Europe; Independent Non-Executive Director, Gulf Capital.

Roberto will step down as Chairman once his successor is appointed and transitioned into the role.

Mark Read CBE, Age 57: Chief Executive Officer. Mark Read CBE was appointed as an Executive Director and Chief Executive Officer on 3 September 2018. Mark has held multiple leadership positions at WPP since joining in 1989. As CEO of WPP Digital he was responsible for WPP's first moves into technology. In 2015, he became Global CEO of Wunderman, which he transformed into one of the world's leading agencies. Mark received a Fellowship in 2021 for outstanding services to the industry in the IPA's New Year's Honours. In 2023 he joined Involve's Hall of Fame following multiple listings as an Empower Advocate (including #1) which recognises leaders who create diverse and inclusive business environments, alongside his five consecutive years as a Heroes champion of women in business. Mark was awarded a CBE (Commander of the Order of the British Empire) in the King's New Year Honours 2024 list, for services to the creative industries.

Mark has an economics degree from Trinity College, Cambridge, was a Henry Fellow at Harvard University, and has an MBA from INSEAD.

External appointments: Trustee, Natural History Museum.

Joanne Wilson, Age 48: Chief Financial Officer. Joanne Wilson was appointed as a Director on 19 April 2023 and became a Chief Financial Officer from 27 April 2023. Joanne has extensive experience both in the UK and internationally in a variety of financial and commercial roles. She joined WPP from Britvic where she was Chief Financial Officer and Chair of the ESG Committee. Prior to this, Joanne had a successful career at Tesco where, at the time of leaving, she held the position of Chief Financial Officer of dunnhumby, a global leader in customer data science.

Joanne began her career at KPMG, where she qualified as a Chartered Accountant.

External appointments: Non-Executive Director, Informa plc.

Andrew Scott, Age 55: Chief Operating Officer. Andrew Scott was appointed as Chief Operating Officer on 7 September 2023. Andrew joined WPP in 1999, holding a number of leadership roles in the UK and US before being appointed Chief Operating Officer in 2018. He is responsible for operational performance and implementing the ongoing simplification of the Company's portfolio. Andrew is also responsible for the Company's mergers and acquisitions activity and, through acquisitions such as Essence, VML, AKQA, Satalia and 24/7, he has played a critical role in building WPP's capabilities in technology and AI. He oversees WPP's network of Country Leaders who connect and strengthen the talent and resources of the Company's agencies in their local markets to deliver growth for clients. Prior to WPP, Andrew was a management consultant at LEK, the global strategy consulting firm.

Andrew is an engineering graduate and has an MBA with distinction from INSEAD.

Angela Ahrendts DBE, Age 63: Senior Independent Director, Non-Executive Director. Angela Ahrendts DBE was appointed as a Director on 1 July 2020. Angela brings expertise as a leader of creative and technology-driven global businesses. From 2014 until 2019, she was Senior Vice President, Retail, at Apple Inc., where she integrated and redesigned the physical and digital global consumer experience. Angela was CEO of Burberry from 2006 to 2014, where she repositioned the brand as a luxury high-growth company and created the Burberry Foundation. Prior to Burberry, Angela was Executive Vice President at Liz Claiborne, Inc. and President of Donna Karan International, Inc. Angela was a member of the UK Prime Minister's Business Advisory Council from 2010 to 2015.

External appointments: Non-Executive Director, Ralph Lauren Corporation and Airbnb, Inc.; Chair of Save the Children International; Non-Executive Director, charity: water, Member of CEO Circle, Imagine; Director, The HOW Institute for Society; Member of the Global Leadership Council of the Oxford University Saïd Business School and British American Business International Advisory Board; Senior Operating Adviser, SKKY Partners.

Simon Dingemans, Age 60: Non-Executive Director: Simon Dingemans was appointed as a Director on 31 January 2022. Simon has extensive business, capital markets, technology, corporate finance and governance experience, and is currently Chairman of Genomics plc and a Senior Advisor at global investment firm The Carlyle Group. He was previously CFO of GlaxoSmithKline plc from 2011 to 2019. Prior to GSK, Simon worked in investment banking for 25 years, firstly at SG Warburg and then Goldman Sachs, where he was Managing Director and Partner as a leader of its European M&A business and Head of UK Investment Banking. Simon also previously served as Chairman of both the Financial Reporting Council and the 100 Group of FTSE CFOs.

External appointments: Chairman, Genomics plc; Senior Advisor, The Carlyle Group; Trustee, The Prince's Trust.

Sandrine Dufour, Age 57: Non-Executive Director. Sandrine Dufour was appointed as a Director on 3 February 2020. Sandrine brings substantial financial expertise gained in global companies and strong strategic capability to the Board. She is currently CFO of UCB, a global pharmaceutical company. Previously Sandrine was CFO of Proximus. She held a number of leadership roles at Vivendi in France and the US across its entertainment and telecommunications business, and has an enthusiasm for cultural, technological and business transformation. Sandrine began her career as a financial analyst at BNP and then Credit Agricole in the telecoms sector. She has held other non-executive director roles, most recently at Solocal Group.

External appointments: Chief Financial Officer, UCB.

Tom Ilube CBE, Age 60: Non-Executive Director. Tom Ilube CBE was appointed as a Director on 5 October 2020. Tom brings a wealth of expertise as a technology entrepreneur and has extensive experience of the UK technology sector. He is Chair of the Rugby Football Union (RFU) and CEO of Crossword Cybersecurity plc. Tom was previously Managing Director of Consumer Markets at Callcredit Information Group. Prior to Callcredit, Tom founded and was CEO of Garlik, an identity protection company. Tom has honorary doctorates from City, University of London, Coventry University, Portsmouth University and the University of Wolverhampton, and is an Honorary Fellow of both Jesus College and St Anne's College, Oxford. In 2017 Tom topped the Powerlist ranking of the most influential people of African or African Caribbean heritage in the UK.

External appointments: Founder and CEO, Crossword Cybersecurity plc; Chair, Iternal Limited (previously known as Deathio Ltd); Founder and Chair, African Gifted Foundation; Chair, The Rugby Football Union (RFU).

Cindy Rose OBE, Age 58: Non-Executive Director. Cindy Rose OBE was appointed as a Director on 1 April 2019. Cindy has extensive experience as a leader in the technology and media sectors, and brings exceptional knowledge of the role technology plays in business transformation. She was appointed Chief Operating Officer for Microsoft Global Enterprise in March 2023. Prior to this, Cindy was President of Microsoft Western Europe, and also CEO of Microsoft UK. She has also held the roles of Managing Director of the UK consumer division at Vodafone and Executive Director of Digital Entertainment at Virgin Media. She spent 15 years at The Walt Disney Company, ultimately as Senior Vice President and Managing Director of Disney Interactive Media Group. Cindy is a graduate of Columbia University and New York Law School.

External appointments: Chief Operating Officer, Microsoft Global Enterprise; Advisory Board Member, Imperial College Business School in London and McLaren.

Keith Weed CBE, Age 62: Non-Executive Director. Keith Weed CBE was appointed as a Director on 1 November 2019. Keith has a wealth of experience as a marketing and digital leader, and a deep understanding of the ways in which technology is transforming businesses. Keith was previously Chief Marketing and Communications Officer at Unilever, a role that included creating and leading Unilever's sustainability programme. Keith was named the World's Most Influential Chief Marketing Officer by Forbes in 2017, 2018 and 2019, and Global Marketer of the Year 2017 by the World Federation of Advertisers. He received *The Drum's* Lifetime Achievement Award in 2018 and was inducted into the Marketing Hall of Fame in 2019. Keith is a Non-Executive Director of J Sainsbury plc.

External appointments: Non-Executive Director, J Sainsbury plc; Trustee Director, Business in the Community; Board Trustee Grange Park Opera; President, Royal Horticultural Society; Board Trustee, Leverhulme Trust; Senior Advisor, Alix Partners; Advisory Board Member, i-Genie and McLaren.

Jasmine Whitbread, Age 60: Non-Executive Director. Jasmine Whitbread was appointed as a Director on 1 September 2019. Jasmine's experience spans marketing, technology, finance, media, telecommunications, and not-for-profit organisations. Alongside this breadth of perspective she brings knowledge of many of WPP's client sectors to the Board. Jasmine began her career in marketing in the technology sector, including with Thomson Financial in the US. After completing the Stanford Executive Program, Jasmine went on to hold leadership roles with Oxfam and Save the Children, including as the first Chief Executive of Save the Children International from 2010 to 2015. She was CEO of London First from 2016 to 2021, and was previously a Non-Executive Director of BT Group plc and Standard Chartered plc.

External appointments: Chair of the Board, Travis Perkins plc; Non-Executive Director, Compagnie Financière Richemont SA; Visiting Fellow, Oxford University; Vice-President of the International Advisory Council, Institute of Business Ethics.

Dr. Ya-Qin Zhang, Age 58: Non-Executive Director. Ya-Qin Zhang was appointed as a Director on 1 January 2021. Ya-Qin is a world-renowned technologist, scientist and entrepreneur with a particular understanding of the changing consumer technology landscape in China. He was President of Baidu Inc., the global internet services and AI company, between 2014 and 2019. Prior to joining Baidu, he held several positions during his 16-year tenure at Microsoft, both in the United States and China, including Corporate Vice President and Chairman of Microsoft China. Ya-Qin is currently a Non-Executive Director of AsiaInfo Technologies Limited, ChinaSoft International Limited and HiSense Group. He is also Chair Professor of AI Science at Tsinghua University and the founding Dean of the Institute for AI Industry Research.

External appointments: Non-Executive Director, AsiaInfo Technologies Limited, ChinaSoft International Limited, and HiSense Group; Chair Professor, AI Science and Founding Dean, Institute for AI Industry Research, Tsinghua University; Board Member, Philanthropy Asia Alliance.

The independence of each Non-Executive Director is assessed annually by the Board under the UK Corporate Governance Code which applies in respect of WPP's primary listing on the London Stock Exchange. The Board has confirmed that all of the Non-Executive Directors standing for election and re-election at the 2024 Annual General Meeting (AGM) continue to demonstrate the characteristics of independence.

B. Compensation

Directors' Compensation

For the fiscal year ended 31 December 2023 the aggregate compensation paid by WPP to key management personnel of WPP for services in all capacities was £59.5 million. Key management personnel comprises the Board and the Executive Committee. Such compensation was paid by WPP and its subsidiaries primarily in the form of salaries, performance-related bonuses, other benefits and deferred share awards. The sum of £1.3 million was set aside and paid in the last fiscal year to provide pensions and other post-retirement benefits for key management personnel of WPP.

Executive Directors' total compensation received

Single total figure of remuneration

2023	Base salary	Benefits ²	Pension ³	Short-term incentive ⁴		Long-term incentive ⁵	Other	Total annual compensation
				Cash	Deferred			
	£000	£000	£000	£000	£000	£000	£000	£000
Mark Read	1,103	40	110	774	515	1,956	—	4,498
Joanne Wilson ^{1,6}	516	25	52	287	191	193	359	1,623
Andrew Scott ¹	229	11	23	118	79	1,146	—	1,606
John Rogers ¹	258	12	26	—	—	—	—	296

¹ Joanne Wilson joined the Company on 19 April 2023. Andrew Scott was appointed an Executive Director on 7 September 2023. Their base salary, other fixed elements of compensation and short-term incentive amounts reflect their time in office during the year. John Rogers stepped down as CFO on 27 April 2023. His base salary and other fixed elements of compensation above reflect the period whilst he was CFO. Details of the payments he received in the period from 28 April until his employment ceased on 7 November 2023 are reported in Past directors on page 29.

² Benefits provide an annual fixed and non-itemised allowance to enable the executive to procure benefits to enable them to undertake their role and ensure their wellbeing and security. In addition to the allowance received, the values disclosed include the gross value of taxable expenses related directly to attendance at Board meetings. The gross value of the taxable expenses for Mark Read, Joanne Wilson, Andrew Scott and John Rogers were £5,010, £4,222, £1,939 and £1,958 respectively

³ Pension is provided by way of contribution to a defined contribution retirement arrangement, a cash allowance, or a combination of the two determined as a percentage of base salary. All Executive Directors pension provisions are aligned at 10% of base salary

⁴ In respect of the 2023 short-term incentive awards, 40% will be delivered in the form of shares as an Executive Share Award (ESA) with a two-year deferral period. STIP is subject to the malus and clawback policy as may be amended from time to time

⁵ Long-term incentive includes the value of the 2021 Executive Performance Share Plan (EPSP) awards where the three-year performance period was completed at the end of 2023 with a combined vesting value of £3,102,195. For Joanne Wilson this includes an EPSP granted as part of the buyout awards (with performance conditions the same as those of the 2021 EPSP awards) which vested in March 2024 with a value of £193,253. Long-term incentive also includes the value of the 2019 EPSP awards where the five-year performance period closed in 2023 with a vesting value of £nil

⁶ Joanne Wilson received buy-out awards to compensate for the loss of incentive awards at her previous employer. "Other" includes £358,830 of restricted stock awards granted in the year to compensate for lost incentive opportunity

Vesting of 2019 – 2023 EPSP awards

Vesting of the 2019 EPSP awards was dependent on performance against relative Total Shareholder Return (TSR). Performance against the measure was below the threshold required for vesting.

	Number of shares awarded	Additional shares in respect of dividend accrual	Number of shares vesting	Share price on vesting	Value of vested 2019-2023 EPSP awards 000
Mark Read	340,059	—	—	n/a £	—
Andrew Scott	161,933	—	—	n/a £	—

Vesting of 2021 – 2023 EPSP awards

Vesting of the 2021 EPSP awards was dependent on performance against three measures all assessed over a three-year period, which include average Return On Invested Capital (ROIC), cumulative Adjusted Free Cash Flow (AFCF), and relative Total Shareholder Returns (TSR). The performance against ROIC and AFCF was above maximum for the performance period, resulting in maximum vesting for those elements of the award. The relative TSR was below threshold on both a local and common currency basis resulting in zero vesting for the TSR element and a total formulaic vesting of 66.67% for the award.

	Number of shares awarded	Additional shares in respect of dividend accrual	Number of shares vesting	Share price on vesting	Value of vested 2021-2023 EPSP awards ¹ '000
Mark Read	369,278	30,723	276,920	£ 7.0629	£ 1,956
Andrew Scott	217,508	17,292	162,304	£ 7.0629	£ 1,146

¹ None of the value of the vested awards is attributable to share price appreciation

Buy-Out Award Vesting

The first of the EPSP awards granted to Joanne Wilson by way of a buyout for forfeited incentive awards at her previous employer has vested following the achievement of performance conditions aligned to the 2021 EPSP award.

	Number of shares awarded	Additional shares in respect of dividend accrual	Number of shares vesting	Share price on vesting	Value of vested awards ¹ '000
Joanne Wilson	39,300	1,328	27,529	£ 7.0200	£ 193

¹ None of the value of the vested award is attributable to share price appreciation

Outstanding share-based awards

The table below shows outstanding shares at 31 December 2023 (or date stepped down as a Director). ESAs (Executive Share Awards) are granted under the WPP Stock Plan 2018. This is the stock component of the annual short-term incentive plan and granted subject to the achievement of performance measures prior to grant. EPSP awards (granted under the Executive Performance Share Plan) are subject to performance measures over the period stated below. Dividend shares accrue on these awards. Contractual awards with no performance conditions were granted under the WPP Stock plan 2018, and those with performance conditions were granted under the Executive Performance Share Plan.

	Award type	Grant date	Performance period	Share price on grant date	Number of shares granted	Vesting date
Mark Read ¹	ESA	10.05.22	n/a	£ 9.522	109,220	10.03.2024
	ESA	04.05.23	n/a	£ 9.014	106,264	10.03.2025
	EPSP	24.09.19	01.01.19-31.12.23	£ 10.035	340,059	15.03.2024
	EPSP	28.03.21	01.01.21-31.12.23	£ 9.241	369,278	15.03.2024
	EPSP	25.03.22	01.01.22-31.12.24	£ 10.542	384,746	15.03.2025
	EPSP	23.03.23	01.01.22-31.12.25	£ 9.361	450,628	15.03.2026
Joanne Wilson ¹	EPSP	04.05.23	01.01.23-31.12.25	£ 9.225	240,645	15.03.2026
	Contractual awards ¹	04.05.23	n/a	£ 9.014	16,901	02.12.2024
	Contractual awards ¹	07.12.23	n/a	£ 7.272	18,540	02.12.2025
	Contractual awards ¹	04.05.23	01.01.21-31.12.23	£ 9.225	39,300	10.03.2024
Andrew Scott ¹	Contractual awards ¹	04.05.23	01.01.22-31.12.24	£ 9.225	92,041	10.03.2025
	ESA	10.05.22	n/a	£ 9.522	46,439	10.03.2024
	ESA	04.05.23	n/a	£ 9.014	45,807	10.03.2025
	EPSP	24.09.19	01.01.19-31.12.23	£ 10.035	161,933	15.03.2024
	EPSP	28.03.21	01.01.21-31.12.23	£ 9.241	175,846	15.03.2024
	EPSP	25.11.21	01.01.21-31.12.23	£ 11.066	41,662	15.03.2024
	EPSP	25.03.22	01.01.22-31.12.24	£ 10.542	190,665	15.03.2025
John Rogers ²	EPSP	23.03.23	01.01.23-31.12.25	£ 9.361	224,339	15.03.2026
	ESA	10.05.22	n/a	£ 9.522	69,943	10.03.2024
	EPSP	28.03.21	01.01.21-31.12.23	£ 9.241	240,233	15.03.2024
	EPSP	25.03.22	01.01.22-31.12.24	£ 10.542	210,586	15.03.2025

¹ EPSP awards made to the Executive Directors' are in the form of nil-cost options and expire three months after the vesting date.

² John Rogers outstanding share based awards are shown as at 27 April 2023 the date he stepped down as a Director. On cessation of employment on 7 November 2023 his outstanding EPSP awards lapsed. The unvested ESA award will vest on a time prorated basis in accordance with the Policy.

Non-Executive Directors' total compensation received

The single total figure of compensation table below details fee payments received by the Non-Executive Directors while they held a position on the Board.

	Fees £000	Benefits³ £000	Total £000
	2023	2023	2023
Roberto Quarta	525	45	570
Angela Ahrendts ¹	130	17	147
Simon Dingemans	105	8	113
Sandrine Dufour	145	3	148
Tarek Farahat, retired 17 May 2023	44	12	56
Tom Ilube	135	14	149
Cindy Rose ²	119	9	128
Nicole Seligman, retired 17 May 2023 ¹	59	12	71
Keith Weed	125	21	146
Jasmine Whitbread	135	20	155
Dr. Ya-Qin Zhang	95	5	100

¹ Angela Ahrendts succeeded Nicole Seligman as the Senior Independent Director on 17 May 2023 following the latter's retirement.

² Cindy Rose stepped down as a member of the Compensation Committee on 17 May 2023 and became a member of the Nomination and Governance Committee on the same date.

³ Benefits include expense reimbursements for travel, accommodation and subsistence for attendance at Board meetings during the year and include the grossed-up cost of UK tax and national insurance paid by the Company on behalf of the directors where applicable.

Past Directors

The payments made to John Rogers in the period from the time he ceased to be an Executive Director on 27 April 2023 to his cessation of employment on 7 November 2023 are summarised below:

Base Salary: There was no change to John's annual base salary in this period. He received a total of £410,553;

Pension: An amount of 10% of base salary of cash in lieu of pension contribution continued to be paid in this period. This amounted to £41,055;

Benefits allowance: The annual benefits allowance continued to be paid. In addition, he had the benefit of access to consultancy services. The total value of benefits in the period was £67,452.

No other payments were made to any other past directors during the financial year.

No payments were made to directors in connection with loss of office in the financial year.

The full Directors' Compensation Policy can be found at <http://www.wpp.com/investors/corporate-governance>.

C. Board Practices

Board attendance table

	Board	Audit Committee	Compensation Committee
Total number of scheduled meetings	6	9	4
Members	Attended	Attended	Attended
Roberto Quarta	6		4
Mark Read	6		
Joanne Wilson - <i>appointed on 19 April 2023</i>	4(4)		
Andrew Scott - <i>appointed on 7 September 2023</i>	2(2)		
Angela Ahrendts	6		
Simon Dingemans	6	9	
Sandrine Dufour	6	9	4
Tom Ilube	5	8	4
Cindy Rose ¹	6	9	2(2)
Keith Weed	6		
Jasmine Whitbread	6		4
Dr. Ya-Qin Zhang	6		
Former Directors who served for part of the year			
John Rogers - <i>retired on 27 April 2023</i>	2(2)		
Tarek Farahat - <i>retired on 17 May 2023</i>	3(3)	4(5)	
Nicole Seligman - <i>retired on 17 May 2023</i>	3		2(2)
Number of ad-hoc meetings	5	—	3

The numbers in brackets denote the number of meetings the Directors were eligible to attend

¹ Cindy Rose stepped down as a member of the Compensation Committee and was appointed to the Nomination and Governance Committee on 17 May 2023

The role of the Board

The Board is responsible for setting the Company's purpose, values and culture, in addition to overseeing the Company's overall financial performance and execution of the strategy. The Board recognises the importance of considering the perspectives of, and the potential impact on, the Company's key stakeholders in its discussions. Its responsibilities are discharged through an annual programme of meetings, each of which follows a tailored agenda. A typical Board meeting will comprise updates from the chairs of our Board committees, in addition to reports on operational and financial performance, the transformation programme, progress on strategy, people updates and a deep dive into a particular ESG topic. The annual programme maintains an element of flexibility to allow emerging and evolving items to be scheduled as necessary. The list of matters reserved to the Board can be downloaded from <http://www.wpp.com/investors/corporate-governance>.

Re-election

The Chairman, Senior Independent Director and Non-Executive Directors are appointed for a three-year term, subject to annual re-election by the shareholders at the AGM. Although there may be specific exceptions to ensure Board continuity, Non-Executive Directors shall not stand for re-election after they have served for the period of their independence, as determined by applicable UK and United States standards, which is nine years. Nicole Seligman and Tarek Farahat did not stand for re-election at the 2023 AGM, and Joanne Wilson succeeded John Rogers following the announcement of the Company's 2023 First Quarter Trading Update. It was announced on 7 September 2023 that Andrew Scott had been appointed as an Executive Director to the Board with immediate effect. Cindy Rose stepped down as a member of the Compensation Committee and joined the Nomination and Governance Committee with effect from the conclusion of the 2023 AGM. Andrew Scott will stand for election at the AGM for the first time. All other Directors, will stand for re-election with the support of the Board. The Non-Executive Directors' letters of appointment are available for inspection at the Company's registered office.

Service contracts

The Company's policy on Executive Directors' service contracts is that they should be on a rolling basis without a specific end date. The effective dates and notice periods under the current Executive Directors' service contracts are shown below:

	Effective from	Notice period
Mark Read	3 September 2018	12 months
Joanne Wilson	19 April 2023	12 months
Andrew Scott	7 September 2023	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 above, the service contracts of the executives 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. There are no provisions relating to payment in lieu of notice. 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.

Short- and long-term compensation elements

If the Executive Director is dismissed for cause, there is not an entitlement to a STIP award, and any unvested share-based awards will lapse. Otherwise, the table below summarises the relevant provisions from the Directors' service contracts (cash bonus) and the plan rules (ESA and EPSP), which apply in other leaver scenarios. The Compensation 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.

Cash bonus	The Executive Directors are entitled to receive their bonus for any particular year provided they are employed on the last date of the performance period.
ESA	Provided the Executive Director is a Good Leaver, unvested awards will be reduced on a time pro-rata basis and paid on the vesting date.
EPSP	<ul style="list-style-type: none"> • The award will ordinarily lapse if the Executive Director leaves prior to the date of vesting. • Provided the Executive Director is a Good Leaver, awards will vest subject to performance at the end of the performance period and time pro-rating. Awards will be paid on the normal date. • In exceptional circumstances, the Compensation Committee may determine that an award will vest on a different basis. • Generally, in the event of death, the performance conditions are to be assessed as at the date of death. However, the Compensation Committee retains the discretion to deal with an award due to a deceased executive on any other basis that it considers appropriate. • Awards will vest immediately on a change of control subject to performance and time pro-rating will be applied unless it is agreed by the Compensation Committee and the relevant Executive Director that the outstanding awards are exchanged for equivalent new awards.

Other Compensation Committee discretions not set out above

Leaver status: the Compensation 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 Compensation 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.

Other chairman and non-executive director policies

Letters of appointment for the chairman 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

The Chairman 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 Compensation 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.

Payments in exceptional circumstances

In unforeseen and exceptional circumstances, the Compensation 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.

Compensation Committee

During 2023, there were four scheduled and three unscheduled Compensation Committee meetings. A table of Board and Committee attendance can be found on page 30.

The Committee members have no personal financial interest (other than as a shareholder as disclosed on page 40 in the matters to be decided by the Committee, potential conflicts of interest arising from cross-directorships, or day-to-day involvement in running the Group's businesses. The terms of reference for the Compensation Committee are available on the Company's website, <http://www.wpp.com/investors/corporate-governance>.

The Committee's principal responsibilities under its terms of reference include:

- To set, review and approve in respect of the Company's Chair, Chief Executive Officer, other Executive Directors, the Executive Committee and the Company Secretary:
 - the remuneration policy;
 - individual remuneration arrangements;
 - individual benefits, including pension;
 - Individual fees and expenses;
 - terms and conditions of employment;
 - terms of any compensation package in the event of early termination of contract;
 - participation in any cash or share based plans operated by the Company; and
 - the targets and measures for any performance related cash or share based plans operated by the Company for the Chief Executive Officer and other Executive Directors, and to have oversight of the performance measure and target setting for of such plans for the Executive Committee and the Company Secretary.
- To review remuneration and related policies across the general workforce and the alignment of incentives and rewards with culture, taking this into account when determining the remuneration policy for the Executive Directors.
- To use judgement to determine whether incentives that are due as a result of formulaic outcomes are truly representative of company and individual performance.
- To use discretion to make adjustments to incentives as appropriate.
- To oversee the process for recovery and withholding (malus and clawback) and determine the resulting action to be taken.
- The remuneration and contractual terms of the Non-Executive Directors (NEDs) will be set by the Company's Chairman and the Executive Directors.

- To approve new rules or amendments and the launch of any Company share or cash-based incentive plans and the grant, award, allocation or issue of shares or payments under such plan.
- To establish the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants to advise the Committee.
- To consult with key shareowners in respect of new or substantial changes to the remuneration policy or existing elements of remuneration.
- To approve for submission to shareowners all new or substantial changes to the remuneration policy.
- Oversee the preparation of and recommend to the Board the approval of the annual report of the Committee in compliance with statutory disclosure requirements and all relevant Codes of Best Practice.

Advisors to the Compensation Committee

The Compensation Committee invites certain individuals to attend meetings, including the Chief Executive Officer, Chief Financial Officer, the Company Secretary, the Chief People Officer (who are not present when matters relating to their own compensation or contracts are discussed and decided) and the Global Reward Director. The latter two individuals provide a perspective on information reviewed by the Compensation Committee and are a conduit for requests for information and analysis from the Compensation Committee's external advisors.

External advisors

The Committee retains WTW to act as independent advisor. WTW provides advice to the Compensation Committee and works with management on matters related to our compensation policy and practices. WTW is a member of the Remuneration Consultants Group and has signed the code of conduct relating to the provision of advice in the UK. Considering this, and the level and nature of the service received, the Committee remains satisfied that the advice is objective and independent. WTW provides limited other services at a Group level and some of our operating companies engage WTW as advisor at a local level. In 2023, WTW received fees of £115,604 in relation to the provision of advice to the Committee. The fees charged are based on the time and expenses incurred. The Committee receives external legal advice, where required, to assist it in carrying out its duties.

Changes in Executive Directors

Joanne Wilson joined WPP as Chief Financial Officer designate on 19 April 2023 and was appointed Chief Financial Officer on 27 April 2023. John Rogers stepped down as Chief Financial Officer and an Executive Director on this date and his employment with WPP ceased on 7 November 2023. On 7 September 2023, Andrew Scott, WPP's Chief Operating Officer, was appointed to the Board as an Executive Director.

John Rogers was treated in accordance with WPP's shareholder-approved Directors' Compensation Policy for the remaining term of his employment. John did not receive a STIP or other incentive award for the 2023 financial year. Any outstanding ESA awards will vest on a pro rata basis. No long term incentive (EPSP) awards were made to him in 2023 and all unvested EPSP awards lapsed in full when he ceased employment in November 2023. John continues to be subject to the post-employment shareholding requirements as set out in the Policy.

Audit Committee

The Committee is responsible for reviewing the quarterly, half yearly and annual financial results, including the Annual Report, with management, focusing on the integrity of the financial reporting process, compliance with relevant legal and financial reporting standards and application of accounting policies and judgements. During the year, the Committee considered management's application of key accounting policies, compliance with disclosure requirements and relevant information presented on significant matters of judgement to ensure the adequacy, clarity and completeness of half yearly and annual financial results announcements. The Committee undertook a detailed review before recommending to the Board that the Company continues to adopt the going concern basis in preparing the annual financial statements. The Committee also reviewed various materials to support the statements in the Annual Report on risk management and internal control and the assessment of the Company's long-term viability.

Committee responsibilities and key areas of focus in 2023

The Committee's principal responsibilities under its terms of reference include:

- monitoring and critically assessing the integrity of the Group's financial statements and formal announcements relating to the Company's financial performance, including the review of significant accounting policies and financial reporting judgements;

- overseeing the appointment, remuneration and independence of the external auditor and the effectiveness of the audit process as a whole;
- reviewing the integrity, adequacy and effectiveness of the Company's internal financial controls and the internal control and risk management systems, including the risk management framework and related compliance activities;
- monitoring the integrity of the Company's ESG disclosures and related assurance;
- assessing and monitoring principal and emerging risks facing the Company;
- monitoring and reviewing the Company's internal audit function effectiveness and activities;
- monitoring and reviewing the Group's internal financial, operational and compliance controls and internal control system. Overseeing the Group's compliance with Section 404 of the US Sarbanes-Oxley Act 2002;
- monitoring compliance with relevant US and UK regulatory and legal requirements;
- reviewing the statements to be made in the Annual Report on compliance with the corporate governance requirements of the UK Corporate Governance Code, the Disclosure and Transparency Rules, the NYSE listing rules and of the SEC, along with the verification undertaken, including that of the External Auditors, and advising the Board accordingly;
- reviewing the Company's systems and controls for ethical behaviour and the prevention of bribery and receiving reports on non-compliance; and
- monitoring the external auditor's compliance with relevant ethical and professional guidance on the rotation of the audit partner.

Key considerations in 2023 included:

- continuing to provide oversight of the financial reporting process and integrity of the financial statements;
- considering the judgement applied in calculating headline measures, to present an alternative measure of performance by excluding significant, non-recurring or volatile items otherwise included in reportable figures;
- regularly reviewing headline cyber security risks and vulnerability management capabilities, including the associated uses of generative AI;
- monitoring the role, performance and outcomes of the Risk and Controls Group against its objectives, including for the continuous improvement of the control environment;
- considering the identification and review of emerging risks;
- overseeing audit transition activities and managing the 2023 statutory audit, including the key audit risks and level of materiality applied by Deloitte;
- overseeing the integrity of the Company's ESG disclosures;
- ongoing monitoring of the business integrity programme, including oversight of whistleblower reports; and
- monitoring progress against the internal audit plan and reviewing the effectiveness of the internal audit function.

Other reviews undertaken in 2023 included:

- reports on any actual or potential material litigation;
- Group treasury funding strategy, performance and risk management, including supply chain finance;
- Group tax strategy, performance and drivers of the Group effective tax rate;
- reports on data protection and data privacy;
- implementation reports on the UK Government's corporate reporting and audit reform initiatives; and
- assessment of fraud risk.

Fair, balanced and understandable

To support the Board's confirmation that the Annual Report and Accounts, taken as a whole, is considered to be fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy, the Committee oversaw the process by which the Annual Report and Accounts was prepared, which runs in parallel with the process followed by the external auditor.

The Committee received a summary of the approach taken by management in the preparation of the Annual Report and Accounts to ensure that it met the requirements of the Code, and considered in particular: the accuracy, integrity and consistency of the messages conveyed in the Annual Report; the appropriateness of the level of detail in the narrative reporting; and that a balance had been sought between describing potential challenges and opportunities.

The Committee therefore recommended to the Board (which the Board subsequently approved) that, taken as a whole, the 2023 Annual Report and Accounts is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy.

Internal Audit

The internal audit team, which reports functionally, to the Audit Committee, provides independent assurance over the Company's risk management and internal controls processes via internal audits and the testing programme for the Sarbanes-Oxley Act. The internal audit team has unrestricted access to all Group documentation, premises, functions and employees to enable it to perform its work.

The Committee Chair met regularly with the Director of Internal Audit during the year without executive management present to discuss risk matters and the nature of internal audit findings in more depth. The Director of Internal Audit formally reports to each Committee meeting on the key internal audit findings, together with the status of management's implementation of recommendations. Twice a year this includes key themes from internal audit's work. This year, those themes included issues relating to access management, procurement, business continuity, and contract and regulatory compliance. Significant issues identified were discussed in detail by the Committee along with the remediation plans to resolve them.

The annual internal audit plan includes assurance over the Group's transformation activities, other key projects and initiatives, and audits of key business risks and operating companies. It was approved by the Committee and progress against the plan was monitored throughout the year with any changes to the plan noted and approved by the Committee. The internal audit team continue to successfully deliver through a hybrid model of remote auditing supported by international travel where appropriate.

The Committee assesses the work of internal audit on a regular basis and monitors the resourcing and experience within the team. We are satisfied that the scope, extent, and effectiveness of internal audit work are appropriate for the Group and that there is an appropriate plan in place to sustain and continually improve this.

Risk Management and Internal Control

The Board has overall responsibility for setting the Company's risk appetite and for ensuring there is effective risk management. The Committee supports the Board in the management of risk and, in 2023, was responsible for monitoring and reviewing the effectiveness of the Company's approach to risk management and the internal control framework.

Under the overall supervision of the Committee, the WPP Risk Committee, an executive committee which reports into the Audit Committee and is supported by Risk Committees in each network, identifies and assesses emerging and principal risks and oversees and manages day-to-day risk in the business. The General Counsel, Corporate Risk provides regular updates to the Committee on risk matters including emerging risks, adherence to the Company's business integrity programme (including mitigating and remediation actions) and the monitoring and evolution of the Company's four risk modules: governance, culture, appetite and management.

An assessment of the principal risks and uncertainties facing the Company can be found on pages 2 to 5. In fulfilling its responsibilities, the Committee received reports from the Risk and Controls Group throughout 2023 to enable evaluation of the control environment and risk management framework. Any necessary matters are highlighted in the Audit Committee Chair's update to Directors at the relevant Board meeting and discussed by the Board.

Internal Controls over Financial Reporting

The Committee carried out in-depth reviews of the Group's internal controls over financial reporting, with a focus on monitoring and compliance with Section 404 of the Sarbanes-Oxley Act.

During 2023, the Committee monitored the effectiveness of the internal financial controls and internal control system of the Group. This primarily consisted of reviewing assurance reports from internal audit on the effectiveness of the internal controls and being provided frequent updates of the status of and reviewing the conclusions of management's assessment of internal

control over financial reporting. Management's assessment was based on the internal audit testing plan reviewed by the Committee in early 2023, which used the criteria for effective internal control reflected in the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Management evaluated all internal control deficiencies identified throughout the Group both individually and, in the aggregate, to conclude on the effectiveness of the Group's internal control framework and reported these conclusions to the Committee.

Business Integrity

During the year, the Committee reviewed the adherence to, and evolution of, the business integrity programme. The Company has established procedures by which all employees may, in confidence (and, if they wish, anonymously) report any concerns. The Committee received regular updates on the Company's systems and controls for ethical behaviour, which included matters reported on the Company's Right to Speak helpline and investigations and actions undertaken in response. The Committee received regular reports on the total number and nature of reports from whistleblowers and investigations by region and by network both for substantiated and unsubstantiated cases. During the year the Committee was satisfied that the Company's whistleblower and investigations protocols, and the Right to Speak helpline arrangements are effective and facilitate the proportionate and independent investigation of reported matters and allow appropriate follow-up action.

Terms of reference

The Committee's terms of reference are reviewed annually by the Committee and adopted by the Board, most recently on 13 March 2024. A copy of the Committee's terms of reference is available on the Company's website at <http://www.wpp.com/investors/corporate-governance>.

FRC Minimum Standard

The Committee considered the FRC's External Audit: Minimum Standard, as issued in May 2023, as part of the Committee's activities in relation to oversight of external audit.

External Auditor

The Committee has primary responsibility for overseeing the relationship with the external auditor, including assessing its performance, effectiveness and independence annually prior to making a recommendation to the Board in respect of its reappointment or removal.

The Company has complied with the Competition and Markets Authority's Statutory Audit Services Order 2014 for the financial year under review in respect to audit tendering and the provision of non-audit services, with James Bates holding the role of lead audit partner for Deloitte since the 2021 audit.

Auditor Transition

As previously reported, after the conclusion of a competitive audit contract tender for the purposes of compliance with applicable auditor rotation rules, the Board has appointed, upon the Committee's recommendation, PricewaterhouseCoopers LLP (PwC) as the Company's new independent auditor commencing with the audit of the Company's 2024 financial year. PwC's appointment remains subject to shareholder approval to be obtained at the Company's 2024 AGM. Deloitte was re-elected at our 2023 AGM in respect of the Company's 2023 financial year.

The transition governance group (Governance Group) which includes representation from WPP, PwC, and Deloitte, met seven times since PwC achieved independence in April 2023 and has continued to ensure all aspects of the transition are proactively managed and provide regular updates to the Committee. A significant initial focus of the Committee in the first quarter of 2023 was on the process and controls to monitor independence by PwC and by the Company, together with overseeing the termination of non-audit services with effect from April 2023, which would be prohibited following appointment.

PwC has held collaborative workshops throughout the year to ensure close cooperation and knowledge sharing with management, launch audit technology tools, and onboard local PwC teams. PwC also engaged extensively with the Company's transformation programmes in order to evaluate the impact of management's decisions about process and control design on audit scoping from 2024.

During the second half of the year and following independence being achieved in April 2023, the prospective lead audit partner and his team were invited to attend all Committee meetings, with transition updates being provided at all routine meetings. Based on the process walkthroughs performed during the second half of the year, PwC's first impressions of the Group's control environment were presented to the Committee in December 2023. During this time, PwC has also been formally observing Deloitte's 2023 audit at the Group level and in key markets and the Committee Chair has held a number of meetings with PwC's prospective lead audit partner and the PwC team.

Appointment of External Auditor at Annual General Meeting

Deloitte will resign following the completion of the audit for the financial year ending 31 December 2023 and the Committee has recommended to the Board that PwC be appointed to fill the casual vacancy. Shareholders will be invited to appoint PwC as the Company's new independent auditor at the 2024 AGM and to authorise the Audit Committee to determine the auditor's remuneration. Deloitte's lead audit partner will make himself available at the AGM to answer shareholder questions on the 2023 Annual Report.

Effectiveness and Independence of the External Auditor

The Committee is determined to ensure that the Company receives an effective external audit. In 2023, the Committee evaluated the performance of the external audit through its ongoing review of the external audit process against a backdrop of the audit firm transition from Deloitte to PwC. The Committee also considered feedback on the 2023 audit, through discussions with Committee members and key members of the Company's finance team, which covered:

- overall quality of the audit
- independence and objectivity*
- effectiveness of the auditor's challenge and level of scepticism
- integrity of the firm
- transparency of reporting to management and the Committee
- quality of the audit team's leadership
- skills and experience of the audit team

The Committee also considered:

- A report from Deloitte confirming it maintains appropriate internal safeguards in line with applicable professional standards to remain independent; and
- The Audit Quality Review's 2022/23 Audit Quality Inspection Report on Deloitte and the actions taken by Deloitte to address the findings in that report.

Deloitte attended all Committee meetings in 2023, met the Committee without executive management present and the Committee Chair regularly meets independently with the audit partners.

Overall, the Committee concluded that:

- It continues to be satisfied with the performance of the external auditor and with the policies and procedures in place to maintain its objectivity and independence
- Deloitte possesses the skills, experience and resources required to fulfil its duties, there was constructive challenge and appropriate scepticism where necessary, such as in challenging management's assumptions. The Committee appreciates in particular the clarity of the auditor's communications and ways of working to provide effective transition support to PwC
- The audit for the year ended 31 December 2023 was effective

* Deloitte's length of tenure was not taken into consideration when assessing independence and objectivity due to its resignation following the 2023 audit.

Non-Audit Services

In line with the Company's Non-Audit Services Policy, the Committee ensures that auditor objectivity and independence are safeguarded by reviewing and pre-approving the external auditor's provision of certain non-audit services (including audit-related and other assurance services). The Committee is mindful of the 70% non-audit services fee cap in determining whether to pre-approve such services.

All fees are summarised periodically for the Committee to assess the aggregate value of non-audit fees against audit fees. During the year, Deloitte received £39.9 million in fees for work relating to the audit services it provides to the Company. Non-audit related work undertaken by Deloitte amounted to fees of £2.2 million this year, which equated to 6% of the total audit fees paid.

There were no material non-audit services provided by Deloitte during 2023. The Committee considered the level of non-audit services incurred as part of its annual review of Deloitte's independence set out above and was satisfied

that the auditor continued to exercise objectivity and remain independent throughout the period.

Financial Reporting and Significant Financial Judgements

Key accounting judgements made by management were reported to and examined by the Committee and discussed with management and the external auditor, Deloitte. The Committee considered the following key financial reporting judgements in relation to the financial statements:

Area of Focus	Actions Taken/Conclusion
Critical Judgements and Estimates	
Goodwill impairments Estimates and judgements in relation to goodwill impairment testing	The Committee assessed the appropriateness of the assumptions used by management in the goodwill impairment assessment model, with a particular focus on the discount rates and operating margin key assumptions, and agreed that these are reasonable.
Other Areas	
Headline profit Judgements relating to headline profit measures	The Committee considered the judgement applied by management in calculating headline profit, in order to present an alternative measure of performance by excluding significant, non-recurring or volatile items otherwise included in the reportable figures. The Committee reviewed management's judgements relating to restructuring and transformation costs, with particular focus on the continued rollout of the Group's ERP system and other ongoing transformation projects, including IT transformation, shared service centres and campus co-locations; and assessed right-of-use asset impairments as part of the property review conducted in 2023. The Committee was satisfied that excluding these amounts from headline profit measures was reasonable and that it had been disclosed appropriately.
Going concern The going concern assessment and viability statement	The Committee reviewed the scenarios modelled by management and assessed management's view that the likelihood of declines of over 31% of revenue less pass-through costs compared to 2023 was remote. The Committee has considered and concurs with management's going concern, viability and forecasting assumptions. See page 18 for the discussion on going concern.
Liabilities in respect of put options and earnouts The accuracy of the calculation of the measurement of liabilities in respect of put options and earnouts	The Committee considered management's calculations of the measurement of liabilities in respect of put option agreements and payments due to vendors (earnout agreements), including the forecasts, growth rates and discount rates used in these calculations. The Committee was satisfied that liabilities for potential future earnout payments had been accounted for appropriately.
Investments The valuations of non-controlled investments	The Committee examined management's valuations, based on input from external advisors, forecasts, recent third-party investment, external transactions and/or other available information such as industry valuation multiples. The Committee considered the valuations and agreed that these were appropriate based on the information available to the Group.
Remuneration Accounting for elements of remuneration where estimates and judgements are required	The Committee reviewed the assumptions applied by management in relation to judgemental elements of remuneration, including pensions, bonus accruals and share-based payments, and agreed that these are reasonable.
Taxation The estimates and judgements made in respect of tax	The Committee considered management's assumptions, in particular in relation to the level of tax provisions and contingent liability disclosures, and believes that the level of tax provisions and the disclosures are reasonable.

Board Performance Evaluation

Each year, WPP completes a review of the Board and its committees to monitor their effectiveness and identify improvement opportunities.

In accordance with the Code requirements, the Board undertakes an externally facilitated evaluation every three years, with the next one due in 2024. However, to help facilitate the intended Chair transition process, the Board agreed to bring forward the external evaluation by a year. The external evaluation was facilitated by Dr Tracy Long from Boardroom Review, who has no other connection with the Company. The evaluation comprised pre-briefings and information reviews, interviews with Board

members and a facilitated workshop discussion on key themes including Board contribution and composition, the work of the Board and the use of time and information. The evaluation included reference to internal reviews conducted and the 2021 externally conducted review. Progress against the outcomes of the 2022 evaluation was also considered.

The output of the evaluation was that the Board is operating effectively, with strong Board dynamics and contribution, and a strong culture – driven by values and simplification with improving governance under a new Senior Independent Director and Audit Committee Chair. The Board’s support on the strategic priorities and transformation programme also remains strong.

D. Employees

The assets of communications services businesses are primarily their employees, and the Company is highly dependent on the talent, creative abilities and technical skills of its personnel and the relationships its personnel have with clients. The Company believes that its operating companies have established reputations in the industry that attract talented personnel. However, the Company, like all communications services businesses, is vulnerable to adverse consequences from the loss of key employees due to the competition among these businesses for talented personnel. Excluding all employees of associated undertakings, the number of employees at the end of 2023 was 114,173 (2022: 115,473, 2021: 109,382). The average number of employees, for the year ended 31 December 2023 was 114,732 compared to 114,129 and 104,808 in 2022 and 2021, respectively.

Their geographical distribution was as follows:

	2023	2022	2021
North America	23,562	23,740	21,764
United Kingdom	12,457	12,490	10,995
Western Continental Europe	23,580	22,717	21,514
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	55,133	55,182	50,535
	114,732	114,129	104,808

Their reportable segment distribution was as follows:

	2023	2022	2021
Global Integrated Agencies	97,838	97,288	89,701
Public Relations	8,377	8,125	7,121
Specialist Agencies	8,517	8,716	7,986
	114,732	114,129	104,808

We support the rights of our people to join trade unions and to bargain collectively, although trade union membership is not particularly widespread in our industry. In 2023, around 3% of our employees were either members of a trade union or covered by a collective bargaining agreement (2022: 4%). We held 60 consultations with works councils, mainly in Europe (2022: 220).

In 2023, as we streamlined our business operations we reduced our workforce by approximately 6,500 employees (2022: 3,300). We consulted with our employees as appropriate and supported affected people through our Employee Assistance Programme which included outplacement in appropriate cases. Through our internal talent marketplace we try to ensure any open roles are filled by employees who have the right skills before recruiting for those roles externally.

E. Share Ownership

Executive Directors’ interests

Executive Directors’ interests in the Company’s ordinary share capital are shown in the following table. Other than as disclosed in this table, no Executive Director had any interest in any contract of significance with the Group during the year. Each Executive Director has a technical interest as an employee and potential beneficiary in shares in the Company held under the Employee Share Ownership Plan Trusts (ESOPs). More specifically, the Executive Directors have potential interests in shares related to the outstanding awards under the EPSP and outstanding ESAs. As at 31 December 2023, the Company’s ESOPs (which are entirely independent of the Company and have waived their rights to receive dividends) held in total 490,646 shares in the Company (1,211,974 in 2022).

Director		Total beneficial interests ¹	Shares without performance conditions (unvested) ²	Shares with performance conditions (unvested) ^{3,4}	Total unvested shares
Mark Read	At 31 December 2023	739,923	215,484	1,544,711	1,760,195
	At 15 March 2024 ^{4,5}	949,752	106,264	1,453,083	1,559,347
Joanne Wilson	At 31 December 2023	4,206	35,441	371,986	407,427
	At 15 March 2024 ^{4,5}	18,769	35,441	645,274	680,715
Andrew Scott	At 31 December 2023	736,974	92,246	794,445	886,691
	At 15 March 2024 ^{4,5}	849,765	45,807	721,255	767,062
John Rogers	At 27 April 2023 ⁶	391,715	69,943	450,819	520,762

¹ Beneficial interests in shares include, where relevant, interests of connected persons (as defined in s96B(2) of the Financial Services and Markets Act 2000).

² For Mark Read, Andrew Scott and John Rogers these shares relate to the 2021 and 2022 Executive Share Awards under the deferred element of the STIP. For Joanne Wilson these relate to buy-out awards made in the form of Restricted Stock awards. Additional dividend shares will be due on vesting.

³ These relate to the maximum number of shares due on vesting pursuant to the outstanding EPSP awards, full details of which can be found on pages 27-28. For Joanne Wilson these also include unvested buy-out awards made with performance conditions. In all cases additional dividend shares will be due on vesting.

⁴ Movements to 15 March 2024 reflect the grant of the 2024 EPSP awards, the lapse of the 2019 EPSP awards, the vesting of the 2021 EPSP awards (full details can be found on pages 27-28) and 2021 ESA; for Joanne Wilson they also reflect the buyout award which vested in March 2024.

⁵ Total beneficial interests calculated at last practicable date for this Annual Report on Form 20-F.

⁶ For John Rogers total beneficial interests is shown at 27 April 2023 the date he stepped down as a Director.

Share ownership requirements

As detailed in the Directors' Compensation Policy, the Executive Directors are required to achieve a minimum level of shareholding of WPP shares. The Chief Executive Officer is required to hold shares to the value of 600% and the Chief Financial Officer and Chief Operating Officer 300% of base salary. All Executive Directors have seven years from the date they were appointed to their respective roles in which to reach the required level.

As at 31 December 2023, the Chief Executive Officer held shares to the value of 476% of his base salary. At the same date, the Chief Financial Officer held shares to the value of 4% of her base salary; and the Chief Operating Officer shares to the value of 736% of his base salary. This was calculated based on the average share price for the last two months of the year. The Chief Financial Officer joined WPP in April 2023 and no EPSP awards had vested at 31 December 2023. The Chief Operating Officer joined WPP in 1999 and has built up his holding of WPP shares over his career.

As set out in the Policy, the former Chief Financial Officer, John Rogers, is required to maintain a holding of shares equal to 300% of his base salary at the date his employment ceased (7 November 2023) for 12 months; reducing to 150% for the year to 7 November 2025.

Non-Executive Directors' interests

Non-Executive Directors' interests in the Company's ordinary share capital are shown in the following table. Except as disclosed in this table, no Non-Executive Director had any interest in any contract of significance with the Group during the year.

Non-Executive Director	Total interests at 31 December 2023 ¹	Total interests at 15 March 2024 ²
Roberto Quarta	87,500	87,500
Angela Ahrendts	12,571	12,571
Simon Dingemans	10,000	10,000
Sandrine Dufour	15,000	15,000
Tarek Farahat, retired 17 May 2023	3,775	n/a
Tom Ilube	8,335	8,335
Cindy Rose	8,000	8,000
Nicole Seligman, retired 17 May 2023	8,750	n/a
Keith Weed	8,424	8,424
Jasmine Whitbread	8,735	8,735
Dr. Ya-Qin Zhang	10,000	10,000

¹ Or at date of retirement if retired during the year.

² Total beneficial interests calculated at last practicable date for this Annual Report on Form 20-F.

F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation

Not applicable.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

As of the dates shown below, the table below shows the holdings of major shareholders in the Company's issued ordinary share capital in accordance with the Disclosure Guidance and Transparency Rules (DTRs) notified to the Company.

		15 March 2024 ¹		16 March 2023 ¹		25 March 2022 ¹
BlackRock Inc.	8.33 %	89,538,830	7.60 %	81,425,118	7.49 %	84,105,596
Silchester International Investors LLP	5.03 %	54,288,349	5.03 %	54,288,349	*	*
Harris Associates L.P.	5.07 %	54,509,450	*	*	*	*

* The Company has not been notified of any interests in the issued ordinary capital of the Company in excess of 5.0%.

¹ Interests as at date of notification.

The disclosed interests refer to the respective combined holdings of those entities and to interests associated with them. None of these shareholders have voting rights that are different from those of the holders of the Company's ordinary shares generally. As far as WPP is aware, it is neither directly nor indirectly owned or controlled by one or more corporations or by any government, or by any other natural or legal persons severally or jointly.

The number of outstanding ordinary shares at 31 December 2023 was 1,074,837,699 which included at such date the underlying ordinary shares represented by 14,636,862 ADSs. 227 share owners of record of WPP ordinary shares were US residents at 31 December 2023.

The geographic distribution of our share ownership as at 31 December 2023 is presented below:

United Kingdom	24.2 %
United States	45.7 %
Rest of world	30.1 %
Total	100.0 %

B. Related Party Transactions

The Group enters into transactions with its associate undertakings. The Group has continuing transactions with Kantar, including sales, purchases, the provision of IT services, subleases and property-related items.

In the year ended 31 December 2023, revenue of £233.0 million (2022: £159.7 million¹) was reported in relation to Compas, an associate in the USA, and revenue of £20.9 million (2022: £42.7 million) was reported in relation to Kantar. All other transactions in the periods presented were immaterial.

The following amounts were outstanding at 31 December:

	2023	2022
	£m	£m
Amounts owed by related parties		
Kantar	17.5	26.1
Other	56.0	62.4
	73.5	88.5
Amounts owed to related parties		
Kantar	(4.7)	(10.5)
Other	(70.4)	(65.2)
	(75.1)	(75.7)

There are no material provisions for doubtful debts relating to these balances and no material expense has been recognised in the income statement in relation to bad or doubtful debts for 2023 or 2022.

¹ Revenue in relation to Compas for the period ended 31 December 2022 was restated from £88.3 million to £159.7 million.

See Item 6C Board Practices of this Annual Report on Form 20-F for a discussion of the service contracts between the Company and the Executive Directors.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8.FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

See Item 18 of this Annual Report on Form 20-F.

Outstanding legal proceedings

The Company has claims against others and there are claims against the Company in a variety of matters arising from the conduct of its business. In the opinion of the management of the Company, the ultimate liability, if any, that is likely to result from these matters would not have a material impact on the Company's financial position, or on the results of its operations. See note 21 to the consolidated financial statements for more details.

Dividend distribution policy

See Item 10B Memorandum and Articles of Association of this Annual Report on Form 20-F.

ADS holders are eligible for all stock dividends or other entitlements accruing on the underlying WPP plc shares and receive all cash dividends in US dollars. These are normally paid twice a year. Dividend cheques are mailed directly to the ADS holder on the payment date if ADSs are registered with WPP's U.S. Depositary, Citibank N.A. Dividends on ADSs that are registered with brokers are sent to the brokers, who forward them to ADS holders.

Dollar amounts paid to ADS holders depend on the sterling/dollar exchange rate at the time of payment.

B. Significant Changes

See note 31 to the consolidated financial statements in Item 18 of this Annual Report on Form 20-F.

ITEM 9.THE OFFER AND LISTING

A. Offer and Listing Details

The Company has ordinary shares (trading symbol: WPP) listed on the London Stock Exchange and ADSs for such ordinary shares (trading symbol: WPP) listed on the New York Stock Exchange.

The Depositary held 73,184,310 ordinary shares as at 31 December 2023, approximately 6.81% of the outstanding ordinary shares, represented by 14,636,862 outstanding ADSs.

B. Plan of Distribution

Not applicable.

C. Markets

See the discussion in Item 9A of this Annual Report on Form 20-F.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

See Exhibit 1.1 to this Annual Report on Form 20-F for information called for by Item 10.B.

C. Material Contracts

The following is a summary of each contract (not being a contract entered into in the ordinary course of business) that has been entered into by any member of the WPP Group: (a) within the two years immediately preceding the date of this Form 20-F which are, or may be, material to the WPP Group; or (b) at any time which contain obligations or entitlements which is, or may be, material to the WPP Group as at the date of this Form 20-F:

(i) On 7 September 2012, WPP Finance 2010 issued US\$300,000,000 5.125% guaranteed senior notes due September 2042. These notes were issued under the Indenture dated as at 2 November 2011, described above, as supplemented by the Third Supplemental Indenture, dated as at 7 September 2012, among WPP Finance 2010 as issuer, WPP 2012 Limited (formerly known as WPP plc), WPP Air 1, WPP 2008 Limited and WPP 2005 Limited as guarantors, Wilmington Trust, National Association as trustee, Citibank, N.A., as security registrar and Principal Paying Agent and Citibank, N.A., London Branch as Paying Agent. The indenture contains events of default provisions (including a cross-default provision). It also contains a restriction on the Issuer or any of the Guarantors referred to above consolidating or merging with any other person and conveying, transferring or leasing all or substantially all of their properties and assets to any person except where the entity resulting from such consolidation or merger or to whom such properties and assets are transferred becomes a primary obligor of the notes and gives certain certificates and indemnities. The covenants of the Indenture also contain a negative pledge and a limitation on the sale and leaseback of any assets by the Guarantors referred to above and their principal subsidiaries. The Indenture allows for defeasance of these covenants subject to certain conditions. The holders of the notes have the right to require the Issuer to repurchase the notes at a price equal to 101% of the principal amount of the notes in the event that there is a Change of Control of WPP plc and the notes lose their investment grade rating. The Indenture also contains a joint and several indemnity from the Issuer and the Guarantors referred to above in favour of the Trustee. During 2018 WPP Finance 2010 repurchased and cancelled \$28,422,000 5.125% guaranteed senior notes due September 2042. In May 2019, WPP Finance 2010 repurchased and cancelled \$178,744,000 5.125% guaranteed senior notes due September 2042;

(ii) On 2 January 2013, WPP plc entered into a deposit agreement with Citibank, N.A., as US Depository, and the holders and beneficial owners of ADSs that sets out the terms on which the US Depository has agreed to act as depository with respect to WPP ADSs. The deposit agreement contains, amongst other things, customary provisions pertaining to the form of ADRs, the deposit and withdrawal of ordinary shares, distributions to holders of ADSs, voting of ordinary shares underlying ADSs, obligations of the US Depository and WPP plc, charges of the US Depository, and compliance with U.S. securities laws;

(iii) On 12 November 2013, WPP Finance 2010 issued US\$500,000,000 5.625% guaranteed senior notes due November 2043. These notes were issued under the Indenture dated as at 12 November 2013, as supplemented by the Supplemental Indenture dated as at 12 November 2013, among WPP Finance 2010 as issuer, WPP plc, WPP Jubilee Limited, and WPP 2005 Limited as guarantors, Wilmington Trust, National Association as trustee, Citibank, N.A., as security registrar and Principal Paying Agent and Citibank, N.A., London Branch as Paying Agent. The indenture contains events of default provisions (including a cross-default provision). It also contains a restriction on the Issuer or any of the Guarantors referred to above consolidating or merging with any other person and conveying, transferring or leasing all or substantially all of their properties and assets to any person except where the entity resulting from such consolidation or merger or to whom such properties and assets are transferred becomes a primary obligor of the notes and gives certain certificates and indemnities. The covenants of the Indenture also contain a negative pledge and a limitation on the sale and leaseback of any assets by the Guarantors referred to above and their principal subsidiaries. The Indenture allows for defeasance of these covenants subject to certain conditions. The holders of the notes have the right to require the Issuer to repurchase the notes at a price equal to 101% of the principal amount of the notes in the event that there is a Change of Control of WPP plc and the notes lose their investment grade rating. The Indenture also contains a joint and several indemnity from the Issuer and the Guarantors referred to above in favour of the Trustee. During 2018 WPP Finance 2010 repurchased and

cancelled \$49,690,000 5.625% guaranteed senior notes due November 2043. In May 2019, WPP Finance 2010 repurchased and cancelled \$230,465,000 5.625% guaranteed senior notes due November 2043;

(iv) On 19 September 2014, WPP Finance 2010 issued US\$750,000,000 3.750% guaranteed senior notes due September 2024. These notes were issued under the Indenture dated as at 19 September 2014, as supplemented by the Supplemental Indenture dated as at 19 September 2014, among WPP Finance 2010 as issuer, WPP plc, WPP Jubilee Limited, and WPP 2005 Limited as guarantors, Wilmington Trust, National Association as trustee, Citibank, N.A., as security registrar and Principal Paying Agent and Citibank, N.A., London Branch as Paying Agent. Aside from the coupon and repayment date, the terms and conditions of these notes are the same as those for the \$500,000,000 5.625% notes due November 2043 described above;

(v) On 22 September 2014, WPP Finance S.A. issued EUR 750,000,000 2.250% guaranteed senior bonds due September 2026. The bonds are guaranteed by WPP plc, WPP 2005 Limited, and WPP Jubilee Limited, and were constituted by a Trust Deed dated 11 November 2013 between WPP Finance S.A., the guarantors, and Citicorp Trustee Company Limited. The administration of payments to bondholders is provided for in an Agency Agreement dated 11 November 2013 between WPP Finance S.A., the guarantors, and Citibank, N.A., London Branch. The bonds are listed on the Global Exchange Market of the Irish Stock Exchange and the terms and conditions contain a redemption provision at the option of the bondholders on a Change of Control, a negative pledge provision and the events of default provisions in the terms and conditions contain a cross-default provision;

(vi) On 23 March 2015, WPP Finance Deutschland GmbH issued EUR 600,000,000 1.625% guaranteed senior bonds due March 2030. The bonds are guaranteed by WPP plc, WPP 2005 Limited, and WPP Jubilee Limited, and were constituted by a Trust Deed dated 11 November 2013 as supplemented by a First Supplemental Trust Deed dated 14 November 2014 between, *inter alia*, WPP Finance Deutschland GmbH, the guarantors, and Citicorp Trustee Company Limited. The administration of payments to bondholders is provided for in an Agency Agreement dated 11 November 2013 between, *inter alia*, WPP Finance Deutschland GmbH, the guarantors and Citibank, N.A., London Branch. The bonds are listed on the Global Exchange Market of the Irish Stock Exchange and the terms and conditions contain a redemption provision at the option of the bondholders on a Change of Control, a negative pledge provision and the events of default provisions in the terms and conditions contain a cross-default provision;

(vii) On 14 September 2016, WPP Finance 2013 issued GBP 400,000,000 2.875% fixed rate guaranteed senior bonds due 14 September 2046 under the EUR 4,000,000,000 Euro Medium Term Note Programme. The bonds are guaranteed by WPP plc, WPP 2005 Limited and WPP Jubilee Limited, and are constituted by a Trust Deed dated 14 November 2014 between, *inter alia*, WPP Finance 2013, the guarantors, and Citicorp Trustee Company Limited. The administration of payments to bondholders is provided for in an Agency Agreement dated 11 November 2013 between, *inter alia*, WPP Finance 2013, the guarantors and Citibank, N.A., London Branch. The bonds are admitted to the Official List of the Irish Stock Exchange and to trading on the Global Exchange Market. The terms and conditions of the bonds contain a redemption provision at the option of the bondholders on a Change of Control, a negative pledge provision and a cross-default event of default provision;

(viii) On 20 March 2018, WPP Finance 2016 issued EUR 500,000,000 1.375% guaranteed senior bonds due March 2025. The bonds are guaranteed by WPP plc, WPP 2005 Limited, and WPP Jubilee Limited, and were constituted by a Trust Deed dated 8 November 2016 between, *inter alia*, WPP Finance 2016, the guarantors, and Citicorp Trustee Company Limited. The administration of payments to bondholders is provided for in an Agency Agreement dated 8 November 2016 between, *inter alia*, WPP Finance 2016, the guarantors and Citibank, N.A., London Branch. The bonds are listed on the Global Exchange Market of the Irish Stock Exchange and the terms and conditions contain a redemption provision at the option of the bondholders on a Change of Control, a negative pledge provision and the events of default provisions in the terms and conditions contain a cross-default provision;

(ix) On 15 March 2019, WPP CP LLC, WPP Finance Co. Limited and WPP CP Finance plc (as borrowers), guaranteed by WPP plc, WPP 2005 Limited and WPP Jubilee Limited entered into an agreement for a five-year multi-currency revolving credit facility (with a US Dollar swingline option) for US\$2.5 billion with a syndicate of banks and Citibank International plc as facility agent due March 2024. On 14 February 2020, the lending banks approved extending the maturity for a further year to 15 March 2025. On 26 February 2021, the lending banks approved extending the maturity for a further year to 15 March 2026. On 12 November 2021, the lending banks approved changes to the lending reference rates as LIBOR is being replaced. The lending banks also approved certain environmental, social and governance (ESG) related KPI's which have the impact of adjusting margin by up to 0.03% up or down with effect from January 2023. The facility is available for

drawing by way of multi-currency cash advances on a revolving basis, with an option to draw US Dollar swingline advances up to a sub-limit of US\$1.2 billion. The rate of margin for the facility is, if the long-term unsecured and non-credit enhanced debt rating of WPP published by Moody's and Standard & Poor's (the Credit Rating) is A-/A3 or higher, 0.25% per annum. If the Credit Rating is BBB+ or Baa1, the rate of margin for the facility is 0.30% per annum. If the Credit Rating is BBB or Baa2, the rate of margin for the facility is 0.40% per annum. If the Credit Rating is BBB- or Baa3, the rate of margin for the facility is 0.50% per annum. If the Credit Rating is BB+ or Ba1 or lower, the rate of margin for the facility is 0.80% per annum. All margins above are subject to a credit adjustment spread which varies by both currency of drawing and period of drawdown. If Moody's and Standard & Poor's assign different Credit Ratings, the margin shall be the average of the margins determined by each of Moody's and Standard & Poor's. The commitment fee payable on undrawn commitments is equal to 35% of the then applicable margin. A utilisation fee of 0.075% per annum is payable on outstandings on any day on which the amount of outstandings exceeds 0% of the total facility commitments but is less than or equal to 33% of the total facility commitments. A utilisation fee of 0.15% per annum is payable on outstandings on any day on which the amount of outstandings exceeds 33% of the total facility commitments but is less than or equal to 66% of the total facility commitments. A utilisation fee of 0.30% per annum is payable on outstandings on any day on which the amount of outstandings exceeds 66% of the total facility commitments. The facility agreement contains customary representations, covenants and events of default. The interest rate for swingline advances is the higher of the US prime commercial lending rate and 0.50% per annum above the federal funds rate. On 20 February 2024, the Group refinanced its five-year Revolving Credit Facility of \$2.5 billion maturing March 2026. The new \$2.5 billion facility runs for five years with two one-year extension options maturing February 2029 (excluding options) and with no financial covenants;

(x) On 12 July 2019 WPP entered into an agreement to sell 60% of Kantar, its global data, research, consulting and analytics business, to Bain Capital (the "Transaction"). The Transaction valued 100% of Kantar at c.\$4.0 billion, equivalent to a calendar 2018 EV/EBITDA multiple of 8.2x based on Kantar's headline EBITDA (excluding WPP overhead) of £386 million. The equity value after expected completion adjustments was c.\$3.7 billion (c.£3.0 billion). WPP may also receive additional consideration in respect of certain contingent liabilities, in the event that such liabilities are lower than estimated. Additionally, WPP may receive certain other payments during the life of its partnership with Bain Capital. The amounts of these payments are dependent on future events and outcomes which are too uncertain to allow meaningful estimation today. Under no circumstances can such contingent liabilities, events and outcomes lead to any reduction or repayment of the consideration to be received by WPP on completion. On 5 December 2019, WPP completed the Transaction, with respect to approximately 90% of the Kantar business, and proportionate transaction proceeds were received at that time. In 2020, the outstanding completion steps were completed and the remaining transaction proceeds were received. A shareholders' agreement is also in place to govern the relationship between WPP and Bain Capital, and ensures consistent governance rights for the parties. The boards of the Kantar joint venture companies formed by WPP and Bain Capital have up to six Bain Capital nominated directors and up to two WPP nominated directors. In certain circumstances, in the event of a disposal by Bain Capital of a majority of its interest in Kantar to a third party, it will have the right to require WPP also to transfer all of its securities in Kantar to that third party at the same price;

(xi) On 19 May 2020, WPP Finance S.A. issued EUR 750,000,000 2.375% guaranteed senior bonds due May 2027. The bonds are guaranteed by WPP plc, WPP 2005 Limited, and WPP Jubilee Limited, and were constituted by a Trust Deed dated 5 November 2018 between, *inter alia*, WPP Finance S.A., the guarantors, and Citicorp Trustee Company Limited. The administration of payments to bondholders is provided for in an Agency Agreement dated 5 November 2018 between, *inter alia*, WPP Finance S.A., the guarantors and Citibank, N.A., London Branch. The bonds are listed on the Global Exchange Market of the Irish Stock Exchange and the terms and conditions contain a redemption provision at the option of the bondholders on a Change of Control, a negative pledge provision and the events of default provisions in the terms and conditions contain a cross-default provision;

(xii) On 19 May 2020, WPP Finance 2017 issued £250,000,000 3.75% guaranteed senior bonds due May 2032. The bonds are guaranteed by WPP plc, WPP 2005 Limited, and WPP Jubilee Limited, and were constituted by a Trust Deed dated 5 November 2018 between, *inter alia*, WPP Finance 2017, the guarantors, and Citicorp Trustee Company Limited. The administration of payments to bondholders is provided for in an Agency Agreement dated 5 November 2018 between, *inter alia*, WPP Finance 2017, the guarantors and Citibank, N.A., London Branch. The bonds are listed on the Global Exchange Market of the Irish Stock Exchange and the terms and conditions contain a redemption provision at the option of the bondholders on a

Change of Control, a negative pledge provision and the events of default provisions in the terms and conditions contain a cross-default provision;

(xiii) On 30 May 2023, WPP Finance S.A. issued EUR 750,000,000 4.125% guaranteed senior bonds due 30 May 2028. The bonds are guaranteed by WPP plc, WPP 2005 Limited and WPP Jubilee Limited, and were constituted by a Trust Deed dated 14 December 2021 between, inter alia, WPP Finance S.A., the guarantors, and Citicorp Trustee Company Limited. The administration of payments to bondholders is provided for in an Agency Agreement dated 14 December 2021 between, inter alia, WPP Finance S.A., the guarantors and Citibank, N.A., London Branch. The bonds are listed on the Global Exchange Market of the Irish Stock Exchange. The terms and conditions contain a redemption provision at the option of the bondholders on a Change of Control, a negative pledge provision and the events of default in the terms and conditions include cross-default; and

(xiv) On 12 March 2024, WPP Finance 2013 issued EUR 600,000,000 3.625% guaranteed senior bonds due 12 September 2029 and EUR 650,000,000 4.00% guaranteed senior bonds due 12 September 2033. The bonds are guaranteed by WPP plc, WPP 2005 Limited and WPP Jubilee Limited, and were constituted by a Trust Deed dated 1 March 2024 between, inter alia, WPP Finance 2013, the guarantors, and Citicorp Trustee Company Limited. The administration of payments to bondholders is provided for in an Agency Agreement dated 1 March 2024 between, inter alia, WPP Finance 2013, the guarantors and Citibank, N.A., London Branch. The bonds are listed on the Global Exchange Market of the Irish Stock Exchange. The terms and conditions contain a redemption provision at the option of the bondholders on a Change of Control, a negative pledge provision and the events of default in the terms and conditions include cross-default.

D. Exchange Controls

There are currently no Jersey foreign exchange control restrictions on remittances of dividends on the ordinary shares or on the conduct of the Registrant's operations.

E. Taxation

The taxation discussion set forth below is intended only as a descriptive summary and does not purport to be a complete technical analysis or listing of all potential tax effects relevant to a decision to purchase, hold or in any way transfer ordinary shares or ADSs. Each investor should seek advice based on their individual particular circumstances from an independent tax adviser. The following summary of the Jersey, UK and the United States tax consequences is not exhaustive of all possible tax considerations and should not be considered legal or tax advice. In addition, this summary does not represent a detailed description of the tax consequences applicable to persons subject to special treatment under Jersey and United States tax laws. Prospective purchasers of ADSs are advised to satisfy themselves as to the overall tax consequences of their ownership of ADSs and the ordinary shares represented thereby by consulting their own tax advisors. In addition, this summary only addresses holders that hold ordinary shares or ADSs as capital assets, and it does not address the taxation of a United States shareholder (either corporate or individual) where that shareholder controls, or is deemed to control, 10% or more of the voting stock of the Company.

References in this discussion to WPP Shares include references to WPP ADSs and corresponding references to WPP Share Owners (or holders of WPP ADSs) include references to holders of WPP ADSs, unless indicated otherwise.

United Kingdom, Jersey and the United States taxation

United Kingdom taxation

Tax on dividends

The Company will not be required to withhold UK tax at source from dividend payments it makes.

A WPP Share Owner resident outside the UK may be subject to taxation on dividend income under local law. A WPP Share Owner who is not solely resident in the UK for tax purposes should consult their own tax advisers concerning their tax liabilities (in the UK and any other country) on dividends received from WPP. For UK tax years up to and including 6 April 2022 to 5 April 2023, UK tax resident individuals received a Dividend Allowance in the form of a 0% tax rate on the first £2,000 of dividend income received. The Dividend Allowance has been cut to £1,000 for the tax year 6 April 2023 to 5 April 2024, and for the tax year 6 April 2024 to 5 April 2025 it will be cut further to £500.

Taxation of disposals

An individual WPP Share Owner who has ceased to be resident or ordinarily resident for tax purposes in the UK for a period of less than five tax years and who disposes of all or part of his WPP Shares during that period may be liable to capital gains tax in respect of any chargeable gain arising from such a disposal on his return to the UK, subject to any available exemptions or reliefs.

Stamp duty and stamp duty reserve tax (SDRT)

No UK stamp duty or SDRT will be payable on the issue of WPP Shares. UK stamp duty should generally not need to be paid on a transfer of the WPP Shares. No UK SDRT will be payable in respect of any agreement to transfer WPP Shares unless they are registered in a register kept in the UK by or on behalf of WPP. It is not intended that such a register will be kept in the UK.

The statements in this paragraph summarise the current position on stamp duty and SDRT and are intended as a general guide only. Special rules apply to agreements made by, amongst others, intermediaries and certain categories of person may be liable to stamp duty or SDRT at higher rates.

Jersey taxation

General

The following summary of the anticipated tax treatment in Jersey of WPP and WPP Share Owners and holders of WPP ADSs (other than residents of Jersey) is based on Jersey taxation law as it is understood to apply at the date of this Form 20-F. It does not constitute legal or tax advice. WPP Share Owners or holders of WPP ADSs should consult their professional advisers on the implications of acquiring, buying, holding, selling or otherwise disposing of WPP Shares or WPP ADSs under the laws of the jurisdictions in which they may be liable to taxation. WPP Share Owners or holders of WPP ADSs should be aware that tax rules and practice and their interpretation may change.

Income Tax

(a) WPP

Under the Jersey Income Tax Law, WPP will be regarded as either:

- (i) not resident in Jersey under Article 123(1) of the Jersey Income Tax Law provided that (and for so long as) it satisfies the conditions set out in that provision, in which case WPP will not (except as noted below) be liable to Jersey income tax; or
- (ii) resident in Jersey and will fall under Article 123C of the Jersey Income Tax Law, in which case WPP (being neither a financial services company nor a specified utility company under the Jersey Income Tax Law at the date hereof) will (except as noted below) be subject to Jersey income tax at a rate of 0 percent.

WPP is tax resident in the United Kingdom and therefore should not be regarded as resident in Jersey.

(b) Holders of WPP Shares

WPP will be entitled to pay dividends to holders of WPP Shares without any withholding or deduction for or on account of Jersey tax. Holders of WPP Shares (other than residents of Jersey) will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such WPP Shares.

(c) Holders of WPP ADSs

Under Jersey law and the WPP Articles, WPP is only permitted to pay a dividend to a person who is recorded in its register of members as the holder of a WPP Share. The US Depository will be recorded in WPP's register of members as the holder of each WPP Share represented by a WPP ADS. Accordingly, WPP will pay all dividends in respect of each WPP Share represented by a WPP ADS to the US Depository (as the registered holder of each such WPP Share) rather than to the holder of the ADS.

The US Depository will not be subject to any tax in Jersey in respect of the holding, sale or other disposition of the WPP Shares held by it. In addition, holders of the WPP ADSs (other than residents of Jersey) should not be subject to any tax in Jersey in respect of the holding, sale or other disposition of such WPP ADSs.

Goods and services tax

WPP is an "international services entity" for the purposes of the Goods and Services Tax (Jersey) Law 2007 (the "GST Law"). Consequently, WPP is not required to:

- (a) register as a taxable person pursuant to the GST Law;

(b) charge goods and services tax in Jersey in respect of any supply made by it; or

(c) subject to limited exceptions that are not expected to apply to WPP, pay goods and services tax in Jersey in respect of any supply made to it.

Stamp duty

No stamp duty is payable in Jersey on the issue or *inter vivos* transfer of WPP Shares or WPP ADSs.

Upon the death of a WPP Share Owner, a grant of probate or letters of administration will be required to transfer the WPP Shares of the deceased person. However, WPP may (at its discretion) dispense with this requirement where: (a) the deceased person was domiciled outside of Jersey at the time of death; and (b) the value of the deceased's movable estate in Jersey (including any WPP Shares) does not exceed £10,000.

Upon the death of a WPP Share Owner, where the deceased person was domiciled outside of Jersey at the time of death, Jersey stamp duty will be payable on the registration in Jersey of a grant of probate or letters of administration, which will be required in order to transfer or otherwise deal with the deceased person's personal estate situated in Jersey (including any WPP Shares) if the net value of such personal estate exceeds £10,000.

The rate of stamp duty payable is:

- (i) (where the net value of the deceased person's relevant personal estate is more than £10,000 but does not exceed £100,000) 0.50 percent of the net value of the deceased person's relevant personal estate; or
- (ii) (where the net value of the deceased person's relevant personal estate exceeds £100,000) £500 for the first £100,000 plus 0.75 percent of the net value of the deceased person's relevant personal estate which exceeds £100,000.

In addition, application and other fees may be payable.

US federal income taxation

Introduction

The following is a summary of certain material US federal income tax consequences of the ownership and disposition of WPP Shares or WPP ADSs by a US Holder (as defined below). This summary deals only with initial acquirers of WPP Shares or WPP ADSs that are US Holders and that will hold the WPP Shares or WPP ADSs as capital assets. The discussion does not cover all aspects of US federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of WPP Shares or WPP ADSs by particular investors, and does not address state, local, foreign or other tax laws. In particular, this summary does not address all of the tax considerations that may be relevant to investors subject to special treatment under the US federal income tax laws (such as financial institutions, insurance companies, investors liable for the alternative minimum tax, investors that own (directly or indirectly) 10% or more of the voting stock of WPP, investors that hold WPP Shares or WPP ADSs through a permanent establishment, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, traders that elect to mark to market, investors that will hold the WPP Shares or WPP ADSs as part of straddles, hedging transactions or conversion transactions for US federal income tax purposes, investors whose functional currency is not the US dollar or persons who received their WPP Shares or WPP ADSs in connection with the performance of services or on exercise of options received as compensation in connection with the performance of services).

As used herein, the term "US Holder" means a beneficial owner of WPP Shares or WPP ADSs that is, for US federal income tax purposes: (i) a citizen or individual resident of the United States; (ii) a corporation, or other entity treated as a corporation for US federal tax purposes, created or organised in or under the laws of the United States or any State thereof; (iii) an estate the income of which is subject to US federal income tax without regard to its source; or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for US federal income tax purposes.

This discussion does not address any tax consequences applicable to holders of equity interests in a holder of WPP Shares or WPP ADSs. The US federal income tax treatment of a partner in a partnership that holds WPP Shares or WPP ADSs will depend on the status of the partner and the activities of the partnership. Holders of WPP Shares or WPP ADSs that are partnerships should consult their tax advisers concerning the US federal income tax consequences to their partners of the acquisition, ownership and disposition of WPP Shares or WPP ADSs.

WPP does not expect to become a passive foreign investment company (a “PFIC”) for US federal income tax purposes and this summary assumes the correctness of this position. WPP’s possible status as a PFIC must be determined annually and therefore may be subject to change. If WPP were to be a PFIC in any year, materially adverse consequences could result for US Holders.

The summary is based on the US federal income tax laws, including the US Internal Revenue Code of 1986 as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as currently in effect, and all of which are subject to change, perhaps with retroactive effect.

The summary of US federal income tax consequences set out below is for general information only. US Holders are urged to consult with their own tax advisers as to the particular tax consequences to them of owning the WPP Shares or WPP ADSs, including the applicability and effect of state, local, foreign and other tax laws and possible changes in tax law.

Classification of the WPP ADSs

US Holders of WPP ADSs should be treated for US federal income tax purposes as owners of the WPP Shares represented by the WPP ADSs. Accordingly, the US federal income tax consequences discussed below apply equally to US Holders of WPP ADSs.

Tax on dividends

Distributions paid by WPP out of current or accumulated earnings and profits (as determined for US federal income tax purposes) will generally be taxable to a US Holder as foreign source dividend income, and will not be eligible for the dividends received deduction generally allowed to US corporations. A US Holder of WPP ADSs generally will include dividends in gross income in the taxable year in which such holder actually or constructively receives the dividend. US Holders that surrender their WPP ADSs in exchange for the underlying WPP Shares should consult their tax advisers regarding the proper timing for including dividends in gross income.

Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the US Holder’s basis in the WPP Shares or WPP ADSs and thereafter as capital gains. However, WPP will not maintain calculations of its earnings and profits in accordance with US federal income tax accounting principles. US Holders should, therefore, assume that any distribution by WPP with respect to the WPP Shares or WPP ADSs will constitute ordinary dividend income. US Holders should consult their tax advisers with respect to the appropriate US federal income tax treatment of any distribution received from WPP.

Under current federal income tax law, dividends paid by a foreign corporation to a non-corporate US Holder as “qualified dividend income” are taxable at the special reduced rate normally applicable to capital gains provided the foreign corporation qualifies for the benefits of the income tax treaty between the United States and the corporation’s country of residence. In such case, the non-corporate US Holder is eligible for the reduced rate only if the US Holder has held the shares or ADSs for more than 60 days during the 121 day-period beginning 60 days before the ex-dividend date. WPP believes it will qualify for the benefits of the income tax treaty between the United States and the United Kingdom (the “Treaty”).

US Holders of WPP Shares or WPP ADSs who receive distributions from WPP will need to consult their own tax advisors regarding the continued applicability of this special reduced rate to such distributions. Dividends paid in pounds sterling will be included in income in a US dollar amount calculated by reference to the exchange rate in effect on the day the dividends are received by the US Holder in the case of WPP Shares or the US Depository (in case of WPP ADSs), regardless of whether the pounds sterling are converted into US dollars at that time. If dividends received in pounds sterling are converted into US dollars on the day they are received, the US Holder generally will not be required to recognise a foreign currency gain or loss in respect of the dividend income. Generally, a gain or loss realised on a subsequent conversion of pounds sterling to US dollars or other disposition will be treated as US source ordinary income or loss.

Sale or other disposition

Upon a sale or other disposition of WPP Shares or WPP ADSs (other than an exchange of WPP ADSs for WPP Shares), a US Holder generally will recognise a capital gain or loss equal to the difference, if any, between the amount realised on the sale or other disposition and the US Holder’s adjusted tax basis in the WPP Shares or WPP ADSs. This capital gain or loss will generally be US sourced and will be a long-term capital gain or loss if the US Holder’s holding period in the WPP Shares or WPP ADSs exceeds one year. However, regardless of a US Holder’s actual holding period, any loss may be a long-term capital loss if the US Holder receives a dividend that exceeds 10% of the US Holder’s tax basis in its WPP Shares or WPP ADSs and to the extent such dividend qualifies for the reduced rate described above under the section entitled “Tax on Dividends”. Deductibility of capital losses is subject to limitations.

A US Holder’s tax basis in a WPP Share or a WPP ADS will generally be its US dollar cost. The US dollar cost of a WPP Share or a WPP ADS purchased with foreign currency will generally be the US dollar value of the purchase price on the date of purchase or, in the case of WPP Shares or WPP ADSs traded on an established securities market, as defined in the applicable

Treasury Regulations, that are purchased by a cash basis US Holder (or an accrual basis US Holder that so elects), on the settlement date for the purchase. Such an election by an accrual basis US Holder must be applied consistently from year to year and cannot be revoked without the consent of the Internal Revenue Service (the “IRS”).

The surrender of WPP ADSs in exchange for WPP Shares (or vice versa) should not be a taxable event for US federal income tax purposes and US Holders should not recognise any gain or loss upon such a surrender. A US Holder’s tax basis in the withdrawn WPP Shares will be the same as the US Holder’s tax basis in the WPP ADSs surrendered, and the holding period of the WPP Shares will include the holding period of the WPP ADSs.

The amount realised on a sale or other disposition of WPP Shares or WPP ADSs for an amount in foreign currency will be the US dollar value of this amount on the date of sale or disposition. On the settlement date, the US Holder will recognise US source foreign currency gain or loss (taxable as ordinary income or loss) equal to the difference (if any) between the US dollar value of the amount received based on the exchange rates in effect on the date of sale or other disposition and the settlement date. However, in the case of WPP Shares or WPP ADSs traded on an established securities market that are sold by a cash basis US Holder (or an accrual basis US Holder that so elects), the amount realised will be determined using the exchange rate in effect on the settlement date for the sale, and no exchange gain or loss will be recognised at that time.

Foreign currency received on the sale or other disposition of a WPP Share or a WPP ADS will have a tax basis equal to its US dollar value on the settlement date. Any gain or loss recognised on a sale or other disposition of a foreign currency (including upon exchange for US dollars) will be US source ordinary income or loss.

Net Investment Tax

In addition, the net investment income of individuals and certain trusts (including income realised through certain pass-through entities), subject to certain thresholds, will be subject to an additional net investment tax of 3.8%. “Net investment income” is the excess of certain types of passive income, including dividends on and capital gains from distributions on or dispositions of a WPP Share or a WPP ADS, over certain related investment expenses. Thus, both dividends and capital gains realised directly or indirectly by an individual or trust will generally be added in computing the net investment income of such individual or trust subject to this additional tax. Taxpayers are urged to consult their own tax advisors with respect to the applicability of this tax.

Backup withholding and information reporting

Payments of dividends and other proceeds with respect to WPP Shares or WPP ADSs by a US paying agent or other US intermediary will be reported to the IRS and to the US Holder unless the holder is a corporation or otherwise establishes a basis for exemption. Backup withholding may apply to reportable payments if the US Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to report all interest and dividends required to be shown on its US federal income tax returns. Any backup withholding tax will be refunded or allowed as a credit against the US Holder’s US federal income tax liability if the US Holder timely gives the appropriate information to the IRS. US Holders should consult their tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

F. Dividends and Paying Agents

Not applicable.

G. Statements by Experts

Not applicable.

H. Documents on Display

The Company is subject to the informational requirements of the Exchange Act. In accordance with these requirements, the Company files reports and other information with the United States Securities and Exchange Commission. You may read and copy any materials filed with the SEC at <http://www.sec.gov> that contains reports, proxy statements and other information regarding registrants that file electronically with the SEC. The Company’s Form 20-F is also available on the Company’s website, <http://www.wpp.com>.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

The Registrant intends to submit the Annual Report to security holders in electronic format on 21 March 2024, in accordance with the EDGAR Filer Manual.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company's principal market risks are changes in interest rates and currency exchange rates. Following evaluation of these positions, the Company selectively enters into derivative financial instruments to manage its risk exposure. The fair value of derivatives held by the Company at 31 December 2023 is estimated to be a net liability of £30.9 million (£33.9 million with respect to derivative assets and £3.0 million for derivative liabilities). These amounts are based on market values of equivalent instruments at the balance sheet date.

Interest rate and foreign currency risks

The Company's interest rate and foreign currency risks management policies are discussed in note 24 to the consolidated financial statements.

Currency derivatives utilised by the Group are discussed in note 25 to the consolidated financial statements.

Analysis of fixed and floating rate debt by currency, including the effect of interest rate and cross currency swaps, as at the balance sheet date is provided in note 10 to the consolidated financial statements.

Sensitivity analyses that address the effect of interest rate and currency risks on the Group's financial instruments is provided in note 24 to the consolidated financial statements.

Credit risk

Our credit risk exposure and management policies are discussed in note 24 to the consolidated financial statements.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Fees and Charges

Holders of ADSs and persons depositing ordinary shares or surrendering ADSs for cancellation are currently required to pay the following service fees to the Depositary:

<u>Service</u>	<u>Rate</u>	<u>By Whom Paid</u>
(1) Issuance of ADSs upon deposit of ordinary shares (excluding issuances as a result of distributions described in paragraph (4) below).	Up to U.S.\$5.00 per 100 ADSs (or fraction thereof) issued.	Person depositing ordinary shares or person receiving ADSs.
(2) Delivery of deposited securities against surrender of ADSs.	Up to U.S.\$5.00 per 100 ADSs (or fraction thereof) surrendered.	Person surrendering ADSs for purpose of withdrawal of deposited securities or person to whom deposited securities are delivered.
(3) Distribution of cash dividends or other cash distributions (<i>i.e.</i> , sale of rights and other entitlements).	Up to U.S.\$2.00 per 100 ADSs (or fraction thereof) held, unless prohibited by the exchange upon which the ADSs are listed.	Person to whom distribution is made.
(4) Distribution of ADSs pursuant to (i) stock dividends or other free stock distributions, or (ii) exercise of rights to purchase additional ADSs.	Up to U.S.\$5.00 per 100 ADSs (or fraction thereof) issued, unless prohibited by the exchange upon which the ADSs are listed.	Person to whom distribution is made.
(5) Distribution of securities other than ADSs or rights to purchase additional ADSs (<i>i.e.</i> , spin-off shares).	Up to U.S.\$5.00 per unit of 100 securities (or fraction thereof) distributed.	Person to whom distribution is made.
(6) Depositary Services.	Up to U.S.\$2.00 per 100 ADSs (or fraction thereof) held as of the last day of each calendar year, except to the extent of any cash dividend fee(s) charged under paragraph (3) above during the applicable calendar year.	Person of record on last day of any calendar year.
(7) Transfer of ADRs.	U.S.\$1.50 per certificate presented for transfer.	Person presenting certificate for transfer.

Holders of ADSs and persons depositing ordinary shares or surrendering ADSs for cancellation and for the purpose of withdrawing deposited securities are also responsible for the payment of certain fees and expenses incurred by the Depositary, and certain taxes and governmental charges, such as:

- (i) Taxes (including applicable interest and penalties) and other governmental charges;
- (ii) Such registration fees as may from time to time be in effect for the registration of ordinary shares on the share register and applicable to transfers of ordinary shares or other securities on deposit to or from the name of the Custodian, the Depositary or any nominees upon the making of deposits and withdrawals, respectively;
- (iii) Such cable, telex and facsimile transmission and delivery expenses as are expressly provided in the deposit agreement to be at the expense of the person depositing or withdrawing ordinary shares or holders of ADSs;
- (iv) The expenses and charges incurred by the Depositary in the conversion of foreign currency;
- (v) Such fees and expenses as are incurred by the Depositary in connection with compliance with exchange control regulations and other regulatory requirements applicable to ordinary shares, ordinary shares on deposit, ADSs and ADRs; and

- (vi) The fees and expenses incurred by the Depositary, the Custodian or any nominee in connection with the servicing or delivery of ordinary shares on deposit.

WPP has agreed to pay various other charges and expenses of the Depositary. Please note that the fees and charges that holders of ADSs may be required to pay may vary over time and may be changed by WPP and by the Depositary. Holders of ADSs will receive prior notice of such changes.

Depositary Payments—Fiscal Year 2023

WPP did not receive any payments from Citibank, N.A., the Depositary for its American Depositary Receipt program, in 2023.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

ITEM 15. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We performed an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as at 31 December 2023. Notwithstanding the foregoing, a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that it will detect or uncover failures within the Company to disclose material information otherwise required to be set forth in the Company's periodic reports. Following the evaluation described above, our management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as at 31 December 2023.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, carried out an assessment of the effectiveness of our internal control over financial reporting as at 31 December 2023. The assessment was performed using the criteria for effective internal control reflected in the Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on our assessment of the system of internal control, management concluded that as at 31 December 2023, our internal control over financial reporting was effective.

The Company's internal control over financial reporting as at 31 December 2023 has been audited by Deloitte LLP, an independent registered public accounting firm, who also audited the Company's consolidated financial statements. Their audit report is presented below.

Changes in Internal Control Over Financial Reporting

There has been no change in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during 2023, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of WPP plc

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of WPP plc and subsidiaries (the “Company”) as of 31 December 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of 31 December 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended 31 December 2023, of the Company and our report dated 21 March 2024, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte LLP

Deloitte LLP

London, United Kingdom
21 March 2024

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

The audit committee consisted of Simon Dingemans, Sandrine Dufour, Tom Ilube, and Cindy Rose at 31 December 2023. The Board has determined that Sandrine Dufour is the audit committee financial expert as defined by the Sarbanes-Oxley Act 2002 and, together with Simon Dingemans, have recent and relevant financial experience for the purposes of the 2018 UK Corporate Governance Code. The members of the Committee have been determined to be independent within the meaning of the applicable NYSE listing standards and rules of the Securities Exchange Act 1934, as amended.

See the biographies of Simon Dingemans and Sandrine Dufour in Item 6A of this Annual Report on Form 20-F.

ITEM 16B. CODE OF ETHICS

WPP has in place a Code of Business Conduct that constitutes a “code of ethics” as defined in applicable regulations of the Securities and Exchange Commission. The Code of Business Conduct, which is regularly reviewed by the Audit Committee and the Board and was last updated in 2016, sets out the principal obligations of all directors, officers and employees. Directors and senior executives throughout the Group are required each year to sign this Code. The WPP Code of Business Conduct is available on the Company’s website, <http://www.wpp.com/investors/corporate-governance>.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

	2023	2022
	£m	£m
Audit fees ¹	39.9	36.9
Audit-related fees ²	0.5	0.4
All other fees ³	1.7	0.6
Tax fees ⁴	—	0.1
	42.1	38.0

¹ Includes fees in respect of the audit of internal control over financial reporting.

² Audit-related fees are in respect of the review of the interim financial information. All audit-related fees were approved by the Audit Committee.

³ All other fees include audits for earnout purposes, non-statutory audits and other agreed upon procedures and were approved by the Audit Committee.

⁴ Tax fees comprise tax advisory, planning and compliance services. All tax fees were approved by the Audit Committee.

See note 3 to the consolidated financial statements for more details of auditors’ remuneration for the years ended 31 December 2023, 2022 and 2021.

Audit Committee Pre-Approval Policies and Procedures

The Audit Committee has a pre-approval policy for the engagement of the external auditors in relation to the supply of permissible non-audit services, taking into account relevant ethical and regulatory requirements. WPP’s policy regarding non-audit services that may be provided by the Group’s auditors, Deloitte, prohibits certain categories of work in line with relevant guidance on independence, such as ethical standards issued by the Auditing Practices Board and independence rules of the Public Company Accounting Oversight Board (United States) and the SEC. Other categories of work may be undertaken by Deloitte subject to an approvals process that is designed appropriately for different categories and values of proposed work. All of the audit and non-audit services carried out in the years ended 31 December 2023 and 2022 were pre-approved under the policies and procedures summarised above.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

At the Annual General Meeting of WPP plc on 24 May 2022 a special resolution was passed authorising WPP plc to make market purchases of its own shares up to a maximum number of 112,249,376 ordinary shares. This authority expired at the Annual General Meeting of WPP plc on 17 May 2023 and was replaced by a new authority to purchase up to a maximum number of 107,093,734 ordinary shares until the earlier of the conclusion of the Annual General Meeting of WPP plc in 2024 and 17 August 2024.

	Total number of shares purchased	Average price (£)	Total number of shares purchased as part of publicly announced plan	Maximum number of shares that may yet be purchased under plan
1/1/23 – 31/1/23	—	—	—	87,274,964
1/2/23 – 28/2/23	—	—	—	87,274,964
1/3/23 – 31/3/23	3,754,417	9.85	3,754,417	83,520,547
1/4/23 – 30/4/23	—	—	—	83,520,547
1/5/23 – 31/5/23	—	—	—	107,093,734
1/6/23 – 30/6/23	—	—	—	107,093,734
1/7/23 – 31/7/23	—	—	—	107,093,734
1/8/23 – 31/8/23	—	—	—	107,093,734
1/9/23 – 30/9/23	—	—	—	107,093,734
1/10/23 – 31/10/23	—	—	—	107,093,734
1/11/23 – 30/11/23	2,349,426	7.20	2,349,426	104,744,308
1/12/23 – 31/12/23	—	—	—	104,744,308
Total	6,103,843	8.83	6,103,843	

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

The Company's ADSs are listed on the NYSE. In general, under Section 303A.11 of the NYSE's Listed Company Manual, foreign private issuers such as WPP listed on the NYSE are permitted to follow home country corporate governance practices instead of certain of the corporate governance requirements of Section 303A of the Listed Company Manual.

The following discussion identifies the principal ways that WPP's corporate governance practices differ from the requirements of Section 303A of the Listed Company Manual:

- Section 303A.03 requires that non-management directors hold regular executive sessions and that the listed company disclose on its website or in its annual report the name of the director presiding at such sessions. The Company complies with the equivalent domestic requirements set out in the UK Corporate Governance Code (the "Code"), which requires the Chairman of the Company to hold meetings with the Non-Executive Directors without executives present (Provision 13 of the Code). The Non-Executive Directors, led by the Senior Independent Director, also meet at least annually without the Chairman present to appraise the Chairman's performance, and on other occasions as necessary (Provision 12 of the Code).
- Section 303A.04 requires that the written charter of the nominating/corporate governance committee and the compensation committee each require that the committee consist entirely of independent directors. While all current members of the Company's Nomination and Governance Committee are independent, the terms of reference of the committee require, consistent with the Code, that only a majority of the members of the committee be independent (Provision 17 of the Code).
- Section 303A.05 requires that compensation committees have authority to retain compensation consultants, legal counsel and other advisers at the issuer's expense, and that they consider specific factors before doing so. Section 303A.05 also requires that a compensation committee's written charter cover the preparation of disclosure required of domestic issuers by Item 407(e)(5) of Regulation S-K and delegation of the committee's duties to one or more subcommittees. The terms of reference of the Company's Compensation Committee are written in compliance with the Code and give the committee the authority to obtain outside legal assistance and any professional advice, at the Company's expense, as the committee considers necessary for the discharge of its responsibilities, but do not specifically require the committee to consider the factors listed in Section 303A.05. The committee's terms of reference also do not cover the preparation of the Item

407(e)(5) disclosure or delegation of the committee's duties to subcommittees. The Company complies instead with the requirements of the Code in this regard.

- Section 303A.07 requires that terms of reference of a listed company's audit committee cover the preparation of disclosure required of domestic issuer by Item 407(d)(3) of Regulation S-K and require that the committee meet separately with management. The Company's Audit Committee has written terms of reference in accordance with the Code, which do not cover these matters, although they do require that the committee meet separately with and monitor the effectiveness of the auditors and the head of the Company's internal audit function.
- Section 303A.08 requires that listed companies obtain shareholder approval before a stock option or purchase plan is established or materially revised or other equity compensation arrangement is made or materially revised pursuant to which stock may be acquired by directors, employees or other service providers of the listed company, subject to certain exceptions. The Company seeks shareholder approval for the adoption or amendment of stock plans or stock purchase plans as required by the Articles of Association of the Company, the Listing Rules of the UK Listing Authority (the Listing Rules) and the laws of Jersey.
- Subject to the exceptions permitted in the Listing Rules, this involves seeking share owner approval to any such plan that falls into either of the following categories (as defined in the Listing Rule 9.4):
 - (a) an employees' share scheme if the scheme involves or may involve the issue of new shares or the transfer of treasury shares; and
 - (b) a long-term incentive plan in which one or more directors of the Company is eligible to participate and to material amendments of that plan to the extent required by the plan's rules. In this context, it should be noted that the provisions of the rules relating to whether amendments to the plan rules must be approved by share owners must themselves be drafted to ensure compliance with the Listing Rules.
- Section 303A.09 requires that listed companies adopt corporate governance guidelines that cover certain specified matters. The Company follows the Code, which covers all of the matters specified in Section 303A.09 (and more). As is customary for UK companies, the Company states how it complies with the principles of the Code and a confirmation that it complies with the Code's provisions or, where it does not, provide an explanation of how and why it does not comply (Listing Rule 9.8.6). In addition, the Company is required to make certain mandatory corporate governance statements in the Directors' Report in accordance with the UK Listing Authority's Disclosure Guidance and Transparency Rules, DTR 7. The Company will comply with these requirements in its 2023 Annual Report. The Company therefore does not adopt the elements of the Code as a separate written policy.
- Section 303A.12 requires that each listed company must provide certain certifications of compliance with the NYSE corporate governance rules annually, although foreign private issuers are only required to comply with a subset of these requirements. The Company complies instead with the requirements of the Code in this regard.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

Not applicable.

ITEM 16K. CYBERSECURITY

Cybersecurity Risk Management and Strategy

Cybersecurity risk management is an important element of WPP's overall enterprise risk management program. WPP assesses, identifies, and manages cybersecurity risks in a manner designed so that assets, information, systems, devices, and the provision

of services to clients can be protected from internal and external cyber threats. WPP seeks to manage this risk while ensuring business resilience.

WPP's cybersecurity risk management program is designed to protect the confidentiality, integrity, and availability of our critical systems and information. To achieve this, we use a variety of security tools and techniques in order to prevent, detect, investigate, contain, escalate, and recover from identified vulnerabilities and security incidents. As foundational components of our cybersecurity risk management program, we have:

- a. A Data, Privacy and Security policy that defines our practices and procedures to protect the confidentiality, integrity and availability of the information we handle.
- b. Internal and external assurance to assess and test our security controls.
- c. A Cyber Security Incident response plan designed to help coordinate our response to, and recovery from, cybersecurity incidents, and includes processes to triage, assess the severity of, escalate, contain, investigate, and remediate incidents, as well as to comply with applicable legal obligations.
- d. With respect to third-party vendors, we (i) conduct due diligence on third-party vendors before entering into contracts with them, (ii) include cyber-and other related audit rights in our contracts with them, and (iii) include contractual obligations on them to report security incidents, risk identification, or other security-related issues promptly.
- e. A Chief Information Security Officer who is responsible for executing on relevant internal policies and external legislative obligations, identifying appropriate technical and organisational controls to deliver information security in compliance with those requirements in consultation with our Chief Privacy Officer and Global Data Protection Officer who are responsible for advising on legal obligations with regards to personal data privacy.

WPP devotes significant resources to protecting the security of its computer systems, software, networks and other technology assets. WPP's cybersecurity policies, standards and procedures include cyber and data breach response plans, which are periodically reviewed and updated.

We and certain of our third-party service providers have been subject to cyberattacks and security incidents in the past due to, for example, computer malware, viruses, computer hacking, credential stuffing, and phishing attacks. We recognise cyberattacks and security incidents as a principal risk for WPP (see page 4). From time to time, we retain certain external parties, including consultants, computer security firms and risk management companies, to assist with enhancing our cybersecurity oversight.

The sophistication of cyber threats continues to increase, and the preventative actions we take to reduce the risk of cyber incidents and protect our systems and information may be insufficient. Accordingly, no matter how well our controls are designed or implemented, we will not be able to anticipate all security breaches, and we may not be able to implement effective preventive measures against such security breaches in a timely manner. However, as of the date of this update, we do not believe there to be any known risks from cybersecurity threats that are reasonably likely to materially affect WPP or its business strategy, results of operations or financial condition.

Cybersecurity Governance and Oversight

The Audit Committee of WPP's Board of Directors provides direct oversight over cybersecurity risk. The Audit Committee receives and provides feedback on periodic updates from management regarding cybersecurity, and is notified between such updates regarding significant new cybersecurity threats or incidents. Agendas for updates are developed and adjusted throughout the year to adapt to any emerging risks or key topics and include, among other things, training initiatives, the status of projects to strengthen cybersecurity, emerging global policies and regulations, cybersecurity technologies and best practices, remediation plans, mitigation efforts and response plans. The Board of Directors receives regular reports from the Audit Committee, including with respect to cybersecurity.

WPP's Chief Information Security Officer has a team that is responsible for leading company-wide cybersecurity strategy, policy, standards and processes and works across relevant WPP agencies to assess and prepare WPP and its employees to address cybersecurity risks and respond to cybersecurity incidents. The Chief Information Security Officer has over 20 years of experience in various senior roles concerning information security and cybersecurity.

In an effort to deter and detect cyber threats, WPP periodically provides all employees, including part-time and temporary, with data protection and cybersecurity training, which covers timely and relevant topics, including social engineering, phishing, password protection, confidential data protection, asset use, and educates employees on the importance of reporting all incidents immediately. WPP also uses technology-based tools to mitigate cybersecurity risks and to bolster its employee-based cybersecurity programs.

PART III

ITEM 17. FINANCIAL STATEMENTS

Not applicable.

ITEM 18. FINANCIAL STATEMENTS

The consolidated financial statements of WPP plc at 31 December 2023, 2022 and 2021 and for the years ending 31 December 2023, 2022 and 2021 are included in this Annual Report on Form 20-F beginning on page F-1.

ITEM 19. EXHIBITS

<u>Exhibit No.</u>	<u>Exhibit Title</u>
1.1	<u>Memorandum and Articles of Association of WPP plc. (incorporated herein by reference to Exhibit 1.1 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2021).</u>
2.1	<u>Deposit Agreement dated as of 2 January 2013 among the Registrant, Citibank, N.A. as Depository, and all holders and beneficial owners from time to time of American Depositary Receipts issued thereunder (incorporated herein by reference to Exhibit 99(A)(I) to the Registrant's Registration Statement on Form F-6EF filed on 31 December 2012).</u>
2.2	<u>Restricted ADS Letter Agreement dated as of 2 January 2013 between the Registrant and Citibank, N.A., as Depository (incorporated herein by reference to Exhibit 99(A)(II) to the Registrant's Registration Statement on Form F-6EF filed on 31 December 2012).</u>
2.3	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to U.S.\$500,000,000 3.625% Guaranteed Senior Notes due September 2022 and \$300,000,000 5.125% Guaranteed Senior Notes due 2042 (incorporated herein by reference to Exhibit 2.15 of the Registrant's Annual Report on Form 20-F filed for the year ended 31 December 2012).</u>
2.4	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to U.S.\$500,000,000 5.625% Guaranteed Senior Notes due November 2043 (incorporated herein by reference to Exhibit 2.14 of the Registrant's Annual Report on Form 20-F filed for the year ended 31 December 2013).</u>
2.5	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to \$750,000,000 of 3.750% Senior Notes Due 2024 (incorporated herein by reference to Exhibit 2.13 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2014).</u>
2.6	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to €750,000,000 of 2.250% of Senior Notes Due 2026 (incorporated herein by reference to Exhibit 2.14 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2014).</u>
2.7	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to €600 million of 1.625% Notes due March 2030 (incorporated herein by reference to Exhibit 2.15 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2014).</u>
2.8	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to £400 million of 2.875% Notes due September 2046 (incorporated herein by reference to Exhibit 2.14 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2016).</u>
2.9	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to €500 million of 1.375% guaranteed senior bonds due March 2025 (incorporated herein by reference to Exhibit 2.17 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2017).</u>
2.10	<u>Description of WPP plc Share Capital and American Depositary Shares (incorporated herein by reference to Exhibit 2.11 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2021).</u>
2.11	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to €750 million of 2.375% guaranteed senior bonds due May 2027 (incorporated herein by reference to Exhibit 2.15 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2020).</u>
2.12	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to £250 million of 3.75% guaranteed senior bonds due May 2032 (incorporated herein by reference to Exhibit 2.16 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2020).</u>
2.13	<u>U.S. \$2,500,000,000 Revolving Credit Facility Supplemental Agreement dated 12 November 2021, by and among WPP CP LLC, WPP Finance Co. Limited and WPP CP Finance plc, as Borrowers, and the Guarantors, Facility Agent, Swingline Agent, Bookrunners and Lenders thereto (incorporated herein by reference to Exhibit 2.14 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2021).</u>

Exhibit No.	Exhibit Title
2.14	<u>U.S. \$2,500,000,000 Revolving Credit Facility Supplemental Agreement amended 20 February 2024 maturing March 2026; made among WPP CP LLC, WPP Finance Co. Limited and WPP CP Finance plc, as Borrowers, and the Guarantors, Facility Agent, Swingline Agent, Bookrunners and Lenders thereto.*</u>
2.15	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to EUR 750,000,000 4.125% guaranteed senior bonds due 30 May 2028.*</u>
2.16	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to EUR 600,000,000 3.625% guaranteed senior bonds due 12 September 2029.*</u>
2.17	<u>Agreement of Registrant to file, if requested by the Securities and Exchange Commission, instruments relating to EUR 650,000,000 4.00% guaranteed senior bonds due 12 September 2033.*</u>
4.1	<u>J. Walter Thompson Company, Inc. Retained Benefit Supplemental Employee Retirement Plan (incorporated herein by reference to Exhibit 4.9 to the Registrant's Annual Report on Form 20-F for the year ended 31 December 2000).</u>
4.2	<u>Young & Rubicam Inc. Deferred Compensation Plan (incorporated herein by reference to Exhibit 10.26 to Young & Rubicam's Registration Statement on Form S-1 (File No. 333-46929)).</u>
4.3	<u>Amendment No. 2 to Young & Rubicam Inc. Deferred Compensation Plan effective as of 1 January 1999 (incorporated herein by reference to Exhibit 10.27 to Young & Rubicam's Annual Report on Form 10-K for the year ended 31 December 1998).</u>
4.4	<u>Young & Rubicam Inc. Executive Income Deferral Program (incorporated herein by reference to Exhibit 4.19 to the Registrant's Annual Report on Form 20-F for the year ended 31 December 2000).</u>
4.5	<u>Ogilvy & Mather ERISA Excess Plan Summary Plan Description (incorporated herein by reference to Exhibit 4.12 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2008).</u>
4.6	<u>Ogilvy & Mather Executive Savings Plan Summary Plan Description, in connection with a 25% matching contribution (incorporated herein by reference to Exhibit 4.13 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2008).</u>
4.7	<u>Ogilvy & Mather Executive Savings Plan Summary Plan Description, in connection with a 50% matching contribution (incorporated herein by reference to Exhibit 4.14 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2008).</u>
4.8	<u>Ogilvy & Mather Deferred Compensation Plan Summary Plan Description (incorporated herein by reference to Exhibit 4.15 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2008).</u>
4.9	<u>WPP Executive Stock Option Plan, as amended through 12 November 2012 (incorporated herein by reference to Exhibit 4.9 of the Registrant's Annual Report on Form 20-F filed for the year ended 31 December 2012).</u>
4.10	<u>WPP plc Restricted Stock Plan, as amended through 12 November 2012 (incorporated herein by reference to Exhibit 4.10 of the Registrant's Annual Report on Form 20-F filed for the year ended 31 December 2012).</u>
4.11	<u>WPP 2005 Executive Stock Option Plan, as amended through 12 November 2012 (incorporated herein by reference to Exhibit 4.11 of the Registrant's Annual Report on Form 20-F filed for the year ended 31 December 2012).</u>
4.12	<u>WPP plc Annual Bonus Deferral Programme, as amended through 12 November 2012 (incorporated herein by reference to Exhibit 4.12 of the Registrant's Annual Report on Form 20-F filed for the year ended 31 December 2012).</u>
4.13	<u>GroupM Executive Savings Plan Summary Plan Description (incorporated herein by reference to Exhibit 4.24 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2008).</u>
4.14	<u>WPP 2008 Executive Stock Option Plan, as amended through 12 November 2012 (incorporated herein by reference to Exhibit 4.14 of the Registrant's Annual Report on Form 20-F filed for the year ended 31 December 2012).</u>
4.15	<u>Grey Advertising Inc. Senior Executive Officer Post-Employment Compensation Plan (incorporated herein by reference to Exhibit 4.40 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2008).</u>
4.16	<u>Amendment No. 1 to the Grey Advertising Inc. Senior Executive Officer Post-Employment Compensation Plan, effective as of January 1, 2009 (incorporated herein by reference to Exhibit 4.41 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2008).</u>

Exhibit No.	Exhibit Title
4.17	<u>Amendment No. 1 to the J. Walter Thompson Retained Benefit Supplemental Employee Retirement Plan, effective as of January 1, 2009 (incorporated herein by reference to Exhibit 4.42 of the Registrant's Annual Report on Form 20-F for the year ended 31 December 2008).</u>
4.18	<u>WPP 2012 Executive Stock Option Plan (incorporated herein by reference to Exhibit 4.32 of the Registrant's Annual Report on Form 20-F filed for the year ended 31 December 2012).</u>
4.19	<u>WPP plc Executive Performance Share Plan (incorporated herein by reference to Exhibit 4.33 of the Registrant's Annual Report on Form 20-F filed for the year ended 31 December 2013).</u>
4.20	<u>WPP Share Option Plan 2015, amended 5 December 2019.*</u>
4.21	<u>Service Agreement, dated 3 September 2018, between WPP 2005 Limited and Mark Read (incorporated herein by reference to Exhibit 4.26 of the Registrant's Annual Report on Form 20-F filed for the year ended 31 December 2018).</u>
4.22	<u>The WPP plc Stock Plan 2018, amended 9 March 2023.*</u>
4.23	<u>Service Agreement, dated 1 October 2019, between WPP 2005 Limited and John Rogers (incorporated herein by reference to Exhibit 4.28 to the Registrant's Annual Report on Form 20-F for the year ended 31 December 2019, as filed with SEC on 30 April 2020).</u>
4.24	<u>Sale and Purchase Agreement, dated 12 July 2019, as amended, between the Registrant, Summer (BC) Topco S.a r.l. and Summer (BC) UK Bidco Limited (incorporated herein by reference to Exhibit 4.29 to the Registrant's Annual Report on Form 20-F for the year ended 31 December 2019, as filed with SEC on 30 April 2020).</u>
4.25	<u>Securityholders' Agreement, dated 5 December 2019, between Summer (BC) US JVCO S.C.Sp., Summer (BC) US JVCo GP S.a r.l., Summer (BC) JVCO S.a r.l., York Merger Square 2009 LLC, WPP Diamond Head LLC, WPP 2005 Limited, Summer (BC) Topco S.a r.l., and Summer (BC) US Blockerco Corp (incorporated herein by reference to Exhibit 4.30 to the Registrant's Annual Report on Form 20-F for the year ended 31 December 2019, as filed with SEC on 30 April 2020).</u>
4.26	<u>WPP plc Executive Performance Share Plan (incorporated herein by reference to Exhibit 4.26 to the Registrant's Annual Report on Form 20-F for the year ended 31 December 2022, as filed with SEC on 31 March 2023).</u>
8.1	<u>List of subsidiaries.*</u>
12.1	<u>Certification of Chief Executive Officer.*</u>
12.2	<u>Certification of Chief Financial Officer.*</u>
13.1	<u>Certification of Chief Executive Officer under 18 U.S.C. Section 1350.**</u>
13.2	<u>Certification of Chief Financial Officer under 18 U.S.C. Section 1350.**</u>
14.1	<u>Consent of Independent Registered Public Accounting Firm (for WPP plc and subsidiaries).*</u>
17.1	<u>List of subsidiary guarantors and issuers of guaranteed securities.*</u>
97	<u>The WPP Compensation Recovery Policy, dated 1 December 2023.*</u>
101.INS	Inline XBRL Instance Document*
101.SCH	Inline XBRL Taxonomy Extension Schema Linkbase Document*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)*

* Filed herewith.

** Furnished herewith.

Signatures

The Registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

WPP plc

By: /s/ Joanne Wilson

Joanne Wilson
Chief Financial Officer

21 March 2024

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of WPP plc

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of WPP plc and its subsidiaries (the “Company”) as of 31 December 2023 and 2022, the related consolidated income statements, consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated cash flow statements, for each of the three years in the period ended 31 December 2023, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended 31 December 2023, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”).

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of 31 December 2023, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated 21 March 2024 expressed an unqualified opinion on the Company’s internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill — Refer to the Accounting Policies and Note 13 (Intangible assets) to the financial statements

Critical Audit Matter Description

The Company’s assessment of goodwill for impairment involves the comparison of the recoverable amount of goodwill, calculated as the higher of fair value less costs of disposal and value in use, to its carrying value at each measurement date. The Company applied the value in use approach, which uses a discounted cash flow model to estimate the recoverable amount of each cash generating unit or group of cash generating units and requires management to make significant estimates and assumptions related to discount rates, profit margins and long-term growth rates. The net book value of goodwill was £8,389 million as at 31 December 2023.

We identified goodwill valuation as a critical audit matter because of the significant judgements made by management, which consider future impacts of the current economic uncertainty, to estimate the value in use of goodwill and the increased auditor judgement and level of audit effort required to obtain evidence to test these significant judgements, including the use of specialists. Estimates of future performance and market conditions used to arrive at the net present value of future cash flows at the relevant assessment date, which is used within the goodwill impairment analysis, are subjective in nature with increased

uncertainty due to inflationary pressures, rising interest rates and global economic uncertainty. Through our risk assessment procedures, we identified those inputs that were the most sensitive in determining the value in use, which enabled us to design our audit procedures to focus on those estimates that are either complex, including the discount rate calculations, or subjective in nature, including the profit margins and long-term growth rates.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures focused on challenging and evaluating the discount rates, profit margins and long-term growth rates used in the discounted cash flow model to determine the value in use and included the following audit procedures, among others:

- We tested the effectiveness of controls over management’s estimations of the profit margins, discount rates and long-term growth rates used to determine the value in use.
- We assessed the appropriateness of forecasted profit margins and growth rates by considering both corroboratory and contradictory evidence. We performed procedures such as comparing to external economic data, including peers, market data and wider economic forecasts, specifically assessing the impact of inflationary pressures and rising interest rates on the forecasts.
- We evaluated management’s ability to accurately forecast future revenues, profit margins and long-term growth rates by comparing actual results to management’s historical forecasts.
- With the assistance of our valuation specialists, we assessed the mechanical accuracy of the impairment model and the methodology applied by management for consistency with the requirements of IAS 36 Impairment of assets.
- With the assistance of our valuation specialists, we evaluated the appropriateness of the discount rates and long-term growth rates used by:
 - Testing the source information underlying the determination of the discount rates and the mathematical accuracy of the calculation;
 - Assessing the methodology applied in the discount rates calculations against market practice valuation techniques; and
 - Assessing the long-term growth rates against independent market data and an independently derived weighted average rate for each country, based on their GDP forecasts.
- We evaluated the Company’s disclosures on goodwill against the requirements of IFRS.

/s/ Deloitte LLP

Deloitte LLP

London, United Kingdom

21 March 2024

We have served as the Company’s auditor since 2002.

2023 financial statements

Accounting policies

The consolidated financial statements of WPP plc and its subsidiaries (the Group) for the year ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) as they apply to the financial statements of the Group for the year ended 31 December 2023.

Basis of preparation

The Group consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except for the revaluation of certain financial instruments. In performing its going concern assessment, management's forecasts and projections, taking account of (i) reasonably possible declines in revenue less pass-through costs and (ii) remotely possible declines in revenue less pass-through costs for stress-testing purposes compared to 2023, considering the Group's liquidity headroom taking into account the suspension of share buybacks, dividends and acquisitions, and cost-mitigation actions which could be implemented, show that the Company and the Group would be able to operate with appropriate liquidity and be able to meet its liabilities as they fall due, considering that the Group was in a £2.3 billion net current liability position as at 31 December 2023. The Company modelled a range of revenue less pass-through cost declines up to 31% compared with the year ended 31 December 2023. The Directors therefore have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The principal accounting policies are set out below.

The financial statements were approved by the Board of Directors and authorized for issue on 21 March 2024.

Basis of consolidation

The consolidated financial statements include the results of the Company and all its subsidiary undertakings made up to the same accounting date. All intra-Group balances, transactions, income and expenses are eliminated in full on consolidation. Subsidiary undertakings are those entities controlled by the Group. Control exists where the Group is exposed to, or has the rights to variable returns from its involvement with, the investee and has the ability to use its power over the investee to affect its returns. The results of subsidiary undertakings acquired or disposed of during the period are included or excluded from the consolidated income statement from the effective date of acquisition or disposal. Non-controlling interests represent the share of earnings or equity in subsidiaries that is not attributable, directly or indirectly, to shareholders of the Group.

New IFRS accounting pronouncements

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing on or after 1 January 2023:

- IFRS 17 Insurance Contracts
- Definition of Accounting Estimates - Amendments to IAS 8
- Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12
- International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12

The standards and amendments listed above did not have any impact on the amounts recognised in prior periods, did not have a significant impact on the amounts recognised in the current period, and are not expected to significantly affect the future periods.

At the date of authorisation of these financial statements, there were a number of standards or amendments to standards, which have not been applied in these financial statements, that were in issue but not yet effective. The Group does not consider that any of these standards or amendments to standards in issue but not yet effective will have a significant impact on the financial statements.

Accounting policies (continued)

Goodwill and other intangible assets

Intangible assets comprise goodwill, certain acquired separable corporate brand names, acquired customer relationships, acquired proprietary tools and capitalised computer software not integral to a related item of hardware.

Goodwill represents the excess of fair value attributed to investments in businesses over the fair value of the underlying net assets where relevant, including intangible assets, at the date of their acquisition.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, defined as the higher of fair value less costs of disposal and value in use. The net present value of future cash flows, to determine value in use, is derived from the underlying assets using a projection period of up to five years for each cash-generating unit. After the projection period, a steady growth rate representing an appropriate long-term growth rate for the industry is applied. Any goodwill impairment is recognised immediately as an expense and is not subsequently reversed.

Corporate brand names, customer relationships and proprietary tools acquired as part of acquisitions of businesses are capitalised separately from goodwill as intangible assets if their value can be measured reliably on initial recognition and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group.

Certain corporate brands of the Group are considered to have an indefinite economic life because of the institutional nature of the corporate brand names, their proven ability to maintain market leadership and profitable operations over long periods of time and the Group's commitment to develop and enhance their value. The carrying value of these intangible assets is reviewed at least annually for impairment and adjusted to the recoverable amount if required.

Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its estimated useful life as follows:

- brand names (with finite lives) – 10-20 years;
- customer-related intangibles – 3-10 years;
- other proprietary tools – 3-10 years;
- other (including capitalised computer software) – 3-5 years.

Contingent consideration

Contingent consideration is accounted for in accordance with IFRS 3 Business Combinations. Contingent consideration only applies to situations where contingent payments are not dependent on future employment of vendors and any such payments are expensed when they relate to future employment.

Future anticipated payments to vendors in respect of contingent consideration (earnout agreements) are initially recorded at fair value which is the present value of the expected cash outflows of the obligations. The obligations are dependent on the future financial performance of the interests acquired (typically over a four- to five-year period following the year of acquisition) and assume the operating companies improve profits in line with Directors' estimates. The Directors derive their estimates from internal business plans together with financial due diligence performed in connection with the acquisition.

Subsequent adjustments to the fair value are recorded in the consolidated income statement within revaluation and retranslation of financial instruments. The effect of any revisions to fair value adjustments that had been determined provisionally at the immediately preceding balance sheet date are accounted for as revisions to goodwill, as permitted by IFRS 3 Business Combinations.

Property, plant and equipment

Property, plant and equipment are shown at cost less accumulated depreciation and any provision for impairment with the exception of freehold land which is not depreciated. The Group assesses the carrying value of its property, plant and equipment to determine if any impairment indicators exist. Where this indicates that an asset may be impaired, the Group applies the requirements of IAS 36 Impairment of Assets in assessing the carrying amount of the asset. This process includes comparing its recoverable amount with its carrying value, where the recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Property, plant and equipment impairment charges also form part of the property-related restructuring costs described in note 3; and are derived applying the method described in the Leases accounting policy. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset on a straight-line basis over its estimated useful life, as follows:

- freehold buildings – up to 50 years;
- leasehold land and buildings – over the term of the lease or life of the asset, if shorter;

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Accounting policies (continued)

- fixtures, fittings and equipment – 3-10 years;
- computer equipment – 3-5 years.

Interests in associates and joint ventures

An associate is an entity over which the Group has significant influence. In certain circumstances, significant influence may be represented by factors other than ownership and voting rights, such as representation on the Board of Directors.

The Group's share of the profits less losses of associate undertakings net of tax, interest and non-controlling interests is included in the consolidated income statement and the Group's share of net assets is shown within interests in associates and joint ventures in the consolidated balance sheet. The Group's share of the profits less losses and net assets is based on current information produced by the undertakings, adjusted to conform with the accounting policies of the Group. The Group discontinues recognising its share of net assets or its share of net results from an associate if the value of the investment has reduced to nil. Any additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports a positive equity, the Group resumes recognising its share of net assets, net result and other comprehensive income.

The Group assesses the carrying value of its associate undertakings to determine if any impairment has occurred. Where this indicates that an investment may be impaired, the Group applies the requirements of IAS 36 in assessing the carrying amount of the investment. This process includes comparing its recoverable amount with its carrying value. The recoverable amount is defined as the higher of fair value less costs of disposal and value in use.

The Group accounts for joint venture investments under the equity method which is consistent with the Group's treatment of associates.

Other investments

Certain equity investments are designated as either fair value through other comprehensive income or fair value through profit or loss. Movements in fair value through profit or loss are recorded in the consolidated income statement within revaluation and retranslation of financial instruments.

The Group generally elects to classify equity investments as fair value through other comprehensive income where the Group forms a strategic partnership with the investee.

Accrued and deferred income

Accrued income is a receivable within the scope of IFRS 9 Financial Instruments, and is recognised when a performance obligation has been satisfied but has not yet been billed. Accrued income is transferred to trade receivables once the right to consideration is billed per the terms of the contractual agreement.

In certain cases, payments are received from customers or amounts are billed with an unconditional right to receive consideration prior to satisfaction of performance obligations and recognised as deferred income. These balances are considered contract liabilities and are typically related to prepayments for third-party expenses that are incurred shortly after billing.

Trade receivables and unbilled costs

Trade receivables are stated net of expected credit loss.

Unbilled costs (previously named Work in progress) includes outlays incurred on behalf of clients, including production costs, and other third-party costs that have not yet been billed and are considered receivables under IFRS 15 Revenue from Contracts with Customers.

Expected credit losses

The Group has applied the simplified approach to measuring expected credit losses, as permitted by IFRS 9 Financial Instruments. This has been applied to trade receivables, contract assets and lease receivables. Under this approach, the Group utilises a provision matrix based on the age of the trade receivables and historical loss rates to determine the expected credit losses. The Group also considers forward-looking information. Therefore, the Group does not track changes in credit risk, but recognises a loss allowance based on the financial asset's lifetime expected credit loss. For all other assets, the general approach has been applied and a loss allowance for 12-month expected credit losses is recognised.

Under IFRS 9, the expected credit losses are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Given the short-term nature of the Group's trade receivables, unbilled costs and accrued income, which are mainly due from large national or

Accounting policies (continued)

multinational companies, the Group's assessment of expected credit losses includes provisions for specific clients and receivables where the contractual cash flow is deemed at risk.

The Group considers that the credit risk increased significantly since initial recognition when the credit rating changes adversely, the debtor has significant financial difficulty or if there was a breach of contract.

Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery. Receivables written off are still subject to enforcement activity and pursued by the Group.

Further details on expected credit losses are provided in note 17.

Foreign currency and interest rate hedging

The Group's policy on interest rate and foreign exchange rate management sets out the instruments and methods available to hedge interest and currency risk exposures and the control procedures in place to ensure effectiveness.

The Group uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

At inception of the hedge relationship, the Group documents the relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the fair values or cash flows of hedged items. Furthermore the Group documents its risk management objectives and its strategy for undertaking various hedge transactions.

Note 25 contains details of the fair values of the derivative instruments used for hedging purposes.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged items that are attributable to the hedged risk.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow or net investment hedges is recognised in other comprehensive income and deferred in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts deferred in equity are recycled in profit or loss in the periods when the hedged item is recognised in profit or loss. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset or liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to profit or loss for the period.

Derivatives embedded in other financial liabilities or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of host contracts and the host contracts are not carried at fair value with unrealised gains or losses reported in the consolidated income statement.

Liabilities in respect of option agreements

Option agreements that allow the Group's equity partners to require the Group to purchase a non-controlling interest are recorded in the consolidated balance sheet initially at the present value of the redemption amount in accordance with IAS 32 Financial Instruments: Presentation and subsequently, the financial liability is measured at amortised cost in accordance with IFRS 9 Financial Instruments. On initial recognition, the corresponding amount is recognised against the equity reserve, which is subsequently reversed on derecognition, either through exercise or non-exercise of the option agreement. Changes in the measurement of the financial liability due to the unwinding of the discount or changes in the amount that the Group could be required to pay are recognised in profit or loss within revaluation and retranslation of financial instruments in the consolidated income statement.

Derecognition of financial liabilities

In accordance with IFRS 9 Financial Instruments, a financial liability of the Group is only removed from the statement of financial position when the underlying legal obligation is extinguished.

Accounting policies (continued)

Debt

Interest-bearing debt is recorded at the proceeds received, net of direct issue costs.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term highly liquid investments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value, including bank deposits and money market funds. For Cash Flow Statement presentation purposes, the Group's overdrafts are included in cash and cash equivalents where they are repayable on demand, are components of the Group's centralised treasury strategy employed across the Group and form an integral part of the Group's cash management, in accordance with IAS 7 Statement of Cash Flows.

Borrowing costs

Finance costs of borrowing are recognised in the consolidated income statement over the term of those borrowings.

Revenue recognition

The Group is a leading worldwide creative transformation organisation offering national and multinational clients a comprehensive range of communications, experience, commerce and technology services. Contracts often involve multiple agencies offering different services in different countries. As such, the terms of local, regional and global contracts can vary to meet client needs and regulatory requirements. Consistent with the industry, contracts are typically short-term in nature and tend to be cancellable by either party with 90 days' notice. The Group is generally entitled to payment for work performed to date.

The Group is generally paid in arrears for its services. Invoices are typically payable within 30 to 60 days. Revenue comprises commissions and fees earned in respect of amounts billed and is stated exclusive of VAT, sales taxes and trade discounts. Pass-through costs comprise fees paid to external suppliers when they are engaged to perform part or all of a specific project and are charged directly to clients. This includes media costs where the Group is buying digital media for its own account on a transparent opt-in basis and, as a result, the subsequent media pass-through costs are recorded as Group revenue. As the contracts are generally short-term in nature, the Group has applied the practical expedient permitted by IFRS 15 to expense costs to obtain a contract as incurred, where applicable.

In most instances, promised services in a contract are not considered distinct or represent a series of services that are substantially the same with the same pattern of transfer to the customer and, as such, are accounted for as a single performance obligation. However, where there are contracts with services that are capable of being distinct, are distinct within the context of the contract, and are accounted for as separate performance obligations, revenue is allocated to each of the performance obligations based on relative stand-alone selling prices.

Revenue is recognised when a performance obligation is satisfied in accordance with the terms of the contractual arrangement. Typically, performance obligations are satisfied over time as services are rendered. Revenue recognised over time is based on the proportion of the level of service performed. Either an input method or an output method, depending on the particular arrangement, is used to measure progress for each performance obligation. For most fee arrangements, costs incurred are used as an objective input measure of performance. The primary input of substantially all work performed under these arrangements is labour. There is normally a direct relationship between costs incurred and the proportion of the contract performed to date. In other circumstances relevant output measures, such as the achievement of any project milestones stipulated in the contract, are used to assess proportional performance.

For our retainer arrangements, we have a stand-ready obligation to perform services on an ongoing basis over the life of the contract. The scope of these arrangements is broad and generally not reconcilable to another input or output criteria. In these instances, revenue is recognised using a time-based method resulting in straight-line revenue recognition.

The amount of revenue recognised depends on whether we act as an agent or as a principal. Certain arrangements with our clients are such that our responsibility is to arrange for a third party to provide a specified good or service to the client. In these cases we are acting as an agent as we do not control the relevant good or service before it is transferred to the client. When we act as an agent, the revenue recorded is the net amount retained. Costs incurred with external suppliers (such as production costs and media suppliers) are excluded from revenue and recorded as unbilled costs until billed.

The Group acts as principal when we control the specified good or service prior to transfer. When the Group acts as a principal (such as when supplying in-house production services, events and branding), the revenue recorded is the gross amount billed. Billings related to out-of-pocket costs such as travel are also recognised at the gross amount billed with a corresponding amount recorded as an expense.

Further details on revenue recognition are detailed by sector below.

Accounting policies (continued)

Global Integrated Agencies

Revenue is typically derived from integrated product offerings including media placements and creative services. Revenue may consist of various arrangements involving commissions, fees, incentive-based revenue or a combination of the three, as agreed upon with each client. Revenue for commissions on purchased media is typically recognised at the point in time the media is run.

The Group receives volume rebates from certain suppliers for transactions entered into on behalf of clients that, based on the terms of the relevant contracts and local law, are either remitted to clients or retained by the Group. If amounts are passed on to clients they are recorded as liabilities until settled or, if retained by the Group, are recorded as revenue when earned.

Variable incentive-based revenue typically comprises both quantitative and qualitative elements. Incentive compensation is estimated using the most likely amount and is included in revenue up to the amount that is highly probable not to result in a significant reversal of cumulative revenue recognised once the related uncertainty is resolved. The Group recognises incentive revenue as the related performance obligation or obligations are satisfied depending on the specific contractual terms.

Public Relations and Specialist Agencies

Revenue for these services is typically derived from retainer fees and fees for services to be performed subject to specific agreement. Most revenue under these arrangements is earned over time, in accordance with the terms of the contractual arrangement.

Taxation

Corporate taxes are payable on taxable profits at current rates. The tax expense represents the sum of the tax currently payable and deferred tax.

The Group is subject to corporate taxes in a number of different jurisdictions and judgement is required in determining the appropriate provision for transactions where the ultimate tax determination is uncertain. In such circumstances, the Group recognises liabilities for anticipated taxes based on the best information available and where the anticipated liability is both probable and able to be estimated, liabilities are classified as current. Any interest and penalties accrued are included in corporate income taxes both in the consolidated income statement and balance sheet. Where the final outcome of such matters differs from the amount recorded, any differences may impact the income tax and deferred tax provisions in the period in which the final determination is made.

The tax laws that apply to the Group's subsidiaries may be amended by the relevant tax authorities. Such potential amendments are regularly monitored and adjustments are made to the Group's tax liabilities and deferred tax assets and liabilities where necessary.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences unless specifically excepted by IAS 12 Income Taxes. Deferred tax is charged or credited in the consolidated income statement, except when it relates to items charged or credited to other comprehensive income or directly to equity, in which case the deferred tax is also recognised within other comprehensive income or equity. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised, which can require the use of accounting estimation and the exercise of judgement. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or other assets and liabilities (other than in a business combination) in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Accounting policies (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on enacted or substantively enacted legislation.

Retirement benefit costs

The Group accounts for retirement benefit costs in accordance with IAS 19 Employee Benefits.

For defined contribution plans, contributions are charged to the consolidated income statement as payable in respect of the accounting period.

For defined benefit plans the amounts charged to operating profit are the current service costs, past service costs, administrative expenses and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the consolidated income statement when the related plan amendment occurs. Net interest expense is calculated by applying the discount rate to the recognised overall surplus or deficit in the plan.

Actuarial gains and losses are recognised immediately in other comprehensive income.

Where defined benefit plans are funded, the assets of the plan are held separately from those of the Group, in separate independently managed funds. Pension plan assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the plan liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Recognition of a surplus in a defined benefit plan is limited based on the economic gain the Group is expected to benefit from in the future by means of a refund or reduction in future contributions to the plan, in accordance with IAS 19.

Provisions for liabilities and charges

Provisions comprise liabilities where there is uncertainty about the timing of settlement, but where a reliable estimate can be made of the amount using either the most likely or expected value, depending on which method best estimates the uncertainty. These include provisions for other property-related liabilities such as onerous contracts and dilapidations. The timing of utilisation or release of such provisions are typically dependent on the term of the underlying lease. The eventual settling of such property-related provisions will be dependent on negotiations with the relevant landlord. Also included are other provisions, primarily long-term employee benefits such as deferred compensation plans, and legal claims, where the likelihood of settlement is considered probable. The timing of release and utilisation of the deferred compensation plans are dependent on applicable plan rules while the timing of settlement of legal claims are dependent on the status of any relevant legal proceedings. While we have factored in all known facts and circumstances, it is likely certain legal settlements will vary from the provisioned amount.

Contingent liabilities

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the group, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised in the consolidated financial statements but are disclosed, if material, unless the possibility of an outflow of economic resources is considered remote.

Leases

The Group leases most of its offices in cities where it operates. Other lease contracts include office equipment and motor vehicles.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, less any lease incentives received. The assets are depreciated over the term of the lease using the straight-line method. The lease term includes periods covered by an option to extend if the Group is reasonably certain to exercise that option.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate for the same term as the underlying lease. Lease payments included in the measurement of lease liabilities comprise fixed payments less any lease incentives receivable and variable lease payments that depend on an index or a rate as at the commencement date. Lease modifications result in remeasurement of the lease liability.

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Accounting policies (continued)

Depreciation is recognised in both costs of services and general and administrative costs and interest expense is recognised under finance costs in the consolidated income statement.

The Group has elected to use the exemption not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets (under \$5,000). The payments associated with these leases are recognised as cost of services and general and administrative costs within the consolidated income statement on a straight-line basis over the lease term.

The Group assesses at the reporting date whether there are any indicators of impairment and performs an impairment test when an impairment indicator exists. The Group tests a right-of-use asset as a stand-alone asset for impairment when it either meets the definition of investment property which generates independent cash flows or it is vacant with minimal to no continued utility for the Group. When a right-of-use asset is tested as a stand-alone asset, an impairment loss is recognised when the carrying amount of the right-of-use asset exceeds its recoverable amount. The recoverable amount of a right-of-use asset is estimated mainly based on the present value of the estimated sublease income, discounted using the property yield rates.

The property held by the Group as right-of-use assets to earn rentals is classified as investment property. The Group measures its investment property applying the cost model.

Translation of foreign currencies

Foreign currency transactions arising from normal trading activities are recorded at the rates in effect at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year-end are translated at the year-end exchange rate. Foreign currency gains and losses are credited or charged to the consolidated income statement as they arise.

The income statements of foreign subsidiary undertakings, with functional currencies other than pounds sterling, are translated into pounds sterling at average exchange rates and the year-end net assets of these companies are translated at year-end exchange rates.

Exchange differences arising from retranslation of the opening net assets and on foreign currency borrowings (to the extent that they hedge the Group's investment in such operations) are reported in the consolidated statement of comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Hyperinflation in Argentina and Turkey

During 2023, 2022 and 2021, Argentina was designated as a hyperinflationary economy. During 2023 and 2022, Turkey was designated as a hyperinflationary economy. The financial statements of the Group's subsidiaries in Argentina and Turkey have been adjusted for the effects of inflation in accordance with IAS 29 Financial Reporting in Hyperinflationary Economies.

IAS 29 requires that the income statement is adjusted for inflation in the period and translated at the year-end foreign exchange rate and that non-monetary assets and liabilities on the balance sheet are restated to reflect the change in purchasing power caused by inflation from the date of initial recognition. The impact on other non-monetary assets and liabilities and the impact on the Group's income statement in the year were immaterial.

Share-based payments

The Group issues equity-settled share-based payments (including share options) to certain employees and accounts for these awards in accordance with IFRS 2 Share-based Payment. Equity-settled share-based payments are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant. Details regarding the fair value of equity settled share-based transactions are set out in note 22.

The fair value determined at the grant date is recognised in the consolidated income statement as an expense on a straight-line basis over the relevant vesting period, based on the Group's estimate of the number of shares that will ultimately vest and adjusted for the effect of non-market-based vesting conditions.

Government support

In reaction to the Covid-19 pandemic, certain governments introduced measures to assist companies. A reduction to operating costs is recorded in relation to government subsidies/schemes where these amounts will never have to be repaid. In other cases, this involves the deferral of certain tax payments in order to stimulate the economy. The deferral of payments does not impact the income statement and these are charged as normal in the period they are incurred.

Accounting policies (continued)

Non-controlling interests

Non-controlling interests in acquired companies are measured at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The acquisition of a non-controlling interest in a subsidiary, and the sale of an interest while retaining control, is accounted for within equity, and the cash cost of such purchases is included within 'Financing activities' in the cash flow statement.

Critical judgements and estimation uncertainty in applying accounting policies

Management is required to make key decisions and judgements whilst acknowledging there is estimation uncertainty in the process of applying the Group's accounting policies. These estimates and judgements are reviewed on an ongoing basis. Where judgement has been applied or estimation uncertainty exists, the key factors taken into consideration are disclosed in the accounting policies and the appropriate note in these financial statements.

The most significant area of estimation uncertainty is:

- Goodwill: the discounted cash flow methodology applied by the Group when testing for goodwill impairment requires key estimates regarding operating margins and discount rates. Further details of the methodology and key estimates used in relation to the goodwill impairment assessment, and the approach to sensitivities to these estimates, are set out in note 13.

Consolidated income statement

For the years ended 31 December 2023, 2022, 2021

	Notes	2023 £m	2022 £m	2021 £m
Revenue	2	14,844.8	14,428.7	12,801.1
Costs of services	3	(12,325.8)	(11,890.1)	(10,597.5)
Gross profit		2,519.0	2,538.6	2,203.6
General and administrative costs	3	(1,988.0)	(1,180.4)	(974.6)
Operating profit		531.0	1,358.2	1,229.0
Earnings/(loss) from associates - after interest and tax	4	70.2	(60.4)	23.8
Profit before interest and taxation		601.2	1,297.8	1,252.8
Finance and investment income	6	127.3	145.4	69.4
Finance costs	6	(389.0)	(359.4)	(283.6)
Revaluation and retranslation of financial instruments	6	6.8	76.0	(87.8)
Profit before taxation		346.3	1,159.8	950.8
Taxation	7	(149.1)	(384.4)	(230.1)
Profit for the year		197.2	775.4	720.7
Attributable to:				
Equity holders of the parent		110.4	682.7	637.7
Non-controlling interests		86.8	92.7	83.0
		197.2	775.4	720.7
Earnings per share:				
Basic earnings per ordinary share	9	10.3p	62.2p	53.4p
Diluted earnings per ordinary share	9	10.1p	61.2p	52.5p

Note

The accounting policies on pages F-3 to F-11 and the accompanying notes on pages F-18 to F-67 form an integral part of this consolidated income statement.

Consolidated statement of comprehensive income

For the years ended 31 December 2023, 2022, 2021

	2023	2022	2021
	£m	£m	£m
Profit for the year	197.2	775.4	720.7
Items that may be reclassified subsequently to profit or loss			
Foreign exchange differences on translation of foreign operations	(427.1)	424.2	(143.0)
Gain/(loss) on net investment hedges	108.2	(141.5)	45.5
Cash flow hedges:			
Fair value (loss)/gain arising on hedging instruments	(43.3)	38.5	(38.0)
Less: gain/(loss) reclassified to profit or loss	44.2	(38.5)	38.0
Share of other comprehensive (loss)/income of associate undertakings	(0.9)	51.2	13.5
	(318.9)	333.9	(84.0)
Items that will not be reclassified subsequently to profit or loss			
Movements on equity investments held at fair value through other comprehensive income	(3.0)	(22.3)	(35.5)
Actuarial (loss)/gain on defined benefit pension plans	(9.1)	16.6	14.3
Deferred tax on defined benefit pension plans	1.7	(7.4)	(3.0)
	(10.4)	(13.1)	(24.2)
Other comprehensive (loss)/income for the year	(329.3)	320.8	(108.2)
Total comprehensive (loss)/income for the year	(132.1)	1,096.2	612.5
Attributable to:			
Equity holders of the parent	(195.8)	988.3	539.8
Non-controlling interests	63.7	107.9	72.7
	(132.1)	1,096.2	612.5

Note

The accounting policies on pages F-3 to F-11 and the accompanying notes on pages F-18 to F-67 form an integral part of this consolidated statement of comprehensive income.

Consolidated cash flow statement

For the years ended 31 December 2023, 2022, 2021

	Notes	2023 £m	2022 £m	2021 £m
Net cash inflow from operating activities¹	11	1,238.2	700.9	2,029.0
Investing activities				
Acquisitions ¹	11	(266.8)	(236.2)	(382.3)
Disposal of investments and subsidiaries	11	98.8	37.7	28.3
Purchases of property, plant and equipment		(177.2)	(208.4)	(263.2)
Purchases of other intangible assets (including capitalised computer software)		(40.0)	(14.9)	(29.9)
Proceeds on disposal of property, plant and equipment		4.8	12.9	8.7
Net cash outflow from investing activities		(380.4)	(408.9)	(638.4)
Financing activities				
Repayment of lease liabilities		(258.7)	(309.6)	(320.7)
Share option proceeds		0.7	1.2	4.4
Cash consideration received from non-controlling interests	11	46.1	—	39.5
Cash consideration for purchase of non-controlling interests	11	(16.4)	(84.2)	(135.0)
Share repurchases and buybacks	11	(53.9)	(862.7)	(818.5)
Proceeds from issue of bonds	11	1,052.6	—	—
Repayment of borrowings	11	(1,147.5)	(220.6)	(397.1)
Financing and share issue costs		(3.5)	(0.2)	(0.4)
Equity dividends paid		(422.8)	(365.4)	(314.7)
Dividends paid to non-controlling interests in subsidiary undertakings		(101.3)	(69.5)	(114.5)
Net cash outflow from financing activities		(904.7)	(1,911.0)	(2,057.0)
Net decrease in cash and cash equivalents		(46.9)	(1,619.0)	(666.4)
Translation of cash and cash equivalents		(79.6)	64.2	(130.1)
Cash and cash equivalents at beginning of year		1,985.8	3,540.6	4,337.1
Cash and cash equivalents at end of year	11	1,859.3	1,985.8	3,540.6

Notes

The accounting policies on pages F-3 to F-11 and the accompanying notes on pages F-18 to F-67 form an integral part of this consolidated cash flow statement.

¹ Earnout payments in excess of the amount determined at acquisition are recorded as operating activities.

Consolidated balance sheet

At 31 December 2023, 2022

	Notes	2023 £m	2022 £m
Non-current assets			
Intangible assets:			
Goodwill	13	8,388.9	8,453.4
Other	13	849.9	1,451.9
Property, plant and equipment	14	828.5	1,000.7
Right-of-use assets	12	1,382.2	1,528.5
Interests in associates	15	286.5	305.1
Other investments	15	332.7	369.8
Deferred tax assets	16	324.4	322.1
Corporate income tax recoverable		76.5	74.1
Trade and other receivables	17	209.2	218.6
		12,678.8	13,724.2
Current assets			
Corporate income tax recoverable		114.9	107.1
Trade and other receivables	17	8,460.6	9,031.4
Accrued income ¹	17	3,150.6	3,468.3
Cash and short-term deposits	11	2,217.5	2,491.5
		13,943.6	15,098.3
Current liabilities			
Trade and other payables	18	(13,323.1)	(14,235.9)
Deferred income ¹		(1,318.9)	(1,599.0)
Corporate income tax payable		(370.2)	(422.0)
Short-term lease liabilities	12	(292.3)	(282.4)
Bank overdrafts and bonds	20	(946.3)	(1,169.0)
		(16,250.8)	(17,708.3)
Net current liabilities		(2,307.2)	(2,610.0)
Non-current liabilities			
Bonds	20	(3,775.0)	(3,801.8)
Trade and other payables	19	(282.8)	(490.9)
Deferred tax liabilities	16	(178.5)	(350.8)
Employee benefit obligations	23	(135.9)	(137.5)
Provisions for liabilities and charges	21	(304.5)	(244.6)
Long-term lease liabilities	12	(1,862.2)	(1,928.2)
		(6,538.9)	(6,953.8)
Net assets		3,832.7	4,160.4
Equity			
Called-up share capital	26	114.1	114.1
Share premium account		576.6	575.9
Other reserves	27	186.6	285.2
Own shares		(990.1)	(1,054.1)
Retained earnings		3,488.4	3,759.7
Equity shareholders' funds		3,375.6	3,680.8
Non-controlling interests		457.1	479.6
Total equity		3,832.7	4,160.4

Notes

The accounting policies on pages F-3 to F-11 and the accompanying notes on pages F-18 to F-67 form an integral part of this consolidated balance sheet.

¹ Accrued income and Deferred income were previously presented in Trade and other receivables and Trade and other payables respectively.

Consolidated statement of changes in equity

For the years ended 31 December 2023, 2022, 2021

	Called-up share capital	Share premium account	Other reserves	Own shares	Retained earnings ¹	Total equity shareholders' funds	Non- controlling interests	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2021	129.6	570.3	191.2	(1,118.3)	4,959.2	4,732.0	318.1	5,050.1
Ordinary shares issued	—	4.4	—	—	—	4.4	—	4.4
Share cancellations	(7.2)	—	7.2	—	(729.3)	(729.3)	—	(729.3)
Treasury shares used for share option schemes	—	—	—	3.7	(3.7)	—	—	—
Profit for the year	—	—	—	—	637.7	637.7	83.0	720.7
Foreign exchange differences on translation of foreign operations	—	—	(132.7)	—	—	(132.7)	(10.3)	(143.0)
Gain on net investment hedges	—	—	45.5	—	—	45.5	—	45.5
Cash flow hedges:								
Fair value loss arising on hedging instruments	—	—	(38.0)	—	—	(38.0)	—	(38.0)
Less: gain reclassified to profit or loss	—	—	38.0	—	—	38.0	—	38.0
Share of other comprehensive loss of associate undertakings	—	—	7.3	—	6.2	13.5	—	13.5
Movements on equity investments held at fair value through other comprehensive income	—	—	—	—	(35.5)	(35.5)	—	(35.5)
Actuarial gain on defined benefit pension plans	—	—	—	—	14.3	14.3	—	14.3
Deferred tax on defined benefit pension plans	—	—	—	—	(3.0)	(3.0)	—	(3.0)
Other comprehensive loss	—	—	(79.9)	—	(18.0)	(97.9)	(10.3)	(108.2)
Total comprehensive (loss)/income	—	—	(79.9)	—	619.7	539.8	72.7	612.5
Dividends paid	—	—	—	—	(314.7)	(314.7)	(114.5)	(429.2)
Non-cash share-based incentive plans (including share options)	—	—	—	—	99.6	99.6	—	99.6
Tax adjustment on share-based payments	—	—	—	—	15.4	15.4	—	15.4
Net movement in own shares held by ESOP Trusts	—	—	—	2.5	(91.7)	(89.2)	—	(89.2)
Recognition/derecognition of liabilities in respect of put options	—	—	(242.7)	—	1.1	(241.6)	—	(241.6)
Share purchases – close period commitments ²	—	—	(211.7)	—	—	(211.7)	—	(211.7)
Share of other equity movements of associates	—	—	—	—	(8.0)	(8.0)	—	(8.0)
Net movement in non-controlling interests ³	—	—	—	—	(180.3)	(180.3)	176.3	(4.0)
Balance at 31 December 2021	122.4	574.7	(335.9)	(1,112.1)	4,367.3	3,616.4	452.6	4,069.0
Ordinary shares issued	—	1.2	—	—	—	1.2	—	1.2
Share cancellations	(8.3)	—	8.3	—	(807.4)	(807.4)	—	(807.4)
Treasury shares used for share option schemes	—	—	—	—	—	—	—	—
Profit for the year	—	—	—	—	682.7	682.7	92.7	775.4
Foreign exchange differences on translation of foreign operations	—	—	409.0	—	—	409.0	15.2	424.2
Loss on net investment hedges	—	—	(141.5)	—	—	(141.5)	—	(141.5)
Cash flow hedges:								
Fair value gain arising on hedging instruments	—	—	38.5	—	—	38.5	—	38.5
Less: loss reclassified to profit or loss	—	—	(38.5)	—	—	(38.5)	—	(38.5)
Share of other comprehensive income of associate undertakings	—	—	31.9	—	19.3	51.2	—	51.2
Movements on equity investments held at fair value through other comprehensive income	—	—	—	—	(22.3)	(22.3)	—	(22.3)
Actuarial gain on defined benefit pension plans	—	—	—	—	16.6	16.6	—	16.6
Deferred tax on defined benefit pension plans	—	—	—	—	(7.4)	(7.4)	—	(7.4)
Other comprehensive income	—	—	299.4	—	6.2	305.6	15.2	320.8
Total comprehensive income	—	—	299.4	—	688.9	988.3	107.9	1,096.2
Dividends paid	—	—	—	—	(365.4)	(365.4)	(69.5)	(434.9)
Non-cash share-based incentive plans (including share options)	—	—	—	—	122.0	122.0	—	122.0
Tax adjustment on share-based payments	—	—	—	—	(9.2)	(9.2)	—	(9.2)
Net movement in own shares held by ESOP Trusts	—	—	—	58.0	(113.3)	(55.3)	—	(55.3)

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Recognition/derecognition of liabilities in respect of put options	—	—	101.7	—	(40.3)	61.4	—	61.4
Share purchases – close period commitments ²	—	—	211.7	—	—	211.7	—	211.7
Share of other equity movements of associates	—	—	—	—	—	—	—	—
Net movement in non-controlling interests ³	—	—	—	—	(82.9)	(82.9)	(11.4)	(94.3)
Balance at 31 December 2022	114.1	575.9	285.2	(1,054.1)	3,759.7	3,680.8	479.6	4,160.4
Ordinary shares issued	—	0.7	—	—	—	0.7	—	0.7
Share cancellations	—	—	—	—	—	—	—	—
Treasury shares used for share option schemes	—	—	—	55.2	(55.2)	—	—	—
Profit for the year	—	—	—	—	110.4	110.4	86.8	197.2
Foreign exchange differences on translation of foreign operations	—	—	(404.0)	—	—	(404.0)	(23.1)	(427.1)
Gain on net investment hedges	—	—	108.2	—	—	108.2	—	108.2
Cash flow hedges:								
Fair value loss arising on hedging instruments	—	—	(43.3)	—	—	(43.3)	—	(43.3)
Less: gain reclassified to profit or loss	—	—	44.2	—	—	44.2	—	44.2
Share of other comprehensive loss of associate undertakings	—	—	(0.9)	—	—	(0.9)	—	(0.9)
Movements on equity investments held at fair value through other comprehensive income	—	—	—	—	(3.0)	(3.0)	—	(3.0)
Actuarial loss on defined benefit pension plans	—	—	—	—	(9.1)	(9.1)	—	(9.1)
Deferred tax on defined benefit pension plans	—	—	—	—	1.7	1.7	—	1.7
Other comprehensive loss	—	—	(295.8)	—	(10.4)	(306.2)	(23.1)	(329.3)
Total comprehensive (loss)/income	—	—	(295.8)	—	100.0	(195.8)	63.7	(132.1)
Dividends paid	—	—	—	—	(422.8)	(422.8)	(101.3)	(524.1)
Non-cash share-based incentive plans (including share options)	—	—	—	—	140.1	140.1	—	140.1
Tax adjustment on share-based payments	—	—	—	—	1.9	1.9	—	1.9
Net movement in own shares held by ESOP Trusts	—	—	—	8.8	(62.7)	(53.9)	—	(53.9)
Recognition/derecognition of liabilities in respect of put options ⁴	—	—	197.2	—	30.5	227.7	—	227.7
Share purchases – close period commitments	—	—	—	—	—	—	—	—
Share of other equity movements of associates	—	—	—	—	—	—	—	—
Net movement in non-controlling interests ³	—	—	—	—	(3.1)	(3.1)	15.1	12.0
Balance at 31 December 2023	114.1	576.6	186.6	(990.1)	3,488.4	3,375.6	457.1	3,832.7

Notes

The accounting policies on pages F-3 to F-11 and the accompanying notes on pages F-18 to F-67 form an integral part of this consolidated statement of changes in equity.

¹ Accumulated losses on existing equity investments held at fair value through other comprehensive income are £346.5 million at 31 December 2023 (2022: £343.7 million, 2021: £308.5 million).

² During 2021, the Company entered into an arrangement with a third party to conduct share buybacks on its behalf in the close period commencing on 16 December 2021 and ending on 18 February 2022, in accordance with UK listing rules. The commitment resulting from this agreement constituted a liability at 31 December 2021 and was recognised as a movement in other reserves in the year ended 31 December 2021. After the close period ended on 18 February 2022, the liability was settled and the amount in other reserves was reclassified to retained earnings.

³ Net movement in non-controlling interests represents movements in retained earnings and non-controlling interests arising from changes in ownership of existing subsidiaries and recognition of non-controlling interests on new acquisitions.

⁴ During 2023, WPP sold a portion of its ownership of FGS to KKR. As part of this transaction, the previous put option granted to management shareholders was derecognised.

Notes to the consolidated financial statements

1. General information

WPP plc is a company incorporated in Jersey. The address of the registered office is 22 Grenville Street, St Helier, Jersey, JE4 8PX and the address of the principal executive office is Sea Containers, 18 Upper Ground, London, United Kingdom, SE1 9GL. The nature of the Group's operations and its principal activities are set out in note 2. These consolidated financial statements are presented in pounds sterling.

2. Segment information

The Group is a leading worldwide creative transformation organisation offering national and multinational clients a comprehensive range of communications, experience, commerce and technology services. Substantially all of the Group's revenue is from contracts with customers.

Reportable segments

The Group is organised into three reportable segments – Global Integrated Agencies, Public Relations and Specialist Agencies.

IFRS 8 Operating Segments requires operating segments to be identified on the same basis as is used internally for the review of performance and allocation of resources by the Group's Chief Executive Officer (the Chief Operating Decision Maker). Provided certain quantitative and qualitative criteria are fulfilled, IFRS 8 permits aggregation of these components into reportable segments for the purposes of disclosure in the Group's financial statements. In assessing the Group's reportable segments, which includes the aggregation of certain operating segments, the Directors have had regard to the similar economic characteristics of certain operating segments, their shared client bases, the similar nature of their products or services and their long-term margins, amongst other factors.

Reported contributions were as follows:

	Revenue ²	Revenue less pass-through costs ³	Headline operating profit ⁴
	£m	£m	£m
2023			
Global Integrated Agencies	12,594.9	9,808.2	1,474.3
Public Relations	1,262.2	1,180.0	191.1
Specialist Agencies	987.7	871.5	84.8
	14,844.8		1,750.2
2022¹			
Global Integrated Agencies	12,191.9	9,743.6	1,433.4
Public Relations	1,232.4	1,161.2	191.9
Specialist Agencies	1,004.4	894.5	116.5
	14,428.7		1,741.8
2021¹			
Global Integrated Agencies	10,887.6	8,680.4	1,221.2
Public Relations	963.5	914.2	144.6
Specialist Agencies	950.0	802.6	127.7
	12,801.1		1,493.5

Notes

¹ Prior year figures have been re-presented to reflect the reallocation of a number of businesses between Global Integrated Agencies, Specialist Agencies and Public Relations.

² Intersegment sales have not been separately disclosed as they are not material.

³ Revenue less pass-through costs is revenue less media and other pass-through costs. Pass-through costs comprise fees paid to external suppliers where they are engaged to perform part or all of a specific project and are charged directly to clients, predominantly media costs. See note 3 to the consolidated financial statements for more details of the pass-through costs.

⁴ A reconciliation from reported profit before tax to headline operating profit is provided in note 30.

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Notes to the consolidated financial statements (continued)

2. Segment information (continued)

	Share-based payments	Capital additions ²	Depreciation and amortisation ³	Goodwill impairment	Earnings/(loss) from associates	Interests in associates and joint ventures
	£m	£m	£m	£m	£m	£m
2023						
Global Integrated Agencies	118.9	180.4	362.8	40.3	56.4	93.1
Public Relations	14.3	15.4	40.0	—	0.2	—
Specialist Agencies	6.9	21.4	43.9	23.3	13.6	193.4
	140.1	217.2	446.7	63.6	70.2	286.5
2022¹						
Global Integrated Agencies	100.7	193.8	373.0	—	10.8	80.1
Public Relations	14.4	11.1	36.7	3.7	0.5	0.1
Specialist Agencies	6.9	18.4	41.3	34.2	(71.7)	224.9
	122.0	223.3	451.0	37.9	(60.4)	305.1
2021¹						
Global Integrated Agencies	92.5	253.1	374.7	—	22.7	115.2
Public Relations	4.8	18.0	28.2	—	1.7	8.0
Specialist Agencies	2.3	22.0	41.1	1.8	(0.6)	289.7
	99.6	293.1	444.0	1.8	23.8	412.9

Notes

¹ Prior year figures have been re-presented to reflect the reallocation of a number of businesses between Global Integrated Agencies, Specialist Agencies and Public Relations.

² Capital additions include purchases of property, plant and equipment and other intangible assets (including capitalised computer software).

³ Depreciation of property, plant and equipment, depreciation of right-of-use assets and amortisation of other intangible assets.

Contributions by geographical area were as follows:

	2023	2022	2021
	£m	£m	£m
Revenue¹			
North America ²	5,527.6	5,549.5	4,494.2
United Kingdom	2,155.4	2,003.8	1,866.9
Western Continental Europe	3,037.2	2,876.2	2,786.3
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	4,124.6	3,999.2	3,653.7
	14,844.8	14,428.7	12,801.1
Revenue less pass-through costs³			
North America ²	4,556.3	4,688.1	3,849.2
United Kingdom	1,626.3	1,537.2	1,414.3
Western Continental Europe	2,410.5	2,318.5	2,225.4
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	3,266.6	3,255.5	2,908.3
Headline operating profit⁴			
North America ²	834.3	770.4	655.7
United Kingdom	214.5	187.1	180.9
Western Continental Europe	258.4	301.3	288.6
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	443.0	483.0	368.3
	1,750.2	1,741.8	1,493.5

Notes

¹ Intersegment sales have not been separately disclosed as they are not material.

² North America includes the United States with revenue of £5,187.1 million (2022: £5,230.9 million, 2021: £4,220.8 million), revenue less pass-through costs of £4,270.6 million (2022: £4,402.0 million, 2021: £3,597.4 million) and headline operating profit of £785.4 million (2022: £727.6 million, 2021: £615.2 million).

³ Revenue less pass-through costs is revenue less media and other pass-through costs. Pass-through costs comprise fees paid to external suppliers where they are engaged to perform part or all of a specific project and are charged directly to clients, predominantly media costs. See note 3 to the consolidated financial statements for more details of the pass-through costs.

⁴ A reconciliation from reported profit before tax to headline operating profit is provided in note 30.

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Notes to the consolidated financial statements (continued)

2. Segment information (continued)

	2023	2022
	£m	£m
Non-current assets¹		
North America ²	5,217.6	5,896.4
United Kingdom	1,669.7	1,556.2
Western Continental Europe	2,695.5	2,797.9
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	2,739.3	3,151.0
	12,322.1	13,401.5

Notes

¹ Non-current assets excluding financial instruments and deferred tax.

² North America includes the United States with non-current assets of £5,113.9 million (2022: £5,379.5 million).

3. Costs of services and general and administrative costs

	2023	2022	2021
	£m	£m	£m
Costs of services	12,325.8	11,890.1	10,597.5
General and administrative costs	1,988.0	1,180.4	974.6
	14,313.8	13,070.5	11,572.1

Costs of services and general and administrative costs include:

	2023	2022	2021
	£m	£m	£m
Staff costs (note 5)	8,137.6	8,165.8	7,166.7
Establishment costs	515.8	536.0	529.0
Media pass-through costs	2,173.6	1,905.7	1,865.3
Other costs of services and general and administrative costs ¹	3,486.8	2,463.0	2,011.1
	14,313.8	13,070.5	11,572.1

Note

¹ Other costs of services and general and administrative costs include £811.5 million (2022: £723.7 million, 2021: £538.6 million) of other pass-through costs.

Included within costs of services and general administrative costs are the following:

	2023	2022	2021
	£m	£m	£m
Goodwill impairment (note 13)	63.6	37.9	1.8
Amortisation and impairment of acquired intangible assets	727.9	62.1	97.8
Investment and other impairment charges/(reversals)	17.8	77.0	(42.4)
Restructuring and transformation costs	195.5	218.8	175.4
Property-related restructuring costs	232.5	18.0	—
(Gains)/losses on disposal of investments and subsidiaries	(7.1)	36.3	10.6
Gains on remeasurement of equity interests arising from a change in scope of ownership	—	(66.5)	—
Litigation settlement	(11.0)	—	21.3
Amortisation of other intangible assets	24.8	21.9	19.9
Depreciation of property, plant and equipment	165.1	166.9	151.2
Depreciation of right-of-use assets	256.8	262.2	272.9
Losses/(gains) on sale of property, plant and equipment	0.4	(6.4)	(1.3)
Net foreign exchange (gains)/losses	(14.5)	(8.7)	4.4
Short-term lease expense	22.2	20.2	18.0
Low-value lease expense	2.8	1.9	2.3

In 2023, operating profit includes credits totalling £16.9 million (2022: £29.3 million, 2021: £19.3 million) relating to the release of provisions and other balances established in respect of acquisitions completed prior to 2022. Further details of the Group's approach to acquisition provisions, as required by IFRS 3 Business Combinations, are given in note 28.

Notes to the consolidated financial statements (continued)

3. Costs of services and general and administrative costs (continued)

The goodwill impairment charge of £63.6 million in 2023 (2022: £37.9 million, 2021: £1.8 million) relates to businesses in the Group that have closed or where the impact of current macroeconomic conditions and trading circumstances indicate impairment to the carrying value.

Amortisation and impairment of acquired intangible assets of £727.9 million (2022: £62.1 million including £0.2 million relating to associates, 2021: £97.8 million) includes a charge of £650.1 million (2022: £1.4 million, 2021: £47.9 million) predominantly in relation to certain brands that no longer have any useful life. This includes accelerated amortisation charges of £430.8 million and £202.3 million for Wunderman Thompson and Y&R brands respectively, due to the creation of VML in the fourth quarter of 2023.

The investment and other impairment charges/reversals of £17.8 million (2022: £77.0 million, 2021: reversal of £42.4 million) relate to the same macroeconomic factors noted above. The 2022 charge of £77.0 million consisted of £48.0 million related to impairments due also to macroeconomic factors and a £29.0 million impairment of capitalised configuration and customisation costs related to software development projects.

Restructuring and transformation costs of £195.5 million (2022: £218.8 million, 2021: £175.4 million) include £113.4 million (2022: £134.5 million, 2021: £94.2 million) in relation to the Group's IT-transformation programme. These IT costs include costs of £52.3 million (2022: £96.8 million, 2021: £62.2 million) in relation to the rollout of new ERP systems in order to drive efficiency and collaboration throughout the Group; and £38.3 million (2022: nil, 2021: nil) related to an IT-transition programme to move to a multi-vendor environment.

Also included within restructuring and transformation costs is £9.8 million (2022: £15.1 million, 2021: £29.9 million) of ongoing property costs, related to impairments the Group recognised in prior years in response to the COVID-19 pandemic. The remaining restructuring and transformation costs of £72.3 million (2022: £69.2 million, 2021: £51.3 million) relates to the continuing restructuring plan, including the creation of VML and simplification of GroupM. This includes restructuring actions at under-performing businesses, aiming to reduce ongoing costs and simplify operational structures.

Property-related restructuring costs of £232.5 million (2022: £18.0 million, 2021: nil) have been incurred related to a review of the Group's property requirements in 2023, following the stabilisation of return-to work practices post the COVID-19 pandemic and the campus strategy. This identified a number of properties that are surplus to requirements and opportunities to further consolidate Agencies within the existing Campus portfolio. The impairment charges included within property-related restructuring costs include £128.8 million (2022: £18.0 million, 2021: nil) in relation to right-of-use assets and £55.8 million (2022: nil, 2021: nil) of related property, plant and equipment.

Gains on disposal of investments and subsidiaries of £7.1 million in 2023 includes a gain of £18.1 million related to net receipts from the prior disposal of Kantar, offset primarily by losses on disposals of £11.0 million including disposal of the Group's investment in Astus Australia. Losses on disposal of investments and subsidiaries of £36.3 million in 2022 primarily included a loss of £63.1 million on the divestment of the Group's Russian interests which completed in May 2022. This was partially offset by gains on other disposals during the period including Res Publica for £17.7 million and Mutual Mobile for £9.4 million with the remaining gains/losses due to individually insignificant transactions. Losses on disposal of investments and subsidiaries of £10.6 million in 2021 included a loss of £4.9 million on the disposal of XMKT in China, which completed in September 2021.

There were no remeasurements of equity interests in 2023. In 2022, gains on remeasurement of equity interests arising from a change in scope of ownership of £66.5 million (2021: nil) comprises a gain in relation to the reclassification of the Group's interest in Imagina in Spain from interests in associates to other investments.

In 2023, £11.0 million (2022: nil) has been received by the Group (net of legal costs) related to a previous litigation matter that settled in 2023.

Auditors' remuneration:

	2023	2022	2021
	£m	£m	£m
Fees payable to the Company's auditors for the audit of the Company and Group's annual accounts	10.0	8.4	7.1
Fees payable for the audit of the Company's subsidiaries	29.9	28.5	24.8
Fees payable to the auditors pursuant to legislation¹	39.9	36.9	31.9
Audit-related services ²	0.5	0.4	0.4
Other services ³	1.7	0.6	1.4
Tax compliance services	—	0.1	—
Total other fees	2.2	1.1	1.8
Total fees	42.1	38.0	33.7

Notes

¹ Includes fees in respect of the audit of internal control over financial reporting.

² Audit-related assurance services are in respect of the review of the interim financial information.

³ Other services include audits for earnout purposes, non-statutory audits and other agreed upon procedures.

4. Earnings/(loss) from associates - after interest and tax

Earnings/(loss) from associates - after interest and tax was earnings of £70.2 million in 2023, a loss of £60.4 million in 2022 and earnings of £23.8 million in 2021. In 2023 this included £45.1 million of non-refundable distributions received from Kantar, which are recorded in the income statement (non headline) given the Group's balance sheet investment in Kantar is nil (2022: nil, 2021: £61.2 million). The loss in 2022 included £75.8 million (2021: £38.8 million) of amortisation and impairment of acquired intangible assets as well as restructuring and one-off transaction costs of £54.8 million (2021: £18.8 million) within Kantar.

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Notes to the consolidated financial statements (continued)

5. Our people

Our staff numbers averaged 114,732 for the year ended 31 December 2023 against 114,129 in 2022 and 104,808 in 2021. Their geographical distribution was as follows:

	2023	2022	2021
North America	23,562	23,740	21,764
United Kingdom	12,457	12,490	10,995
Western Continental Europe	23,580	22,717	21,514
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	55,133	55,182	50,535
	114,732	114,129	104,808

Their reportable segment distribution was as follows:

	2023	2022	2021
Global Integrated Agencies	97,838	97,288	89,701
Public Relations	8,377	8,125	7,121
Specialist Agencies	8,517	8,716	7,986
	114,732	114,129	104,808

At the end of 2023, staff numbers were 114,173 (2022: 115,473, 2021: 109,382).

Staff costs include:

	2023	2022	2021
	£m	£m	£m
Wages and salaries	5,878.8	5,721.0	4,797.2
Cash-based incentive plans	232.9	292.6	455.2
Share-based incentive plans (note 22)	140.1	122.0	99.6
Social security costs	715.1	689.4	630.1
Pension costs (note 23)	213.1	204.8	177.7
Severance	78.2	44.2	41.8
Other staff costs ¹	879.4	1,091.8	965.1
	8,137.6	8,165.8	7,166.7

Note

¹ Freelance and temporary staff costs are included in other staff costs.

Compensation for key management personnel includes:

	2023	2022	2021
	£m	£m	£m
Short-term employee benefits	28.1	29.7	28.0
Pensions and other post-retirement benefits	1.3	1.1	0.9
Share-based payments	30.1	29.8	14.6
	59.5	60.6	43.5

Key management personnel comprises the Board and the Executive Committee.

6. Finance and investment income, finance costs and revaluation and retranslation of financial instruments

Finance and investment income includes:

	2023	2022	2021
	£m	£m	£m
Income from equity investments	12.9	24.5	17.9
Interest income	114.4	120.9	51.5
	127.3	145.4	69.4

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Notes to the consolidated financial statements (continued)

6. Finance and investment income, finance costs and revaluation and retranslation of financial instruments (continued)

Finance costs include:

	2023	2022	2021
	£m	£m	£m
Net interest expense on pension plans	4.3	2.2	1.8
Interest on other long-term employee benefits	6.0	3.7	2.4
Interest expense and similar charges ¹	272.4	257.8	188.5
Interest expense related to lease liabilities	106.3	95.7	90.9
	389.0	359.4	283.6

Note

¹ Interest expense and similar charges are payable on bank overdrafts, bonds and bank loans held at amortised cost.

Revaluation and retranslation of financial instruments include:

	2023	2022	2021
	£m	£m	£m
Movements in fair value of treasury instruments	(3.1)	0.5	9.1
Premium on the early repayment of bonds	—	—	(13.0)
Revaluation of investments and other assets held at fair value through profit or loss	(20.9)	23.1	(7.5)
Remeasurement of put options over non-controlling interests	(1.5)	27.9	(40.6)
Revaluation of payments due to vendors (earnout agreements)	50.8	26.2	(58.7)
Retranslation of financial instruments	(18.5)	(1.7)	22.9
	6.8	76.0	(87.8)

The majority of the Group's long-term debt is represented by \$1,063 million of US dollar bonds at an average interest rate of 4.26%, €3,350 million of Eurobonds at an average interest rate of 2.46% and £650 million of Sterling bonds at an average interest rate of 3.21%.

Average borrowings in 2023 under the US Dollar Revolving Credit Facilities (note 10) amounted to \$41 million at an average interest rate of 4.54% (2022: nil).

Average borrowings under the US Commercial Paper Programme for 2023 amounted to \$433 million at an average interest rate of 5.45% inclusive of margin (2022: \$195 million at an average interest rate of 2.56% inclusive of margin).

Average borrowings under the Euro Commercial Paper Programme for 2023 amounted to £45 million at an average interest rate of 4.90% inclusive of currency swaps (2022: £34 million at an average interest rate of 1.95% inclusive of currency swaps).

7. Taxation

In 2023, the effective tax rate on profit before taxation was 43.1% (2022: 33.1%, 2021: 24.2%)

The tax charge comprises:

	2023	2022	2021
	£m	£m	£m
Corporation tax			
Current year	432.8	425.8	404.0
Prior years	(85.6)	(55.5)	(41.4)
	347.2	370.3	362.6
Deferred tax			
Current year	(197.1)	9.4	(131.0)
Prior years	(1.0)	4.7	(1.5)
	(198.1)	14.1	(132.5)
Tax charge	149.1	384.4	230.1

The corporation tax credit for prior years in 2023, 2022 and 2021 primarily comprises the release of a number of provisions following the resolution of tax matters in various countries.

The current year deferred tax credit of £197.1 million (2022: debit of £9.4 million, 2021: credit of £131.0 million) reflects the tax impact of accelerated amortisation of intangible assets as a result of the creation of VML.

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Notes to the consolidated financial statements (continued)

7. Taxation (continued)

The tax charge for the year can be reconciled to profit before taxation in the consolidated income statement as follows:

	2023	2022	2021
	£m	£m	£m
Profit before taxation	346.3	1,159.8	950.8
Tax at the corporation tax rate of 23.5% ¹	81.4	220.4	180.7
Tax effect of (earnings)/losses from associates	(15.0)	17.4	(13.3)
Irrecoverable withholding taxes	34.8	25.9	52.3
Tax effect of items that are not deductible in determining taxable profits	39.0	66.7	29.3
Tax effect of non-deductible goodwill impairment	16.2	7.2	0.6
Effect of different tax rates in subsidiaries operating in other jurisdictions	41.8	94.3	81.2
Origination and reversal of unrecognised temporary differences	8.8	(1.1)	(36.3)
Tax losses not recognised or utilised in the year	44.0	9.8	7.4
Utilisation of tax losses not previously recognised	(15.3)	(5.4)	(5.1)
Net release of prior year provisions in relation to acquired businesses	(3.9)	(2.8)	(1.1)
Other prior year adjustments	(82.7)	(48.0)	(41.8)
Impact of deferred tax rate change	—	—	(23.8)
Tax charge	149.1	384.4	230.1
Effective tax rate on profit before tax	43.1%	33.1 %	24.2%

Note

¹ As the Group is subject to the tax rates of more than one country, it has chosen to present its reconciliation of the tax charge using the UK corporation tax rate of 23.5% (2022: 19.0%, 2021: 19.0%).

Factors affecting the tax charge in future years

The tax charge may be affected by the impact of acquisitions, disposals and other corporate restructurings, the resolution of open tax issues, and the ability to use brought forward tax losses. Changes in local or international tax rules, and changes arising from the application of existing rules, new demands and assessments or challenges by tax authorities, may expose the Group to additional tax liabilities or impact the carrying value of deferred tax assets, which could affect the future tax charge.

Legislation in respect of the UK adoption of OECD Pillar Two Multinational top-up tax was substantively enacted in the UK in 2023 and is to apply for periods commencing 1 January 2024. The Group is currently monitoring the potential impact, which is expected to be insignificant on the Group's tax charge, including assessing the applicability of legislative safe harbours. The IAS 12 exception to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes has been applied.

Liabilities relating to open and judgemental matters are based upon an assessment of whether the tax authorities will accept the position taken, after considering external advice where appropriate. Where the final tax outcome of these matters is different from the amounts which were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. The Group does not currently consider that judgements made in assessing tax liabilities have a significant risk of resulting in any material additional charges or credits in respect of these matters, within the next financial year, beyond the amounts already provided.

Following the enactment in 2021 of an increase in the UK corporation tax rate from 19% to 25% from 1 April 2023, the Group remeasured UK deferred tax balances accordingly and recognised a tax credit of £23.8 million in 2021.

Tax risk management

We look to maintain open and transparent relationships with the tax authorities and relevant government representatives in the jurisdictions in which we operate. We maintain active engagement with a wide range of international companies and business organisations with similar issues. We engage advisors and legal counsel to obtain opinions on tax legislation and principles. We have a Tax Risk Management Strategy in place which sets out the controls established and our assessment procedures for decision making and how we monitor tax risk. We monitor proposed changes in taxation legislation and ensure these are taken into account when we consider our future business plans. Our Directors are informed by management of any significant tax law changes, the nature and status of any significant ongoing tax audits, and other developments that could materially affect the Group's tax position.

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Notes to the consolidated financial statements (continued)

8. Ordinary dividends

Amounts recognised as distributions to equity holders in the year:

Per share	2023	2022	2021	2023	2022	2021
	Pence per share			£m	£m	£m
Final dividend in respect of the prior year (2022)	24.40p	18.70p	14.00p	261.8	203.5	167.7
Interim dividend in respect of the current year (2023)	15.00p	15.00p	12.50p	161.0	161.9	147.0
	39.40p	33.70p	26.50p	422.8	365.4	314.7

Proposed final dividend for the year ended 31 December 2023:

Per share	2023	2022	2021
	Pence per share		
Final dividend	24.40 p	24.40p	18.70p

The payment of dividends will not have any tax consequences for the Group.

Final dividends are paid in the subsequent year to which they relate.

9. Earnings per share

Basic EPS

The calculation of basic EPS is as follows:

	2023	2022	2021
Earnings ¹ (£m)	110.4	682.7	637.7
Weighted average shares used in basic EPS calculation (m)	1,072.1	1,097.9	1,194.1
EPS	10.3p	62.2p	53.4p

Note

¹ Earnings is equivalent to profit for the year attributable to equity holders of the parent.

Diluted EPS

The calculation of diluted EPS is as follows:

	2023	2022	2021
Earnings ¹ (£m)	110.4	682.7	637.7
Weighted average shares used in diluted EPS calculation (m)	1,094.0	1,116.4	1,215.3
Diluted EPS	10.1p	61.2p	52.5p

¹ Earnings is equivalent to profit for the year attributable to equity holders of the parent.

Diluted EPS has been calculated based on the earnings amounts above. At 31 December 2023, options to purchase 25.2 million ordinary shares (2022: 19.7 million, 2021: 7.2 million) were outstanding, but were excluded from the computation of diluted earnings per share because the exercise prices of these options were greater than the average market price of the Group's shares and, therefore, their inclusion would have been accretive.

A reconciliation between the shares used in calculating basic and diluted EPS is as follows:

	2023	2022	2021
	m	m	m
Weighted average shares used in basic EPS calculation	1,072.1	1,097.9	1,194.1
Dilutive share options outstanding	0.6	0.7	1.3
Other potentially issuable shares	21.3	17.8	19.9
Weighted average shares used in diluted EPS calculation	1,094.0	1,116.4	1,215.3

At 31 December 2023 there were 1,141,513,196 (2022: 1,141,427,296, 2021: 1,224,459,550) ordinary shares in issue, including 66,675,497 treasury shares (2022: 70,489,953, 2021: 70,489,953).

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Notes to the consolidated financial statements (continued)

10. Sources of finance (continued)

10. Sources of finance

The following table summarises the equity and debt financing of the Group, and changes during the year:

	Shares			Debt		
	2023	2022	2021	2023	2022	2021
	£m	£m	£m	£m	£m	£m
Analysis of changes in financing						
Beginning of year	690.0	697.1	699.9	4,465.1	4,441.7	5,032.7
Ordinary shares issued	0.7	1.2	4.4	—	—	—
Share cancellations	—	(8.3)	(7.2)	—	—	—
Net decrease in drawings on bank loans and bonds	—	—	—	(48.9)	(220.6)	(397.1)
Amortisation of financing costs included in debt	—	—	—	0.2	7.0	8.1
Acquisition of subsidiaries	—	—	—	48.9	—	—
Changes in fair value due to hedging arrangements	—	—	—	—	—	(2.5)
Other movements	—	—	—	(3.5)	(0.2)	(0.4)
Exchange adjustments	—	—	—	(98.7)	237.2	(199.1)
End of year	690.7	690.0	697.1	4,363.1	4,465.1	4,441.7

The table above excludes bank overdrafts which fall within cash and cash equivalents for the purposes of the consolidated cash flow statement. Other liabilities from financing activities, including lease liabilities and derivatives used for hedging debts, are disclosed in note 12 and note 25, respectively.

Shares

At 31 December 2023, the Company's share base was entirely composed of ordinary equity share capital and share premium of £690.7 million (2022: £690.0 million, 2021: £697.1 million), further details of which are disclosed in note 26.

Debt as at 31 December 2023

US\$ bonds The Group had in issue \$750 million of 3.75% bonds due September 2024, \$93 million of 5.125% bonds due September 2042 and \$220 million of 5.625% bonds due November 2043.

Eurobonds During the year, the Group issued €750 million of 4.125% bonds due May 2028. The Group also had in issue €500 million of 1.375% bonds due March 2025, €750 million of 2.25% bonds due September 2026, €750 million of 2.375% bonds due May 2027, and €600 million of 1.625% bonds due March 2030. In November 2023, €750 million of 3.0% bonds were repaid.

Sterling bonds The Group had in issue £250 million of 3.750% bonds due May 2032 and £400 million of 2.875% bonds due September 2046.

Revolving Credit Facility The Group had a five-year Revolving Credit Facility of \$2.5 billion due March 2026, signed in November 2021. The Group's borrowings under these facilities, which are drawn down predominantly in pounds sterling, averaged \$41 million in 2023 (2022: nil, 2021: nil).

In May 2021, the Group's subsidiary, WPP AUNZ, repaid in full its A\$150 million Revolving Credit Facility due August 2021, and its A\$270 million Revolving Credit Facility due August 2023. The Group's borrowings under the Australian dollar facilities, which were drawn down in Australian dollars and New Zealand dollars, averaged the equivalent of nil in 2023 (2022: nil, 2021: A\$52 million).

The Group had available undrawn committed credit facilities of £1,963.7 million at 31 December 2023 (2022: £2,069.0 million, 2021: £1,847.5 million).

Borrowings under the \$2.5 billion Revolving Credit Facility were governed by certain financial covenants based on the results and financial position of the Group. During 2023, and until 20 February 2024 when the Revolving Credit Facility was refinanced with no financial covenants (see note 31 for further details), all covenants have been complied with. The \$2.5 billion Revolving Credit Facility, due March 2026, included terms which required the consent of the majority of the lenders if a proposed merger or consolidation of the Company would alter its legal personality or identity.

Commercial paper programmes

The Group operates commercial paper programmes using its Revolving Credit Facility as a backstop. The average US commercial paper in issue in 2023 was \$433 million (2022: \$195 million, 2021: nil). The average Euro commercial paper in issue in 2023 was £45 million (2022: £34 million, 2021: nil) inclusive of the effect of currency swaps, where applicable. There was no US or Euro commercial paper outstanding at 31 December 2023.

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Notes to the consolidated financial statements (continued)

10. Sources of finance (continued)

The following table is an analysis of future anticipated cash flows in relation to the Group's debt, on an undiscounted basis which, therefore, differs from the fair value and carrying value:

	2023	2022	2021
	£m	£m	£m
Within one year	(711.3)	(791.6)	(326.8)
Between one and two years	(534.6)	(724.3)	(745.4)
Between two and three years	(746.2)	(524.2)	(646.5)
Between three and four years	(726.2)	(740.3)	(492.8)
Between four and five years	(704.1)	(719.9)	(698.0)
Over five years	(1,858.8)	(1,963.7)	(2,546.3)
Debt financing (including interest) under the Revolving Credit Facility and in relation to unsecured loan notes	(5,281.2)	(5,464.0)	(5,455.8)
Short-term overdrafts – within one year	(358.2)	(505.7)	(342.3)
Future anticipated cash flows	(5,639.4)	(5,969.7)	(5,798.1)
Effect of discounting/financing rates	918.1	998.9	1,014.1
Debt financing	(4,721.3)	(4,970.8)	(4,784.0)

Analysis of fixed and floating rate debt by currency including the effect of cross-currency swaps:

2023					
Currency		£m	Fixed rate ¹	Floating basis	Period (months) ¹
\$	– fixed	1,471.7	4.62	n/a	66
£	– fixed	1,094.1	2.97	n/a	130
€	– fixed	1,820.5	2.12	n/a	48
	– floating	—	n/a	EURIBOR	0
Other		(23.2)	n/a	n/a	n/a
		4,363.1			

2022					
Currency		£m	Fixed rate ¹	Floating basis	Period (months) ¹
\$	– fixed	1,379.5	4.18	n/a	60
£	– fixed	1,094.1	2.97	n/a	143
€	– fixed	2,080.6	2.21	n/a	55
	– floating	—	n/a	EURIBOR	0
Other		(89.1)	n/a	n/a	n/a
		4,465.1			

2021					
Currency		£m	Fixed rate ¹	Floating basis	Period (months) ¹
\$	– fixed	1,231.8	4.18	n/a	72
£	– fixed	1,094.1	2.97	n/a	155
€	– fixed	1,976.0	2.04	n/a	69
	– floating	210.2	n/a	EURIBOR	3
Other		(70.4)	n/a	n/a	n/a
		4,441.7			

Note

¹ Weighted average.

Notes to the consolidated financial statements (continued)

10. Sources of finance (continued)

The following table is an analysis of future undiscounted anticipated cash flows in relation to the Group's financial derivatives, which include interest rate swaps, forward contracts and other foreign exchange swaps assuming interest rates and foreign exchange rates as at 31 December:

2023	Financial liabilities		Financial assets	
	Payable	Receivable	Payable	Receivable
	£m	£m	£m	£m
Within one year	682.2	681.3	335.3	310.7
Between one and two years	15.9	15.7	487.4	479.6
Between two and three years	15.0	14.6	37.5	32.3
Between three and four years	14.7	14.2	37.1	32.5
Between four and five years	3.7	3.5	646.6	714.8
	731.5	729.3	1,543.9	1,569.9

2022	Financial liabilities		Financial assets	
	Payable	Receivable	Payable	Receivable
	£m	£m	£m	£m
Within one year	1,186.3	1,126.2	347.1	345.7
Between one and two years	—	—	11.6	6.2
Between two and three years	—	—	449.8	461.8
	1,186.3	1,126.2	808.5	813.7

2021	Financial liabilities		Financial assets	
	Payable	Receivable	Payable	Receivable
	£m	£m	£m	£m
Within one year	185.8	173.7	581.1	582.5
Between one and two years	551.4	521.1	30.0	30.4
Between two and three years	11.6	6.0	—	—
Between three and four years	449.8	445.6	—	—
	1,198.6	1,146.4	611.1	612.9

Analysis of change in financing activities (inclusive of leases)

The table below details changes arising from financing activities, including both cash and non-cash changes.

2023	Opening balance	Cash flow	Acquisition of subsidiaries	Foreign exchange	Interest and other	Closing balance
	£m	£m	£m	£m	£m	£m
Borrowings (excluding lease liabilities) (notes 11, 20 and 25) ¹	4,465.1	(48.9)	48.9	(98.7)	(3.3)	4,363.1
Derivatives (notes 11, 17, 18 and 19)	52.3	(46.0)	—	(50.8)	13.6	(30.9)
Lease liabilities (note 12) ²	2,210.6	(361.6)	1.9	(75.6)	379.2	2,154.5
Liabilities from financing activities	6,728.0	(456.5)	50.8	(225.1)	389.5	6,486.7
Cash and short-term deposits (notes 11 and 25)	(2,491.5)	216.9	(22.5)	79.6	—	(2,217.5)
Bank overdrafts	505.7	(147.5)	—	—	—	358.2
	4,742.2	(387.1)	28.3	(145.5)	389.5	4,627.4

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Notes to the consolidated financial statements (continued)

10. Sources of finance (continued)

2022	Opening balance £m	Cash flow £m	Acquisition of subsidiaries £m	Foreign exchange £m	Interest and other £m	Closing balance £m
Borrowings (excluding lease liabilities) (note 11, 20 and 25) ¹	4,441.7	(220.6)	—	237.2	6.8	4,465.1
Derivatives (notes 11, 17, 18 and 19)	50.6	—	—	6.4	(4.7)	52.3
Lease liabilities (note 12) ²	2,041.8	(402.0)	0.1	145.8	424.9	2,210.6
Share repurchase commitments	211.7	(211.7)	—	—	—	—
Liabilities from financing activities	6,745.8	(834.3)	0.1	389.4	427.0	6,728.0
Cash and short-term deposits (notes 11 and 25)	(3,882.9)	1,494.4	(38.8)	(64.2)	—	(2,491.5)
Bank overdrafts	342.3	163.4	—	—	—	505.7
	3,205.2	823.5	(38.7)	325.2	427.0	4,742.2

Notes

¹ Borrowings includes: bonds and bank loans. The interest and other amounts within borrowings comprises amortisation of capitalised borrowing costs.

² Repayment of lease liabilities includes £102.9 million (2022: £92.4 million) of interest paid on lease liabilities recognised within net cash inflow from operating activities (note 11). Interest and other within lease liabilities comprises interest on leases as well as the lease liability additions and disposals as disclosed in note 12.

Notes to the consolidated financial statements (continued)

11. Analysis of cash flows

The following tables analyse the items included within the main cash flow headings on page F-14.

Net cash from operating activities:

	2023	2022	2021
	£m	£m	£m
Profit for the year	197.2	775.4	720.7
Taxation	149.1	384.4	230.1
Revaluation and retranslation of financial instruments	(6.8)	(76.0)	87.8
Finance costs	389.0	359.4	283.6
Finance and investment income	(127.3)	(145.4)	(69.4)
(Earnings)/loss from associates - after interest and tax	(70.2)	60.4	(23.8)
Adjustments for:			
Non-cash share-based incentive plans (including share options)	140.1	122.0	99.6
Depreciation of property, plant and equipment	165.1	166.9	151.2
Depreciation of right-of-use assets	256.8	262.2	272.9
Impairment charges included within restructuring costs ¹	184.6	43.3	39.2
Goodwill impairment	63.6	37.9	1.8
Amortisation and impairment of acquired intangible assets	727.9	62.1	97.8
Amortisation of other intangible assets	24.8	21.9	19.9
Investment and other impairment charges/(reversals)	17.8	77.0	(42.4)
(Gains)/losses on disposal of investments and subsidiaries	(7.1)	36.3	10.6
Gains on remeasurement of equity interests arising from a change in scope of ownership	—	(66.5)	—
Losses/(gains) of sale of property, plant and equipment	0.4	(6.4)	(1.3)
Decrease/(increase) in trade receivables and accrued income	231.8	(498.6)	(458.9)
(Decrease)/increase in trade payables and deferred income	(238.0)	170.6	777.8
Decrease/(increase) in other receivables	125.0	(154.1)	(120.0)
(Decrease)/increase in other payables - short-term	(563.5)	(259.6)	547.0
Increase/(decrease) in other payables - long-term	118.8	(67.0)	(11.0)
Increase/(decrease) in provisions	65.7	(38.0)	(32.9)
Corporation and overseas tax paid	(395.3)	(390.9)	(391.1)
Payment on early settlement of bonds	—	—	(13.0)
Interest paid on lease liabilities	(102.9)	(92.4)	(88.4)
Other interest and similar charges paid	(274.5)	(210.2)	(173.7)
Interest received	115.8	88.9	47.5
Investment income	12.9	24.5	17.8
Dividends from associates	43.4	37.6	53.4
Earnout payments recognised in operating activities ²	(6.0)	(24.8)	(3.8)
Net cash inflow from operating activities	1,238.2	700.9	2,029.0

Notes

¹ Impairment charges included within restructuring costs includes impairments for right-of-use assets, property, plant and equipment and other intangible assets.

² Earnout payments in excess of the amount determined at acquisition are recorded as operating activities.

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Notes to the consolidated financial statements (continued)

11. Analysis of cash flows (continued)

Acquisitions and disposals:

	2023	2022	2021
	£m	£m	£m
Initial cash consideration	(227.0)	(218.3)	(227.6)
Cash and cash equivalents acquired	22.5	38.8	(2.3)
Earnout payments recognised in investing activities ¹	(52.5)	(46.6)	(53.2)
Purchase of other investments (including associates)	(9.8)	(10.1)	(99.2)
Acquisitions	(266.8)	(236.2)	(382.3)
Proceeds on disposal of investments and subsidiaries ²	99.5	50.1	51.9
Cash and cash equivalents disposed	(0.7)	(12.4)	(23.6)
Disposals of investments and subsidiaries	98.8	37.7	28.3
Cash consideration received from non-controlling interests	46.1	—	39.5
Cash consideration for purchase of non-controlling interests	(16.4)	(84.2)	(135.0)
Cash consideration for non-controlling interests	29.7	(84.2)	(95.5)
Net acquisition payments and disposal proceeds	(138.3)	(282.7)	(449.5)

Notes

¹ Earnout payments in excess of the amount determined at acquisition are recorded as operating activities.

² Proceeds on disposal of investments and subsidiaries includes return of capital from investments in associates.

Share repurchases and buybacks:

	2023	2022	2021
	£m	£m	£m
Purchase of own shares by ESOP Trusts	(53.9)	(55.3)	(89.2)
Shares purchased into treasury for cancellation	—	(807.4)	(729.3)
Net cash outflow	(53.9)	(862.7)	(818.5)

Proceeds from issue of bonds:

	2023	2022	2021
	£m	£m	£m
Proceeds from issue of €750 million bonds	652.6	—	—
Drawdown from revolving credit facility	400.0	—	—
Net cash inflow	1,052.6	—	—

Repayment of borrowings:

	2023	2022	2021
	£m	£m	£m
Decrease in drawings on bank loans	—	(11.3)	(36.3)
Repayment of borrowing-related derivatives	(46.0)	—	—
Repayment of revolving credit facility	(400.0)	—	—
Net repayment of debt assumed on acquisition	(48.9)	—	—
Repayment of €750 million bonds	(652.6)	—	—
Repayment of \$500 million bonds	—	—	(360.8)
Repayment of €250 million bonds	—	(209.3)	—
Net cash outflow	(1,147.5)	(220.6)	(397.1)

Cash and cash equivalents:

	2023	2022	2021
	£m	£m	£m
Cash at bank and in hand	2,036.8	2,271.6	2,776.6
Short-term bank deposits	180.7	219.9	1,106.3
Overdrafts ¹	(358.2)	(505.7)	(342.3)
	1,859.3	1,985.8	3,540.6

Note

¹ Bank overdrafts are included in cash and cash equivalents because they form an integral part of the Group's cash management.

The Group considers that the carrying amount of cash and cash equivalents approximates their fair value.

Notes to the consolidated financial statements (continued)

12. Leases

The movements in 2023 and 2022 were as follows:

	Land and buildings ¹ £m	Plant and machinery £m	Total £m
Right-of-use assets			
1 January 2022	1,357.0	38.1	1,395.1
Additions	363.8	23.8	387.6
Transfers to net investment in subleases	(7.0)	—	(7.0)
Disposals	(42.2)	(0.8)	(43.0)
Depreciation of right-of-use assets	(245.3)	(16.9)	(262.2)
Impairment charges included within restructuring costs	(33.3)	(0.2)	(33.5)
Exchange adjustments	89.2	2.3	91.5
31 December 2022	1,482.2	46.3	1,528.5
Additions	255.0	49.6	304.6
Transfers to net investment in subleases	(4.6)	—	(4.6)
Disposals	(9.2)	(1.1)	(10.3)
Depreciation of right-of-use assets	(235.9)	(20.9)	(256.8)
Impairment charges included within restructuring costs	(128.8)	—	(128.8)
Exchange adjustments	(49.1)	(1.3)	(50.4)
31 December 2023	1,309.6	72.6	1,382.2

Note

¹ For the year ended 31 December 2023, the Company has £20.8 million (2022: £18.5 million) of right-of-use assets that are classified as investment property.

	Land and buildings £m	Plant and machinery £m	Total £m
Lease liabilities			
1 January 2022	2,002.5	39.3	2,041.8
Additions	353.6	23.7	377.3
Interest expense related to lease liabilities	94.2	1.5	95.7
Disposals	(46.1)	(1.9)	(48.0)
Repayment of lease liabilities (including interest)	(385.6)	(16.4)	(402.0)
Exchange adjustments	143.6	2.2	145.8
31 December 2022	2,162.2	48.4	2,210.6
Additions	237.7	50.2	287.9
Interest expense related to lease liabilities	103.4	2.9	106.3
Disposals	(11.4)	(1.7)	(13.1)
Repayment of lease liabilities (including interest)	(340.0)	(21.6)	(361.6)
Exchange adjustments	(74.1)	(1.5)	(75.6)
31 December 2023	2,077.8	76.7	2,154.5

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Notes to the consolidated financial statements (continued)

12. Leases (continued)

The following table shows the breakdown of the lease expense between amounts charged to operating profit and amounts charged to finance costs:

	2023	2022	2021
	£m	£m	£m
Depreciation of right-of-use assets:			
Land and buildings	(235.9)	(245.3)	(254.7)
Plant and machinery	(20.9)	(16.9)	(18.2)
Impairment charges	(128.8)	(33.5)	(12.5)
Short-term lease expense	(22.2)	(20.2)	(18.0)
Low-value lease expense	(2.8)	(1.9)	(2.3)
Variable lease expense	(45.5)	(57.3)	(56.2)
Sublease income	17.3	18.6	17.3
Charge to operating profit	(438.8)	(356.5)	(344.6)
Interest expense related to lease liabilities	(106.3)	(95.7)	(90.9)
Charge to profit before taxation for leases	(545.1)	(452.2)	(435.5)

Variable lease payments primarily include real estate taxes and insurance costs.

The maturity of lease liabilities at 31 December 2023 and 2022 were as follows:

	2023	2022
	£m	£m
Within one year	405.9	379.1
Between one and two years	326.9	337.7
Between two and three years	282.1	293.0
Between three and four years	261.0	252.3
Between four and five years	231.1	234.8
Over five years	1,265.2	1,328.5
	2,772.2	2,825.4
Effect of discounting	(617.7)	(614.8)
Lease liability at end of year	2,154.5	2,210.6
Short-term lease liability	292.3	282.4
Long-term lease liability	1,862.2	1,928.2

The total committed future cash flows for leases not yet commenced at 31 December 2023 is £280.0 million (2022: £440.0 million).

The Group does not face a significant liquidity risk with regard to its lease liabilities. Refer to note 24 for management of liquidity risk.

Notes to the consolidated financial statements (continued)

13. Intangible Assets

Goodwill

The movements in 2023 and 2022 were as follows:

	£m
Cost	
1 January 2022	10,991.0
Additions ¹	262.6
Disposals	—
Exchange adjustments	891.0
31 December 2022	12,144.6
Additions ¹	319.1
Disposals	—
Exchange adjustments	(484.5)
31 December 2023	11,979.2
Accumulated impairment losses and write-downs	
1 January 2022	3,378.7
Impairment losses for the year	37.9
Exchange adjustments	274.6
31 December 2022	3,691.2
Impairment losses for the year	63.6
Exchange adjustments	(164.5)
31 December 2023	3,590.3
Net book value	
31 December 2023	8,388.9
31 December 2022	8,453.4
1 January 2022	7,612.3

Note

¹ Additions represent goodwill arising on the acquisition of subsidiary undertakings including the effect of any revisions to fair value adjustments that had been determined provisionally at the immediately preceding balance sheet date, as permitted by IFRS 3 Business Combinations. The effect of such revisions was not material in either year presented.

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Notes to the consolidated financial statements (continued)

13. Intangible Assets (continued)

Other intangible assets

The movements in 2023 and 2022 were as follows:

	Brands with an indefinite useful life £m	Acquired intangibles £m	Other £m	Total £m
Cost				
1 January 2022¹	1,067.3	921.4	288.1	2,276.8
Additions	—	—	14.9	14.9
Disposals and derecognition ¹	—	(33.8)	(59.2)	(93.0)
New acquisitions	—	46.5	1.2	47.7
Other movements ²	—	9.3	0.8	10.1
Exchange adjustments ¹	98.7	129.8	34.7	263.2
31 December 2022¹	1,166.0	1,073.2	280.5	2,519.7
Additions	—	—	40.0	40.0
Disposals and derecognition	—	(15.1)	(51.8)	(66.9)
Reclassifications	(665.4)	665.4	—	—
New acquisitions	—	138.5	2.9	141.4
Other movements ²	—	—	17.0	17.0
Exchange adjustments	(28.4)	(47.5)	(9.4)	(85.3)
31 December 2023	472.2	1,814.5	279.2	2,565.9
Amortisation and impairment				
1 January 2022¹	56.8	648.0	212.5	917.3
Charge for the year	—	61.9	21.9	83.8
Impairment charges included within restructuring costs ³	—	—	29.0	29.0
Disposals and derecognition ¹	—	(33.6)	(59.4)	(93.0)
Exchange adjustments ¹	5.8	108.2	16.7	130.7
31 December 2022¹	62.6	784.5	220.7	1,067.8
Charge for the year	—	727.9	24.8	752.7
Other movements ²	—	—	(0.7)	(0.7)
Disposals and derecognition	—	(15.1)	(51.5)	(66.6)
Exchange adjustments	(2.8)	(27.0)	(7.4)	(37.2)
31 December 2023	59.8	1,470.3	185.9	1,716.0
Net book value				
31 December 2023	412.4	344.2	93.3	849.9
31 December 2022	1,103.4	288.7	59.8	1,451.9
1 January 2022	1,010.5	273.4	75.6	1,359.5

Notes

¹ The acquired intangibles balances within these line items have been re-presented to reflect the derecognition of previously fully amortised assets that had no future economic benefit in prior periods.

² Other movements in acquired intangibles include reclassifications of items previously recorded in trade and other receivables; and revisions to fair value adjustments arising on the acquisition of subsidiary undertakings that had been determined provisionally at the immediately preceding balance sheet date, as permitted by IFRS 3 Business Combinations.

³ Refer to note 3 for further explanation in relation to the impairment charges included within restructuring costs.

Notes to the consolidated financial statements (continued)

13. Intangible Assets (continued)

Cash-generating units (CGUs) with significant goodwill and brands with an indefinite useful life as at 31 December are:

	Goodwill		Brands with an indefinite useful life	
	2023	2022	2023	2022
	£m	£m	£m	£m
GroupM	3,254.9	3,178.3	—	—
Wunderman Thompson	1,165.0	1,210.8	—	442.0
VMLY&R	814.6	776.0	—	207.6
Ogilvy	809.3	849.8	213.2	222.8
BCW	618.8	646.0	112.7	140.5
AKQA Group	600.1	628.7	—	—
FGS Global	452.1	451.8	—	—
Hill & Knowlton	141.7	145.7	33.2	34.8
Landor Group	115.0	106.5	53.3	55.7
Other	417.4	459.8	—	—
	8,388.9	8,453.4	412.4	1,103.4

Other goodwill represents goodwill on a large number of CGUs, none of which is individually significant in comparison to the total carrying value of goodwill. Separately identifiable brands with an indefinite useful life are carried at historical cost in accordance with the Group's accounting policy for intangible assets. The carrying values of the other brands with an indefinite useful life are not individually significant in comparison with the total carrying value of brands with an indefinite useful life.

Acquired intangible assets at net book value at 31 December 2023 include brand names of £134.6 million (2022: £142.3 million), customer-related intangibles of £108.2 million (2022: £120.3 million) and other assets (including proprietary tools) of £101.4 million (2022: £26.1 million).

Amortisation and Impairment

The total amortisation and impairment of acquired intangible assets of £727.9 million (2022: £61.9 million, 2021: £97.8 million) includes a charge of £650.1 million (2022: £1.4 million, 2021: £47.9 million) predominantly in regard to certain brands that no longer have any useful life. This includes accelerated amortisation charges of £430.8 million and £202.3 million for Wunderman Thompson and Y&R brands respectively, due to the creation of VML in the fourth quarter of 2023.

In accordance with the Group's accounting policy, the carrying values of goodwill and intangible assets with indefinite useful lives are reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. The impairment review is undertaken annually on 30 September. The goodwill impairment charge of £63.6 million (2022: £37.9 million, 2021: £1.8 million) recognised during the year relates to businesses in the Group that have closed or where the impact of current macroeconomic conditions and trading circumstances indicate impairment to the carrying value. This year, £40.3 million of the impairment charge related to the Global Integrated Agencies segment and £23.3 million related to the Specialist Agencies segment.

Impairment assessment process

Under IFRS, an impairment charge is required for both goodwill and other indefinite life assets when the carrying amount exceeds the 'recoverable amount', defined as the higher of fair value less costs of disposal and value in use. The review assessed whether the carrying value of goodwill and intangible assets with indefinite useful lives was supported by the value in use determined as the net present value of future cash flows.

Recoverable amount assessment

Due to the significant number of CGUs, the impairment test was performed in two steps. In the first step, the recoverable amount was calculated for each CGU using the latest available forecasts for 2023 and/or 2024, nil growth rate thereafter (2022: nil) and a conservative pre-tax discount rate of 14.7% (2022: 15.5%). The pre-tax discount rate of 14.7% was above the rate calculated for the global networks of 13.7% (2022: 14.5%). For smaller CGUs that operate primarily in a particular region subject to higher risk, the higher of 14.7% or 100 basis points above the regional discount rate was used in the first step.

The recoverable amount was then compared to the carrying amount, which includes goodwill, intangible assets and other assets. CGUs where the recoverable amount exceeded the carrying amount were not considered to be impaired. Those CGUs where the recoverable amount did not exceed the carrying amount were then further reviewed in the second step.

In the second step, these CGUs were retested for impairment using more refined assumptions. This included using a CGU-specific pre-tax discount rate and management forecasts for a projection period of up to five years, followed by an assumed long-term growth rate of 2.0% (2022: 2.0%). If the recoverable amount using the more specific assumptions did not exceed the carrying value of a CGU, an impairment charge was recorded.

The long-term growth rate is derived from management's best estimate of the likely long-term trading performance with reference to external industry reports and other relevant market trends. As at 31 December 2023, we have assessed long-term industry trends based on recent historical data and assumed a long-term growth rate of 2.0% (2022: 2.0%). Management has made the judgement that the long-term growth rate does not exceed the long-term average growth rate for the industry.

Discount rates

The discount rate uses the capital asset pricing model (CAPM) to derive the cost of equity along with an estimated cost of debt that is weighted by an appropriate capital structure to derive an indication of a weighted average cost of capital, which is then adjusted for relevant market and asset-specific risk where they are not already adjusted for within the underlying cash flow estimates. The cost of equity is calculated based on long-term government bond yield, an estimate of the required premium for investment in equity relative to government securities and further considers the volatility associated with peer public companies relative to the market. The cost of debt reflects an estimated market yield for long-term debt financing after taking into account the credit profile of

Notes to the consolidated financial statements (continued)

13. Intangible Assets (continued)

public peer companies in the industry. The capital structure used to weight the cost of equity and cost of debt has been derived from the observed capital structure of public peer companies.

The pre-tax discount rate applied to the cash flow projections for the CGUs that operate globally was 13.7% (2022: 14.5%). We developed a global discount rate that takes into account the diverse nature of the operations, as these CGUs operate with a diverse range of clients in a range of industries throughout the world, hence are subject to similar levels of market risks. The pre-tax discount rates applied to the CGUs that have more regional specific operations ranged from 12.6% (2022: 14.0%) to 28.4% (2022: 22.6%).

Discounted cash flow assessment

Our approach in determining the recoverable amount utilises a discounted cash flow methodology, which necessarily involves making numerous estimates and assumptions regarding revenue less pass-through costs growth, operating margins, appropriate discount rates and working capital requirements. The key assumptions used for estimating cash flow projections in the Group's impairment testing are those relating to operating margins and discount rates. The key assumptions take account of the business's expectations for the projection period. These expectations consider the macroeconomic environment, industry and market conditions, the CGU's historical performance and any other circumstances particular to the unit, such as business strategy and client mix.

These estimates will likely differ from future actual results of operations and cash flows, and it is possible that these differences could be material. In addition, judgements are applied in determining the level of CGU identified for impairment testing and the criteria used to determine which assets should be aggregated. A difference in testing levels could affect whether an impairment is recorded and the extent of impairment loss. Changes in our business activities or structure may also result in additional changes to the level of testing in future periods. Further, future events could cause the Group to conclude that impairment indicators exist and that the asset values associated with a given operation have become impaired.

Historically, the Group's impairment losses have resulted from a specific event, condition or circumstance in one or more of our companies, such as the impact of Covid-19 or the loss of a significant client. As a result, changes in the assumptions used in our impairment model have generally not had a significant effect on the impairment charges recognised. Following the £650.1 million amortisation charge recorded in the fourth quarter of 2023, described further above and in note 3, for certain brands that no longer have any useful life, as at 31 December 2023 there are no CGUs for which a reasonably possible change in key assumptions would lead to a significant impairment. The carrying value of goodwill and other intangible assets will continue to be reviewed at least annually for impairment and adjusted down to the recoverable amount, if required.

Notes to the consolidated financial statements (continued)

14. Property, plant and equipment

The movements in 2023 and 2022 were as follows:

	Land £m	Freehold buildings £m	Leasehold buildings £m	Fixtures, fittings and equipment £m	Computer equipment £m	Total £m
Cost						
1 January 2022	43.2	61.4	1,075.0	149.5	391.8	1,720.9
Additions	13.8	0.1	75.8	32.1	86.6	208.4
New acquisitions	—	—	0.5	0.2	0.6	1.3
Disposals	(0.1)	(8.3)	(62.1)	(40.0)	(72.1)	(182.6)
Exchange adjustments	(16.9)	39.3	89.7	23.0	39.8	174.9
31 December 2022	40.0	92.5	1,178.9	164.8	446.7	1,922.9
Additions	3.5	3.3	88.3	17.1	65.0	177.2
New acquisitions	—	—	0.8	—	—	0.8
Disposals	—	—	(155.9)	(51.0)	(95.6)	(302.5)
Exchange adjustments	(31.6)	(61.5)	(51.0)	(11.5)	(26.3)	(181.9)
31 December 2023	11.9	34.3	1,061.1	119.4	389.8	1,616.5
Depreciation and impairment						
1 January 2022	—	2.7	469.6	71.9	280.3	824.5
Charge for the year	—	0.7	74.0	26.5	65.7	166.9
Impairment charges included within restructuring costs	—	—	9.1	0.6	0.1	9.8
Disposals	—	(1.7)	(63.5)	(36.7)	(71.1)	(173.0)
Exchange adjustments	—	0.3	43.2	17.5	33.0	94.0
31 December 2022	—	2.0	532.4	79.8	308.0	922.2
Charge for the year	—	1.0	70.5	24.9	68.7	165.1
Impairment charges included within restructuring costs	—	—	52.2	2.7	0.9	55.8
Disposals	—	(0.2)	(144.9)	(48.4)	(94.1)	(287.6)
Exchange adjustments	—	(0.2)	(29.0)	(14.2)	(24.1)	(67.5)
31 December 2023	—	2.6	481.2	44.8	259.4	788.0
Net book value						
31 December 2023	11.9	31.7	579.9	74.6	130.4	828.5
31 December 2022	40.0	90.5	646.5	85.0	138.7	1,000.7
1 January 2022	43.2	58.7	605.4	77.6	111.5	896.4

At 31 December 2023, capital commitments contracted, but not provided for in respect of property, plant and equipment, were £38.4 million (2022: £128.2 million).

Notes to the consolidated financial statements (continued)

15. Interests in associates and other investments

The movements in 2023 and 2022 were as follows:

	Interests in associates £m	Other investments £m
1 January 2022	412.9	318.3
Additions	4.4	5.1
Loss from associates - after interest and tax	(60.4)	—
Share of other comprehensive income of associate undertakings	51.2	—
Dividends	(37.6)	—
Other movements	2.9	—
Exchange adjustments	17.1	—
Disposals	(9.6)	(16.0)
Reclassification from subsidiaries	(5.9)	—
Reclassification from associates to other investments	(22.5)	61.6
Revaluation of other investments through profit or loss	—	23.1
Revaluation of other investments through other comprehensive income	—	(22.3)
Amortisation of other intangible assets	(0.2)	—
Impairment charges	(47.2)	—
31 December 2022	305.1	369.8
Additions	39.4	2.5
Gain from associates - after interest and tax	25.1	—
Share of other comprehensive loss of associate undertakings	(0.9)	—
Dividends	(30.4)	—
Other movements	(12.5)	—
Exchange adjustments	(19.3)	—
Disposals	(5.4)	(10.4)
Reclassification to subsidiaries	—	—
Reclassification from associates to other investments	—	—
Revaluation of other investments through profit or loss	—	(26.2)
Revaluation of other investments through other comprehensive income	—	(3.0)
Amortisation of other intangible assets	—	—
Impairment charges	(14.6)	—
31 December 2023	286.5	332.7

Interests in joint ventures are immaterial and none of the Group's associates are individually material at 31 December 2023.

The investments included above as 'Other investments' represent investments in equity securities that present the Group with the opportunity for return through dividend income and trading gains. They have no fixed maturity or coupon rate. The fair values of the listed securities are based on quoted market prices at the balance sheet date. For unlisted securities, where market value is not available, the Group has estimated relevant fair values on the basis of information from outside sources at the balance sheet date.

The carrying values of the Group's associates are reviewed for impairment in accordance with the Group's accounting policies.

Aggregate information of associates that are not individually material

The following table presents a summary of the aggregate financial performance of the Group's associate undertakings.

	2023 £m	2022 £m	2021 £m
Earnings/(loss) from associates - after interest and tax (note 4)	70.2	(60.4)	23.8
Share of other comprehensive (loss)/ earnings of associate undertakings	(0.9)	51.2	13.5
Share of total comprehensive earnings/(loss) of associate undertakings	69.3	(9.2)	37.3

Notes to the consolidated financial statements (continued)

15. Interests in associates and other investments (continued)

The application of equity accounting is ordinarily discontinued when the investment is reduced to zero and additional losses are not provided for unless the Group has guaranteed obligations of the investee or is otherwise committed to provide further financial support for the investee.

As at 31 December 2023, share of losses of £30.1 million (2022: £29.5 million) for the US and £137.9 million (2022: £33.8 million) for the Rest of World have not been recognised in relation to Kantar, as the investment was previously reduced to zero.

As at 31 December 2021, the cumulative share of unrecognised losses in relation to Imagina, an associate in Spain with the investment carrying value reduced to zero, were £23.0 million. In 2022, the Group partially disposed of its investment in Imagina resulting in its reclassification from interests in associates to other investments (within the scope of IFRS 9), designated as fair value through other comprehensive income. Refer to note 25 for further details on financial instruments held at fair value through other comprehensive income.

At 31 December 2023, capital commitments contracted, but not provided for, in respect of interests in associates and other investments were £2.2 million (2022: £3.2 million).

16. Deferred tax

The Group's deferred tax assets and liabilities are measured at the end of each period in accordance with IAS 12 Income Taxes. The recognition of deferred tax assets is determined by reference to the Group's estimate of recoverability, using models, where appropriate, to forecast future taxable profits.

Deferred tax assets have only been recognised for territories where the Group considers that it is probable that all or a portion of the deferred tax assets will be realised. The main factors that we consider include:

- the future earnings potential determined through the use of internal forecasts;
- the cumulative losses in recent years;
- the various jurisdictions in which the potential deferred tax assets arise;
- the history of losses carried forward and other tax assets expiring;
- the timing of future reversal of taxable temporary differences;
- the expiry period associated with the deferred tax assets; and
- the nature of the income that can be used to realise the deferred tax asset.

If it is probable that some portion of these assets will not be realised, no asset is recognised in relation to that portion.

If market conditions improve and future results of operations exceed our current expectations, our existing recognised deferred tax assets may be adjusted, resulting in future tax benefits. Alternatively, if market conditions deteriorate further or future results of operations are less than expected, future assessments may result in a determination that some or all of the deferred tax assets are not realisable. As a result, all or a portion of the deferred tax assets may need to be reversed.

The following is the analysis of the deferred tax balances for financial reporting purposes:

	Gross 2023	Offset of balances arising from a single transaction ¹ 2023	Gross balances before offset within countries 2023	Offset within countries 2023	As reported 2023
	£m	£m	£m	£m	£m
Deferred tax assets	684.9	(94.0)	590.9	(266.5)	324.4
Deferred tax liabilities	(539.0)	94.0	(445.0)	266.5	(178.5)
	145.9	—	145.9	—	145.9

	Gross 2022	Offset of balances arising from a single transaction ¹ 2022	Gross balances before offset within countries 2022	Offset within countries 2022	As reported 2022
	£m	£m	£m	£m	£m
Deferred tax assets	734.2	(145.4)	588.8	(266.7)	322.1
Deferred tax liabilities	(762.9)	145.4	(617.5)	266.7	(350.8)
	(28.7)	—	(28.7)	—	(28.7)

Note

¹ The Group has applied Deferred tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12). Transactions which give rise to the recognition of an asset and a liability on the Group's balance sheet, including leases for which the Group recognises a right-of-use asset and a lease liability, lead to taxable and deductible temporary differences in certain jurisdictions. The resulting deferred tax assets and deferred tax liabilities arising from these temporary differences have been offset and reported net on the Group's balance sheet.

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Notes to the consolidated financial statements (continued)

16. Deferred tax (continued)

The following are the major gross deferred tax assets before offset within countries recognised by the Group and movements thereon in 2023 and 2022:

	Deferred compensation £m	Accounting provisions and accruals £m	Retirement benefit obligations £m	Plant and equipment £m	Property £m	Tax losses and credits £m	Share-based payments £m	Restructuring provisions £m	Other temporary differences £m	Total £m
1 January 2022	108.5	106.2	53.4	15.0	53.0	110.5	43.5	61.1	13.8	565.0
Acquisition of subsidiaries	—	—	—	—	—	—	—	—	1.1	1.1
(Charge)/credit to income	(38.7)	3.3	(2.9)	(1.0)	(9.0)	5.0	1.3	21.2	(14.2)	(35.0)
Charge to other comprehensive income	—	—	(7.0)	—	—	—	—	—	—	(7.0)
Charge to equity	—	—	—	—	—	—	(15.5)	—	—	(15.5)
Exchange differences and other movements	4.5	10.6	4.5	33.9	9.7	7.0	3.0	2.3	4.7	80.2
31 December 2022	74.3	120.1	48.0	47.9	53.7	122.5	32.3	84.6	5.4	588.8
Acquisition of subsidiaries	—	—	—	—	—	—	—	—	—	—
(Charge)/credit to income	(6.0)	13.8	2.8	(11.8)	(5.7)	(11.5)	3.7	38.7	1.8	25.8
Credit to other comprehensive income	—	—	1.5	—	—	—	—	—	—	1.5
Charge to equity	—	—	—	—	—	—	(0.3)	—	—	(0.3)
Exchange differences and other movements	(3.2)	(2.2)	(2.6)	(0.3)	8.4	(6.8)	(0.7)	(15.7)	(1.8)	(24.9)
31 December 2023	65.1	131.7	49.7	35.8	56.4	104.2	35.0	107.6	5.4	590.9

Other temporary differences comprise a number of items, none of which is individually significant to the Group's consolidated balance sheet. At 31 December 2023 the balance related to temporary differences in relation to revenue adjustments, tax deductible goodwill, fair value adjustments and other temporary differences.

In addition the Group has recognised the following gross deferred tax liabilities before offset within countries and movements thereon in 2023 and 2022:

	Brands and other intangibles £m	Associate earnings £m	Goodwill £m	Plant and equipment £m	Other temporary differences £m	Total £m
1 January 2022	325.1	36.8	133.2	—	40.9	536.0
Acquisition of subsidiaries	15.1	—	—	—	—	15.1
(Credit)/charge to income	(12.4)	(3.5)	19.7	(14.2)	(10.5)	(20.9)
Charge to other comprehensive income	—	—	—	—	0.4	0.4
Exchange differences and other movements	24.8	3.2	20.5	37.2	1.2	86.9
31 December 2022	352.6	36.5	173.4	23.0	32.0	617.5
Acquisition of subsidiaries	35.0	—	—	—	—	35.0
(Credit)/charge to income	(173.7)	(15.6)	18.4	0.3	(1.7)	(172.3)
Credit to other comprehensive income	—	—	—	—	(0.2)	(0.2)
Exchange differences and other movements	(21.2)	(1.1)	(10.8)	(1.1)	(0.8)	(35.0)
31 December 2023	192.7	19.8	181.0	22.2	29.3	445.0

Other temporary differences comprise a number of items none of which is individually significant to the Group's consolidated balance sheet. At 31 December 2023 the balance related to temporary differences in relation to unremitted earnings of subsidiaries and other temporary differences.

At the balance sheet date, the Group has gross tax losses and other temporary differences of £10,321.0 million (2022: £7,667.4 million) available for offset against future profits. Deferred tax assets have been recognised in respect of the tax benefit of £2,399.4 million (2022: £2,259.7 million) of such tax losses and other temporary differences. No deferred tax asset has been recognised in respect of the remaining £7,921.6 million (2022: £5,407.7 million) of losses and other temporary differences as the Group considers that there will not be enough taxable profits in the entities concerned such that any additional asset could be considered recoverable. Included in the total unrecognised temporary differences are losses of £92.0 million (2022: £60.3 million) that will expire within one to ten years, and £7,712.8 million (2022: £5,138.1 million) of losses that may be carried forward indefinitely. The increase in losses primarily arose in Luxembourg as a result of steps that were part of the Group's continuing structural simplification programme.

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Notes to the consolidated financial statements (continued)

16. Deferred tax (continued)

At the balance sheet date, the aggregate amount of the temporary differences in relation to the investment in subsidiaries for which deferred tax liabilities have not been recognised was £1,355.1 million (2022: £1,346.1 million). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and the Group considers that it is probable that such differences will not reverse in the foreseeable future.

17. Trade and other receivables

The following are included in trade and other receivables¹:

	2023	2022
	£m	£m
Amounts to be realised within one year		
Trade receivables (net of loss allowance)	7,055.0	7,403.9
Unbilled costs ²	273.6	352.4
VAT and sales taxes recoverable	370.7	448.1
Prepayments	239.0	236.6
Fair value of derivatives	1.6	5.1
Other debtors ³	520.7	585.3
	8,460.6	9,031.4

¹ Accrued income was previously presented in Trade and other receivables

² Previously named 'Work in progress'

³ This balance includes campus related enhancement prepayments and other individually not material items

The ageing of trade receivables and other financial assets by due date is as follows:

	Carrying amount at 31 December 2023	Not past due	Days past due					Greater than 1 year
			0-30 days	31-90 days	91-180 days	181 days- 1 year	£m	
2023	£m	£m	£m	£m	£m	£m	£m	£m
Gross trade receivables	7,098.9	6,173.0	612.7	183.0	52.7	30.6	46.9	
Expected credit losses	(43.9)	(1.4)	(1.1)	(0.9)	(2.6)	(10.3)	(27.6)	
	7,055.0	6,171.6	611.6	182.1	50.1	20.3	19.3	
Expected credit loss rate	0.6 %	— %	0.2 %	0.5 %	4.9 %	33.7 %	58.8 %	
Gross accrued income	3,165.6	2,022.1	548.3	336.7	244.5	14.0	—	
Expected credit losses	(15.0)	(0.3)	(0.5)	(1.3)	(12.8)	(0.1)	—	
	3,150.6	2,021.8	547.8	335.4	231.7	13.9	—	
Expected credit loss rate	0.5 %	— %	0.1 %	0.4 %	5.2 %	0.7 %	n/a	
Other financial assets	514.1	413.2	33.8	14.4	6.4	17.2	29.1	
	10,719.7	8,606.6	1,193.2	531.9	288.2	51.4	48.4	

	Carrying amount at 31 December 2022	Not past due	Days past due					Greater than 1 year
			0-30 days	31-90 days	91-180 days	181 days- 1 year	£m	
2022	£m	£m	£m	£m	£m	£m	£m	£m
Gross trade receivables	7,475.4	6,386.5	706.4	247.1	66.8	23.5	45.1	
Expected credit losses	(71.5)	(1.6)	(5.8)	(6.6)	(6.6)	(13.3)	(37.6)	
	7,403.9	6,384.9	700.6	240.5	60.2	10.2	7.5	
Expected credit loss rate	1.0 %	— %	0.8 %	2.7 %	9.9 %	56.6 %	83.4 %	
Gross accrued income	3,485.6	2,027.0	603.8	450.5	376.8	27.5	—	
Expected credit losses	(17.3)	(0.1)	(0.2)	(0.1)	(16.9)	—	—	
	3,468.3	2,026.9	603.6	450.4	359.9	27.5	—	
Expected credit loss rate	0.5 %	— %	— %	— %	4.5 %	— %	n/a	
Other financial assets	612.0	538.8	31.2	6.1	1.0	6.2	28.7	
	11,484.2	8,950.6	1,335.4	697.0	421.1	43.9	36.2	

Other financial assets are included in other debtors.

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Notes to the consolidated financial statements (continued)

17. Trade and other receivables (continued)

	2023	2022
	£m	£m
Amounts to be realised after more than one year		
Prepayments	2.0	3.9
Fair value of derivatives	32.3	0.6
Other debtors	174.9	214.1
	209.2	218.6

The Group has applied the practical expedient permitted by IFRS 15 to not disclose the transaction price allocated to performance obligations unsatisfied (or partially unsatisfied) as of the end of the reporting period as contracts typically have an original expected duration of a year or less.

Other debtors falling due after more than one year at 31 December 2023 includes £13.7 million in relation to pension plans in surplus (2022: £15.4 million).

	2023	2022
	£m	£m
Expected credit losses		
At beginning of year	71.5	70.5
New acquisitions	0.6	—
Charged to the income statement	14.9	29.1
Released to the income statement	(22.2)	(8.4)
Exchange adjustments	(5.3)	5.1
Utilisations and other movements	(15.6)	(24.8)
At end of year	43.9	71.5

The expected credit loss is equivalent to 0.6% (2022: 1.0%, 2021: 1.1%) of gross trade accounts receivables.

Expected credit losses on unbilled costs and other debtors were immaterial for the years presented.

The Group considers that the carrying amount of trade and other receivables approximates their fair value.

Expected credit losses

Given the short-term nature of the Group's trade receivables, unbilled costs, and accrued income, which are mainly due from large national or multinational companies, the Group's assessment of expected credit losses includes provisions for specific clients and receivables where the contractual cash flow is deemed at risk. Considerations include the current economic environment, and the level of credit insurance the Group has along with historical loss rates for each category of customers adjusted for forward-looking information. Additional provisions are made based on the assessment of recoverability of aged receivables over one year where sufficient evidence of recoverability is not evident.

18. Trade and other payables: amounts falling due within one year

The following are included in trade and other payables falling due within one year¹:

	2023	2022
	£m	£m
Trade payables	10,825.7	11,182.3
Payments due to vendors (earnout agreements)	73.3	62.0
Liabilities in respect of put option agreements with vendors	13.6	18.8
Fair value of derivatives	1.8	58.0
Other creditors and accruals ²	2,408.7	2,914.8
	13,323.1	14,235.9

Note

¹ Deferred income was previously presented in Trade and other payables.

² This balance includes staff costs, indirect taxes payable and other individually not material items.

The Group considers that the carrying amount of trade and other payables approximates their fair value, except for liabilities in respect of put option agreements with vendors for which the fair value is £12.3 million (this is level 3 fair value that is derived using a discounted cash flow approach).

In all material respects, deferred income at 31 December 2022 was recognised as revenue during the year. Other than business-as-usual movements, and deferred income acquired on the acquisition of subsidiaries, there were no other significant changes in contract liability balances during the year.

Notes to the consolidated financial statements (continued)

19. Trade and other payables: amounts falling due after more than one year

The following are included in trade and other payables falling due after more than one year:

	2023	2022
	£m	£m
Payments due to vendors (earnout agreements)	125.4	98.1
Liabilities in respect of put option agreements with vendors	90.0	323.3
Fair value of derivatives	1.2	—
Other creditors and accruals	66.2	69.5
	282.8	490.9

The Group considers that the carrying amount of trade and other payables approximates their fair value, except for liabilities in respect of put option agreements with vendors for which the fair value is approximately £82.4 million (this is level 3 fair value that is derived using a discounted cash flow approach).

Liabilities in respect of put option agreements with vendors are initially recorded at the present value of the redemption amount in accordance with IAS 32 and subsequently measured at amortised cost in accordance with IFRS 9. The cash flows of put options, which are discounted using the original effective interest rate, are dependent on future earnings and are remeasured each reporting period via the income statement.

The Group's approach to payments due to vendors (earnouts) is further described in note 25. The following table sets out payments due to vendors (earnouts), comprising contingent consideration and the Directors' best estimates of future earnout-related obligations:

	2023	2022
	£m	£m
Within one year	73.3	62.0
Between one and two years	54.1	19.5
Between two and three years	70.9	27.6
Between three and four years	0.4	28.6
Between four and five years	—	22.4
	198.7	160.1

The following table is an analysis of future anticipated cash flows in relation to liabilities in respect of put option agreements with vendors at 31 December:

	2023	2022
	£m	£m
Within one year	13.6	18.8
Between one and two years	24.0	5.2
Between two and three years	38.6	76.6
Between three and four years	9.8	99.2
Between four and five years	6.2	74.8
Over five years	11.4	67.5
	103.6	342.1

Notes to the consolidated financial statements (continued)

20. Bank overdrafts and bonds

Amounts falling due within one year:

	2023	2022
	£m	£m
Bank overdrafts	358.2	505.7
Bonds	588.1	663.3
	946.3	1,169.0

The Group considers that the carrying amount of bank overdrafts approximates their fair value.

Amounts falling due after more than one year:

	2023	2022
	£m	£m
Bonds	3,775.0	3,801.8

The Group estimates that the fair value of corporate bonds is £4,119.5 million at 31 December 2023 (2022: £4,049.1 million). The fair values of the bonds are based on quoted market prices and are within Level 1 of the fair value hierarchy.

The bonds and bank overdrafts included within liabilities fall due for repayment as follows:

	2023	2022
	£m	£m
Within one year	946.3	1,169.0
Between one and two years	432.9	618.0
Between two and three years	647.2	441.5
Between three and four years	648.0	658.8
Between four and five years	647.5	661.1
Over five years	1,399.4	1,422.4
	4,721.3	4,970.8

21. Provisions for liabilities and charges

The movements in 2023 and 2022 were as follows:

	Employee benefits £m	Property £m	Other £m	Total £m
1 January 2022	140.3	70.6	57.6	268.5
Charged to the income statement	4.3	8.1	2.1	14.5
Acquisitions ¹	—	—	1.3	1.3
Utilised	(32.5)	(12.8)	(4.7)	(50.0)
Released to the income statement	—	(3.2)	(22.2)	(25.4)
Other movements	14.6	(4.8)	3.2	13.0
Exchange adjustments	16.4	4.9	1.4	22.7
31 December 2022	143.1	62.8	38.7	244.6
Charged to the income statement	3.1	64.2	24.9	92.2
Acquisitions ¹	—	—	0.6	0.6
Utilised	(21.8)	(18.7)	(0.7)	(41.2)
Released to the income statement	(2.3)	(4.0)	(8.5)	(14.8)
Other movements	38.1	(2.9)	(0.2)	35.0
Exchange adjustments	(7.4)	(2.7)	(1.8)	(11.9)
31 December 2023	152.8	98.7	53.0	304.5

Note

¹ Acquisitions include £0.6 million (2022: £1.3 million) of provisions arising from fair value adjustments related to the acquisition of subsidiary undertakings as required by IFRS 3 Business Combinations.

Notes to the consolidated financial statements (continued)**21. Provisions for liabilities and charges (continued)**

Employee benefits relate to statutory or contractual employee entitlements where there is uncertainty over the timing or amount of the settlement. The majority of this provision relates to various employee defined contribution and deferred compensation plans in the USA. It is anticipated that these costs will be incurred when employees choose to take their benefits or depart from the Company.

The property provision balance relates primarily to onerous property contracts and decommissioning where the Group has the obligation to make-good its leased properties. Where the Group has made a decision to exit a leased property, onerous property contract provisions do not include rent in accordance with IFRS 16 Leases, however, do include unavoidable costs related to the lease such as ongoing service charges. Utilisation of the recognised provisions is expected to be incurred in conjunction with the profile of the leases to which they relate.

Other provisions primarily relate to legal provisions as well as various items that do not fall within the Group's categories of provisions above. The Company and various of its subsidiaries are, from time to time, parties to legal proceedings and claims which arise in the ordinary course of business. The Directors do not anticipate that the outcome of these proceedings and claims will have a material adverse effect on the Group's financial position or on the results of its operations.

Contingent liabilities

The Group operates in a large number of markets with complex tax and legislative regimes that are open to subjective interpretation, and for which tax audits can take several years to resolve. The Group has received a number of demands and assessments from different states in India that have been or will be appealed to the courts, none of which are individually material. However, as permitted by IAS 37, the provision of any further information within this disclosure is expected to seriously prejudice the Group's position in the dispute, given that appeals are ongoing. The Group believes that we will be successful in our appeals, however any appeal process is intrinsically uncertain.

22. Share-based payments

Charges for share-based incentive plans were as follows:

	2023	2022	2021
	£m	£m	£m
Share-based payments	140.1	122.0	99.6

Share-based payments comprise charges for stock options and restricted stock awards to employees of the Group.

As of 31 December 2023, there was £179.9 million (2022: £200.7 million) of total unrecognised compensation cost related to the Group's restricted stock plans.

Restricted stock plans

The Group operates a number of equity-settled share incentive schemes, in most cases satisfied by the delivery of stock from one of the Group's ESOP Trusts. The most significant current schemes are as follows:

Executive Performance Share Plan (EPSP)

This scheme is intended to reward and incentivise the most senior executives of the Group. The performance period is three or five complete financial years, commencing with the financial year in which the award is granted. The vest date will usually be in the March following the end of the performance period. Vesting is conditional on continued employment throughout the vesting period.

The 2020, 2021, 2022 and 2023 EPSP awards are subject to three equally weighted performance conditions: three-year average Return on Invested Capital (ROIC), cumulative Adjusted Free Cash Flow (AFCF), and relative Total Shareholder Return (TSR). Achieving the threshold performance requirement will result in a vesting opportunity of 20% for that element. The vesting opportunity will increase on a straight-line basis to 100% of the award for maximum performance. The Compensation Committee has an overriding discretion to determine the extent to which the award will vest.

Performance Share Awards (PSA)

Conditional stock awards made under the PSA are dependent upon annual performance targets, typically based on one or more of: operating profit, profit before taxation and operating margin. Grants are made in the year following the year of performance measurement, and vest two years after grant date provided the individual concerned is continually employed by the Group throughout this time.

Leadership Share Awards

WPP Leadership Awards are conditional stock awards made to around 1,900 of our key executives. Awards vest three years after grant, provided the participant is still employed within the Group.

Valuation methodology

For all of these schemes, the valuation methodology is based upon fair value on grant date, which is determined by the market price on that date or the application of a Black-Scholes model, depending upon the characteristics of the scheme concerned. The assumptions underlying the Black-Scholes model are detailed below including details of assumed dividend yields. Market price on any given day is obtained from external, publicly available sources.

Market/non-market conditions

Most share-based plans are subject to non-market performance conditions, such as margin or growth targets, as well as continued employment. EPSP is subject to a number of performance conditions, including TSR, a market-based condition.

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Notes to the consolidated financial statements (continued)

22. Share-based payments (continued)

For schemes without market-based performance conditions, the valuation methodology above is applied and, at each year-end, the relevant charge for each grant is revised, if appropriate, to take account of any changes in estimate of the likely number of shares expected to vest.

For schemes with market-based performance conditions, the probability of satisfying these conditions is assessed at grant date through a statistical model (such as the Monte Carlo model) and applied to the fair value. This initial valuation remains fixed throughout the life of the relevant plan, irrespective of the actual outcome in terms of performance. Where a lapse occurs due to cessation of employment, the cumulative charge taken to date is reversed.

Movement on ordinary shares granted for significant restricted stock plans:

	Non-vested 1 January 2023 number m	Granted number m	Forfeited number m	Vested number m	Non-vested 31 December 2023 number m
Executive Performance Share Plan (EPSP)	20.4	7.8	(1.4)	(3.9)	22.9
Performance Share Awards (PSA)	4.1	2.3	(0.5)	(0.4)	5.5
Leadership Share Awards	11.3	5.9	(1.0)	(3.8)	12.4

Weighted average fair value (pence per share)					
Executive Performance Share Plan (EPSP)	924p	919p	947p	752p	950p
Performance Share Awards (PSA)	952p	857p	939p	926p	915p
Leadership Share Awards	899p	654p	934p	673p	848p

	Non-vested 1 January 2022 number m	Granted number m	Forfeited number m	Vested number m	Non-vested 31 December 2022 number m
Executive Performance Share Plan (EPSP)	16.7	6.1	(2.2)	(0.2)	20.4
Performance Share Awards (PSA)	3.1	4.0	(0.2)	(2.8)	4.1
Leadership Share Awards	10.4	4.9	(1.2)	(2.8)	11.3

Weighted average fair value (pence per share)					
Executive Performance Share Plan (EPSP)	900p	1,025p	1,055p	613p	924p
Performance Share Awards (PSA)	604p	911p	798p	519p	952p
Leadership Share Awards	922p	787p	881p	795p	899p

The total fair value of shares vested for all the Group's restricted stock plans during the year ended 31 December 2023 was £81.6 million (2022: £65.4 million, 2021: £64.1 million).

Share options

Terms of share option plans

In 2015, the Group introduced the Share Option Plan 2015 to replace both the 'all-employee' Worldwide Share Ownership Plan and the discretionary Executive Stock Option Plan. Two kinds of options over ordinary shares can be granted, both with a market value exercise price. Firstly, options can be granted to employees who have worked at a company owned by WPP plc for at least two years which are not subject to performance conditions. Secondly, options may be granted on a discretionary basis subject to the satisfaction of performance conditions.

The Worldwide Share Ownership Programme was open for participation to employees with at least two years' employment in the Group. It was not available to those participating in other share-based incentive programmes or to Executive Directors. The vesting period for each grant is three years and there are no performance conditions other than continued employment with the Group.

The Executive Stock Option Plan has historically been open for participation to WPP Group Leaders, Partners and High Potential Group. It is not currently offered to Parent Company Executive Directors. The vesting period is three years and performance conditions include achievement of various TSR (Total Shareholder Return) and EPS (Earnings Per Share) objectives, as well as continued employment. The terms of these stock options are such that if, after nine years and eight months, the performance conditions have not been met, the stock option will lapse automatically.

The Group grants stock options with a life of ten years, including the vesting period.

Notes to the consolidated financial statements (continued)

22. Share-based payments (continued)

WPP Worldwide Share Ownership Programme (WWOP)

As at 31 December 2023, unexercised options over ordinary shares of 650,825 and unexercised options over ADRs of 72,695 have been granted under the WPP Worldwide Share Ownership Programme as follows:

	Number of ordinary shares under option	Exercise price per share (£)	Exercise dates
Unexercised options over ordinary shares	647,575	13.145	2017-2024
Unexercised options over ordinary shares	3,250	13.145	2018-2024

	Number of ADRs under option	Exercise price per ADR (\$)	Exercise dates
Unexercised options over ADR	72,695	102.670	2017-2024

WPP Share Option Plan 2015 (WSOP)

As at 31 December 2023, unexercised options over ordinary shares of 15,369,025 and unexercised options over ADRs of 1,772,400 have been granted under the WPP Share Option Plan as follows:

	Number of ordinary shares under option	Exercise price per share (£)	Exercise dates
Unexercised options over ordinary shares	3,524,700	7.064	2025-2032
Unexercised options over ordinary shares	1,806,625	7.344	2023-2030
Unexercised options over ordinary shares	9,500	7.344	2023-2027
Unexercised options over ordinary shares	849,350	8.372	2021-2028
Unexercised options over ordinary shares	7,000	8.372	2021-2025
Unexercised options over ordinary shares	125,125	8.684	2025-2029
Unexercised options over ordinary shares	2,682,975	8.684	2025-2032
Unexercised options over ordinary shares	1,466,100	9.600	2022-2029
Unexercised options over ordinary shares	8,875	9.600	2022-2026
Unexercised options over ordinary shares	2,237,900	11.065	2023-2030
Unexercised options over ordinary shares	1,040,350	13.085	2020-2027
Unexercised options over ordinary shares	7,625	13.085	2020-2024
Unexercised options over ordinary shares	4,000	15.150	2019-2025
Unexercised options over ordinary shares	739,850	15.150	2018-2025
Unexercised options over ordinary shares	859,050	17.055	2019-2026

	Number of ADRs under option	Exercise price per ADR (\$)	Exercise dates
Unexercised options over ADR	409,115	44.120	2025-2032
Unexercised options over ADR	198,380	48.950	2023-2030
Unexercised options over ADR	318,125	52.600	2025-2032
Unexercised options over ADR	120,995	53.140	2021-2028
Unexercised options over ADR	169,790	62.590	2022-2029
Unexercised options over ADR	255,510	73.780	2023-2030
Unexercised options over ADR	117,650	88.260	2020-2027
Unexercised options over ADR	100,960	105.490	2020-2026
Unexercised options over ADR	81,875	115.940	2018-2025

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Notes to the consolidated financial statements (continued)

22. Share-based payments (continued)

The aggregate status of the WPP Share Option Plans during 2023 was as follows:

Movements on options granted (represented in ordinary shares)

	1 January 2023	Granted	Exercised	Forfeited	Outstanding 31 December 2023	Exercisable 31 December 2023
WPP	—	—	—	—	—	—
WWOP	1,639,025	—	—	(624,725)	1,014,300	—
WSOP	21,299,025	5,586,650	(85,900)	(2,568,750)	24,231,025	7,386,400
	22,938,050	5,586,650	(85,900)	(3,193,475)	25,245,325	7,386,400

	1 January 2022	Granted	Exercised	Forfeited	Outstanding 31 December 2022	Exercisable 31 December 2022
WPP	6,741	—	—	(6,741)	—	—
WWOP	2,049,299	—	(2,575)	(407,699)	1,639,025	—
WSOP	19,608,150	5,224,050	(123,125)	(3,410,050)	21,299,025	3,188,675
	21,664,190	5,224,050	(125,700)	(3,824,490)	22,938,050	3,188,675

Weighted average exercise price for options over

	1 January 2023	Granted	Exercised	Forfeited	Outstanding 31 December 2023	Exercisable 31 December 2023
Ordinary shares (£)						
WPP	—	—	—	—	—	—
WWOP	13.224	—	—	13.432	13.145	—
WSOP	10.356	—	8.350	9.959	9.652	—
ADRs (\$)						
WWOP	106.379	—	—	109.949	102.670	—
WSOP	67.910	—	48.950	66.181	62.587	44.120

	1 January 2022	Granted	Exercised	Forfeited	Outstanding 31 December 2022	Exercisable 31 December 2022
Ordinary shares (£)						
WPP	9.355	—	—	9.355	—	—
WWOP	12.923	—	8.458	11.565	13.224	—
WSOP	10.854	8.684	8.357	10.530	10.356	7.344
ADRs (\$)						
WWOP	101.693	—	—	85.706	106.379	—
WSOP	72.228	52.600	53.270	71.674	67.910	48.950

Options over ordinary shares

Outstanding

	Range of exercise prices £	Weighted average exercise price £	Weighted average contractual life Months
	7.344-17.055	10.455	70

Options over ADRs

Outstanding

	Range of exercise prices \$	Weighted average exercise price \$	Weighted average contractual life Months
	44.120-115.940	64.166	80

As at 31 December 2023 there was £10.1 million (2022: £11.1 million) of total unrecognised compensation costs related to share options. The cost is expected to be recognised over a weighted average period of 19 months (2022: 20 months).

Notes to the consolidated financial statements (continued)

22. Share-based payments (continued)

Share options are satisfied out of newly issued shares.

The weighted average fair value of options granted in the year calculated using the Black-Scholes model was as follows:

	2023	2022	2021
Fair value of UK options (shares)	131.0p	177.0p	220.0p
Fair value of US options (ADRs)	\$8.59	\$11.48	\$14.89
Weighted average assumptions			
UK risk-free interest rate	4.00%	2.92%	0.63%
US risk-free interest rate	4.53%	4.09%	1.16%
Expected life (months)	48	48	48
Expected volatility	33%	32%	34%
Dividend yield	5.6%	3.9%	3.4%

Options are issued at an exercise price equal to market value on the date of grant.

The average share price of the Group for the year ended 31 December 2023 was £8.41 (2022: £9.13, 2021: £9.64) and the average ADR price for the same period was \$52.31 (2022: \$56.80, 2021: \$66.44). The average share price of the Group for year ended 31 December 2023 approximates the weighted average share price during the periods of exercise throughout the year.

Expected volatility is sourced from external market data and represents the historical volatility in the Company's share price over a period equivalent to the expected option life.

Expected life is based on a review of historical exercise behaviour in the context of the contractual terms of the options, as described in more detail on page F-47.

23. Employee Benefit Obligations

Companies within the Group operate a large number of pension plans, the forms and benefits of which vary with conditions and practices in the countries concerned. The Group's pension costs are analysed as follows:

	2023	2022	2021
	£m	£m	£m
Defined contribution plans	198.1	191.3	162.8
Defined benefit plans charge to operating profit	15.0	13.5	14.9
Pension costs (note 5)	213.1	204.8	177.7
Net interest expense on pension plans (note 6)	4.3	2.2	1.8
	217.4	207.0	179.5

Defined benefit plans

The pension costs are assessed in accordance with the advice of local independent qualified actuaries. The latest full actuarial valuations for the various pension plans were carried out at various dates in the last three years. These valuations have been updated by the local actuaries to 31 December 2023.

The majority of plans provide final salary benefits, with plan benefits typically based either on mandatory plans under local legislation, termination indemnity benefits, or on the rules of WPP-sponsored supplementary plans. The implications of IFRIC 14 have been allowed for where relevant, in particular with regard to the asset ceiling/irrecoverable surplus.

The Group's policy is to close existing defined benefit plans to new members. This has been implemented across a significant number of the pension plans.

Contributions to funded plans are determined in line with local conditions and practices. Contributions in respect of unfunded plans are paid as they fall due. The total contributions (for funded plans) and benefit payments (for unfunded plans) paid for 2023 amounted to £19.8 million (2022: £24.0 million, 2021: £16.7 million). Employer contributions and benefit payments in 2024 are expected to be approximately £17.0 million.

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Notes to the consolidated financial statements (continued)

23. Employee Benefit Obligations (continued)

(a) Assets and Liabilities

At 31 December, the fair value of the assets in the pension plans and the assessed present value of the liabilities in the pension plans are shown in the following table:

	2023		2022		2021	
	£m	%	£m	%	£m	%
Equities	24.2	9.3	26.7	6.2	31.8	5.8
Bonds	170.2	65.7	208.8	48.5	259.7	47.0
Insured annuities	3.0	1.2	149.2	34.7	222.5	40.3
Property	1.3	0.5	1.4	0.3	1.0	0.2
Cash	18.3	7.1	18.1	4.2	15.3	2.8
Other	42.0	16.2	26.3	6.1	21.8	3.9
Total fair value of assets	259.0	100.0	430.5	100.0	552.1	100.0
Present value of liabilities	(381.2)		(552.6)		(688.5)	
Deficit in the plans	(122.2)		(122.1)		(136.4)	
Irrecoverable surplus	—		—		(0.2)	
Net liability¹	(122.2)		(122.1)		(136.6)	
Plans in surplus ²	13.7		15.4		30.1	
Plans in deficit	(135.9)		(137.5)		(166.7)	

Notes

¹ The related deferred tax asset is discussed in note 16.

² The net asset related to plans in surplus of £13.7 million for 31 December 2023 (2022: £15.4 million) is recorded in the consolidated balance sheet within other debtors. The corresponding figures for 31 December 2021 are recorded in provision for post-employment benefits.

All plan assets have quoted prices in active markets with the exception of other assets.

Surplus/(deficit) in plans by region	2023	2022	2021
	£m	£m	£m
UK	0.7	2.3	0.4
North America	(29.7)	(37.1)	(28.1)
Western Continental Europe	(60.1)	(52.6)	(74.0)
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	(33.1)	(34.7)	(34.7)
Deficit in the plans	(122.2)	(122.1)	(136.4)

Some of the Group's defined benefit plans are unfunded (or largely unfunded) by common custom and practice in certain jurisdictions. In the case of these unfunded plans, the benefit payments are made as and when they fall due. Pre-funding of these plans would not be typical business practice.

The following table shows the split of the deficit at 31 December between funded and unfunded pension plans.

	2023	2023	2022	2022	2021	2021
	Surplus/ (deficit) £m	Present value of liabilities £m	Surplus/ (deficit) £m	Present value of liabilities £m	Surplus/ (deficit) £m	Present value of liabilities £m
Funded plans by region						
UK	0.7	(9.2)	2.3	(155.5)	0.4	(231.9)
North America	7.4	(182.9)	4.1	(208.5)	20.1	(237.9)
Western Continental Europe	(34.1)	(70.6)	(29.1)	(67.9)	(45.1)	(87.6)
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	(5.4)	(27.6)	(4.1)	(25.4)	(6.4)	(25.7)
Deficit/liabilities in the funded plans	(31.4)	(290.3)	(26.8)	(457.3)	(31.0)	(583.1)
Unfunded plans by region						
North America	(37.1)	(37.1)	(41.2)	(41.2)	(48.2)	(48.2)
Western Continental Europe	(26.0)	(26.0)	(23.5)	(23.5)	(28.9)	(28.9)
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe	(27.7)	(27.8)	(30.6)	(30.6)	(28.3)	(28.3)
Deficit/liabilities in the unfunded plans	(90.8)	(90.9)	(95.3)	(95.3)	(105.4)	(105.4)
Deficit/liabilities in the plans	(122.2)	(381.2)	(122.1)	(552.6)	(136.4)	(688.5)

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Notes to the consolidated financial statements (continued)

23. Employee Benefit Obligations (continued)

In accordance with IAS 19, plans that are wholly or partially funded are considered funded plans.

(b) Assumptions

There are a number of areas in pension accounting that involve estimates made by management based on advice of qualified advisors. These include establishing the discount rates, rates of increase in salaries and pensions in payment, inflation, and mortality assumptions. The main weighted average assumptions used for the actuarial valuations at 31 December are shown in the following table:

	2023	2022	2021	2020
	% pa	% pa	% pa	% pa
UK				
Discount rate ¹	4.7	5.1	1.8	1.3
Rate of increase in pensions in payment	2.5	4.4	4.5	4.4
Inflation	3.1	3.0	3.2	2.8
North America				
Discount rate ¹	4.9	5.2	2.6	2.0
Rate of increase in salaries ²	n/a	n/a	n/a	3.0
Western Continental Europe				
Discount rate ¹	3.4	4.1	1.2	0.9
Rate of increase in salaries	2.5	2.5	2.3	2.2
Rate of increase in pensions in payment	2.0	2.0	1.8	1.8
Inflation	2.0	2.0	1.7	1.7
Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe				
Discount rate ¹	6.5	6.4	5.3	4.2
Rate of increase in salaries	6.2	5.7	5.6	5.2
Inflation	3.4	3.4	3.7	3.7

Notes

¹ Discount rates are based on high-quality corporate bond yields. In countries where there is no deep market in corporate bonds, the discount rate assumption has been set with regard to the yield on long-term government bonds.

² The salary assumptions are no longer applicable to the US as all plans were frozen. Active participants will not accrue additional benefits for future services under these plans.

For the Group's pension plans, the plans' assets are invested with the objective of being able to meet current and future benefit payment needs, while controlling balance sheet volatility and future contributions. Pension plan assets are invested with a number of investment managers, and assets are diversified among equities, bonds, insured annuities, property and cash or other liquid investments. The primary use of bonds as an investment class is to match the anticipated cash flows from the plans to pay pensions. The Group is invested in high-quality corporate and government bonds which share similar risk characteristics and are of equivalent currency and term to the plan liabilities. Various insurance policies have also been bought historically to provide a more exact match for the cash flows, including a match for the actual mortality of specific plan members. These insurance policies effectively provide protection against both investment fluctuations and longevity risks. The strategic target allocation varies among the individual plans.

Management considers the types of investment classes in which the pension plan assets are invested. The types of investment classes are determined by economic and market conditions and in consideration of specific asset-class risk. The investment strategy of the Group varies by country, albeit there was a general directive by the Group in recent years to de-risk the larger funded plans (mainly in the US and UK) and move towards a liability driven investment strategy.

Management periodically commissions detailed asset and liability studies performed by third-party professional investment advisors and actuaries that generate probability-adjusted expected future returns on those assets. These studies also project the estimated future pension payments and evaluate the efficiency of the allocation of the pension plan assets into various investment categories.

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Notes to the consolidated financial statements (continued)

23. Employee Benefit Obligations (continued)

At 31 December 2023, the life expectancies underlying the value of the accrued liabilities for the main defined benefit pension plans operated by the Group were as follows:

Years life expectancy after age 65	All plans	North America	UK	Western Continental Europe	Other ¹
Current pensioners (at age 65) – male	21.8	22.0	23.4	21.1	20.3
Current pensioners (at age 65) – female	23.6	23.4	24.9	24.2	25.1
Future pensioners (current age 45) – male	23.5	23.4	25.4	23.4	20.3
Future pensioners (current age 45) – female	25.2	24.8	27.0	26.0	25.1

Note

¹ Includes Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

The life expectancies after age 65 at 31 December 2022 were 22.3 years and 24.0 years for male and female current pensioners (at age 65) respectively, and 24.0 years and 25.7 years for male and female future pensioners (current age 45), respectively.

In the determination of mortality assumptions, management uses the most up-to-date mortality tables available in each country.

The following table provides information on the weighted average duration of the defined benefit pension obligations and the distribution of the timing of benefit payments for the next ten years. The duration corresponds to the weighted average length of the underlying cash flows.

	All plans	North America	UK	Western Continental Europe	Other ¹
Weighted average duration of the defined benefit obligation (years)	8.0	7.4	6.3	10.2	5.9
Expected benefit payments over the next ten years (£m)					
within 12 months	30.2	18.5	0.7	6.0	5.0
in 2025	28.3	18.1	0.6	6.0	3.6
in 2026	29.2	17.8	0.6	6.2	4.6
in 2027	29.0	18.7	0.5	6.2	3.6
in 2028	27.6	15.7	0.5	7.0	4.4
in the next five years	144.4	83.7	1.6	33.2	25.9

Note

¹ Includes Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

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Notes to the consolidated financial statements (continued)

23. Employee Benefit Obligations (continued)

The following table presents a sensitivity analysis for each significant actuarial assumption showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumption that were reasonably possible at the balance sheet date. This sensitivity analysis applies to the defined benefit obligation only and not to the net defined benefit pension liability in its entirety, the measurement of which is driven by a number of factors including, in addition to the assumptions below, the fair value of plan assets.

The sensitivity analyses are based on a change in one assumption while holding all other assumptions constant so that interdependencies between the assumptions are excluded. The methodology applied is consistent with that used to determine the recognised defined benefit obligation. The sensitivity analysis for inflation is not shown as it is an underlying assumption to build the pension and salary increase assumptions. Changing the inflation assumption on its own without changing the salary or pension assumptions will not result in a significant change in pension liabilities.

Sensitivity analysis of significant actuarial assumptions	(Decrease)/increase in benefit obligation	
	2023 £m	2022 £m
Discount rate		
Increase by 25 basis points:		
UK	(0.1)	(3.6)
North America	(3.8)	(4.4)
Western Continental Europe	(2.3)	(2.0)
Other ¹	(0.5)	(0.5)
Decrease by 25 basis points:		
UK	0.2	3.8
North America	3.9	4.6
Western Continental Europe	2.4	2.1
Other ¹	0.5	0.6
Rate of increase in salaries		
Increase by 25 basis points:		
Western Continental Europe	0.6	0.5
Other ¹	0.4	0.5
Decrease by 25 basis points:		
Western Continental Europe	(0.6)	(0.5)
Other ¹	(0.5)	(0.5)
Rate of increase in pensions in payment		
Increase by 25 basis points:		
UK	0.2	0.7
Western Continental Europe	1.2	1.1
Decrease by 25 basis points:		
UK	—	(0.6)
Western Continental Europe	(1.2)	(1.0)
Life expectancy		
Increase in longevity by one additional year:		
UK	0.7	6.8
North America	3.3	4.2
Western Continental Europe	3.0	2.6

Note

¹ Includes Asia Pacific, Latin America, Africa & Middle East and Central & Eastern Europe.

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Notes to the consolidated financial statements (continued)

23. Employee Benefit Obligations (continued)

(c) Pension expense

The following tables show the breakdown of the pension expense between amounts charged to operating profit and amounts charged to finance costs:

	2023	2022	2021
	£m	£m	£m
Service cost ¹	12.2	10.4	12.6
Administrative expenses	2.8	3.1	2.3
Charge to operating profit	15.0	13.5	14.9
Net interest expense on pension plans	4.3	2.2	1.8
Charge to profit before taxation for defined benefit plans	19.3	15.7	16.7

Note

¹ Includes current service cost, past service costs related to plan amendments and (gain)/loss on settlements and curtailments.

The following table shows the breakdown of amounts recognised in other comprehensive income (OCI):

	2023	2022	2021
	£m	£m	£m
Return on plan assets (excluding interest income)	6.5	(127.6)	(29.3)
Changes in demographic assumptions underlying the present value of the plan liabilities	(0.5)	0.6	(3.6)
Changes in financial assumptions underlying the present value of the plan liabilities	(13.8)	143.5	31.1
Experience (loss)/gain arising on the plan liabilities	(1.3)	(0.1)	15.7
Change in irrecoverable surplus	—	0.2	0.4
Actuarial (loss)/gain recognised in OCI	(9.1)	16.6	14.3

(d) Movement in plan liabilities

The following table shows an analysis of the movement in the pension plan liabilities for each accounting period:

	2023	2022	2021
	£m	£m	£m
Plan liabilities at beginning of year	552.6	688.5	772.7
Service cost ¹	12.2	10.4	12.6
Interest cost	20.5	15.5	12.0
<i>Actuarial loss/(gain):</i>			
Effect of changes in demographic assumptions	0.5	(0.6)	3.6
Effect of changes in financial assumptions	13.8	(143.5)	(31.1)
Effect of experience adjustments	1.3	0.1	(15.7)
Benefits paid	(37.5)	(52.0)	(59.5)
(Gain)/loss due to exchange rate movements	(16.7)	40.4	(6.1)
Settlement payments ²	(163.2)	(8.7)	(0.3)
Other ³	(2.3)	2.5	0.3
Plan liabilities at end of year	381.2	552.6	688.5

Notes

¹ Includes current service cost, past service costs related to plan amendments and (gain)/loss on settlements and curtailments.

² During the year ended 31 December 2023, the Group completed the winding-up of two defined benefit pension plans: The Ogilvy & Mather Group Pension and Life Assurance Plan and the JWT Pension and Life Assurance Scheme, constituting settlements under IAS 19. The settlements led to the full elimination of associated plan assets and plan liabilities of £145.0 million, the fair value of plan assets equaled the underlying liabilities upon settlement such that there is no impact on 2023 net assets or the income statement.

³ Other includes acquisitions, disposals, plan participants' contributions and reclassifications. The reclassifications represent certain of the Group's defined benefit plans which are included in this note for the first time in the periods presented.

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Notes to the consolidated financial statements (continued)

23. Employee Benefit Obligations (continued)

(e) Movement in plan assets

The following table shows an analysis of the movement in the pension plan assets for each accounting period:

	2023	2022	2021
	£m	£m	£m
Fair value of plan assets at beginning of year	430.5	552.1	616.6
Interest income on plan assets	16.2	13.3	10.2
Return on plan assets (excluding interest income)	6.5	(127.6)	(29.3)
Employer contributions	19.8	24.0	16.7
Benefits paid	(37.5)	(52.0)	(59.5)
(Loss)/gain due to exchange rate movements	(12.4)	31.5	(0.6)
Settlement payments ¹	(163.2)	(8.7)	(0.3)
Administrative expenses	(2.8)	(3.1)	(1.8)
Other ²	1.9	1.0	0.1
Fair value of plan assets at end of year	259.0	430.5	552.1
Actual return/(loss) on plan assets	22.7	(114.3)	(19.1)

Notes

¹ During the year ended 31 December 2023, the Group completed the winding-up of two defined benefit pension plans: The Ogilvy & Mather Group Pension and Life Assurance Plan and the JWT Pension and Life Assurance Scheme, constituting settlements under IAS 19. The settlements led to the full elimination of associated plan assets and plan liabilities of £145.0 million, the fair value of plan assets equaled the underlying liabilities upon settlement such that there is no impact on 2023 net assets or the income statement.

² Other includes acquisitions, disposals, plan participants' contributions and reclassifications. The reclassifications represent certain of the Group's defined benefit plans which are included in this note for the first time in the periods presented.

24. Risk management policies

Foreign currency risk

The Group's results in pounds sterling are subject to fluctuation as a result of exchange rate movements. The Group does not hedge this translation exposure to its earnings but does partially hedge the currency element of its net assets using foreign currency borrowings, cross-currency swaps, forward foreign exchange contracts and non-deliverable forward foreign exchange contracts.

The Group effects these currency net asset hedges by borrowing in the same currencies as the operating (or "functional") currencies of its main operating units. The majority of the Group's debt is therefore denominated in US dollars, pounds sterling and euros. The Group's borrowings (including cross currency swaps) at 31 December 2023 were primarily made up of \$1,874 million, £1,094 million and €2,100 million (2022: \$1,667 million, £1,094 million and €2,350 million). The Group's average gross debt during the course of 2023 was \$2,511 million, £1,173 million and €2,321 million (2022: \$1,667 million, £1,094 million, €2,404 million).

The Group's operations conduct the majority of their activities in their own local currency and consequently the Group has no significant transactional foreign exchange exposures arising from its operations. Any significant cross-border trading exposures are hedged by the use of forward foreign-exchange contracts. No speculative foreign exchange trading is undertaken.

Interest rate risk

The Group is exposed to interest rate risk on both interest-bearing assets and interest-bearing liabilities. The Group has a policy of actively managing its interest rate risk exposure while recognising that fixing rates on all its debt eliminates the possibility of benefiting from rate reductions and similarly, having all its debt at floating rates unduly exposes the Group to increases in rates.

Including the effect of interest rate and cross-currency swaps, 100% of the year-end US dollar debt is at fixed rates averaging 4.62% for an average period of 66 months; 100% of the sterling debt is at a fixed rate of 2.97% for an average period of 130 months; and 100.0% of the euro debt is at fixed rates averaging 2.12% for an average period of 48 months.

Going concern and liquidity risk

In considering going concern and liquidity risk, the Directors have reviewed the Group's future cash requirements and earnings projections. The Directors believe these forecasts have been prepared on a prudent basis and have also considered the impact of a range of potential changes to trading performance. The Company modelled a range of revenue less pass-through costs compared with the year ended 31 December 2023 and a number of mitigating cost actions that are available to the Company. Considering the Group's liquidity headroom taking into account the suspension of share buybacks, dividends and acquisitions, and cost mitigation actions which could be implemented, show that the Company and the Group would be able to operate with appropriate liquidity and be able to meet its liabilities as they fall due. The Company modelled a range of revenue less pass-through cost declines up to 31% compared with the year ended 31 December 2023. The likelihood of such a decline is considered remote as compared to Company expectations and external benchmarks. The modelling in this extreme scenario includes cost mitigations of 70% of the decline in revenue less pass-through costs and the suspension of the share buyback programme and dividend. Further measures that were not included in the modelling, should the Company face such an extreme scenario, include the reduction of capital expenditure and acquisitions. Based on the outcome of the above assessments, the Directors have concluded that it is reasonable to expect that the Group will be able to operate within its current facilities for the period of assessment and are therefore comfortable that the Company will be a going concern for at least

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Notes to the consolidated financial statements (continued)

24. Risk management policies (continued)

12 months from the date of signing the Group's consolidated financial statements. As such, it is appropriate to prepare the financial statements of the Group on a going concern basis.

At 31 December 2023, the Group has access to £6.4 billion of committed facilities with maturity dates spread over the years 2024 to 2046 as illustrated below:

		2024	2025	2026	2027	2028 ⁺
		£m	£m	£m	£m	£m
£ bonds £400m (2.875% 2046)	400.0					400.0
US bond \$220m (5.625% 2043)	172.7					172.7
US bond \$93m (5.125% 2042)	72.9					72.9
£ bonds £250m (3.75% 2032)	250.0					250.0
Eurobonds €600m (1.625% 2030)	520.2					520.2
Eurobonds €750m (4.125% 2028)	650.2					650.2
Eurobonds €750m (2.375% 2027)	650.2				650.2	
Eurobonds €750m (2.25% 2026)	650.2			650.2		
Bank revolver (\$2,500m 2026)	1,963.7			1,963.7		
Eurobonds €500m (1.375% 2025)	433.5		433.5			
US bond \$750m (3.75% 2024)	589.1	589.1				
Total committed facilities available	6,352.7	589.1	433.5	2,613.9	650.2	2,066.0
Drawn down facilities at 31 December 2023	4,389.0	589.1	433.5	650.2	650.2	2,066.0
Undrawn committed credit facilities	1,963.7					

Given its debt maturity profile and available facilities, the Directors believe the Group has sufficient liquidity to match its requirements for the foreseeable future.

Treasury activities

Treasury activity is managed centrally from London, New York and Hong Kong, and is principally concerned with the monitoring of working capital, managing external and internal funding requirements and the monitoring and management of financial market risks, in particular interest rate and foreign exchange exposures.

The treasury operation is not a profit centre and its activities are carried out in accordance with policies approved by the Board of Directors and subject to regular review and audit.

The Group manages liquidity risk by ensuring continuity and flexibility of funding even in difficult market conditions. Undrawn committed borrowing facilities are maintained in excess of peak net-borrowing levels and debt maturities are closely monitored. Targets for average debt less cash position are set on an annual basis and, to assist in meeting this, working capital targets are set for all the Group's major operations.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 10, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings as disclosed in the consolidated statement of changes in equity and in notes 26 and 27.

Credit risk

The Group's principal financial assets are cash and short-term deposits, trade and other receivables and other investments, the carrying values of which represent the Group's maximum exposure to credit risk in relation to financial assets, as shown in note 25.

The Group's credit risk is primarily attributable to its trade receivables. The majority of the Group's trade receivables are due from large national or multinational companies where the risk of default is considered low. The amounts presented in the consolidated balance sheet are net of expected credit losses, estimated by the Group's management based on expected losses, prior experience and their assessment of the current economic environment. A relatively small number of clients make up a significant percentage of the Group's debtors, but no single client represents more than 6% of total trade receivables as at 31 December 2023 or 31 December 2022.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are high-rated (AAA) funds, banks with high credit ratings assigned by international credit-rating agencies or banks that have been financed by their government.

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Notes to the consolidated financial statements (continued)

24. Risk management policies (continued)

Effects of Hedge Accounting on the Financial Position and Performance

The effects of the hedging instruments on the Group's financial position and performance are as follows:

	2023	2022
(i) Cash flow hedges of foreign currency risk¹		
Carrying amount of derivative hedging instruments ²	£(16.5)m	£(6.6)m
Notional amount of hedged items	€1,250.0m	€1,000.0m
Notional amount of hedging instruments	€1,250.0m	€1,000.0m
Maturity date	2025-2028	2023-2025
Hedge ratio	1:1	1:1
Change in value of hedged item used to determine hedge effectiveness for outstanding hedging instruments	£(32.4)m	£38.5m
Change in value of hedging instruments used to determine hedge effectiveness for outstanding hedging instruments	£29.6m	£(41.4)m
Hedge ineffectiveness (revaluation and retranslation of financial instruments)	£2.7m	£2.9m
Weighted average hedged rate for outstanding hedging instruments	4.4 %	3.2 %
(ii) Net investment hedges of foreign currency risk		
Carrying amount of derivative hedging instruments ²	£48.2m	£(46.9)m
Carrying amount of non-derivative hedging instruments (bonds)	£(835.0)m	£(879.5)m
Notional amount of hedging instruments	\$1,873.9m	\$1,666.8m
Notional amount of hedged net assets	\$1,873.9m	\$1,666.8m
Hedge ratio	1:1	1:1
Change in value of hedged item used to determine hedge effectiveness	£108.2m	£(141.5)m
Change in value of hedging instrument used to determine hedge effectiveness	£(110.1)m	£141.5m
Hedge ineffectiveness (revaluation and retranslation of financial instruments)	£1.9m	£0.0
Weighted average hedged rate for the year (USD/GBP)	1.2731	1.2083

Notes

¹ Relates to cross currency swaps designated as cash flow hedges

² This amount is presented in trade and other receivables, and trade and other payables. The use of derivatives may entail a derivative transaction qualifying for more than one hedge type designation under IFRS 9. Therefore, the carrying amounts are grossed up by hedge type, whereas they are presented at an instrument level in the balance sheet.

Sensitivity analysis

The following sensitivity analysis addresses the effect of currency and interest rate risks on the Group's financial instruments. The analysis assumes that all hedges are highly effective.

Currency risk

A 10% weakening of sterling against the Group's major currencies would result in the following impacts on the income statement and equity, which would arise on the retranslation of foreign currency-denominated monetary items. A 10% strengthening of sterling would have an equal and opposite effect.

	Impact on income statement		Impact on equity	
	2023	2022	2023	2022
	£m	£m	£m	£m
US dollar	(41.0)	(179.6)	(18.0)	34.6
Euro	(185.8)	78.9	—	(11.3)

Interest rate risk

A one percentage point increase in market interest rates for all currencies in which the Group had cash and borrowings at 31 December 2023 would increase profit before tax by approximately £18.6 million (2022: £19.9 million). A one percentage point decrease in market interest rates would have an equal and opposite effect. This has been calculated by applying the interest rate change to the Group's variable rate cash and borrowings. Note that in practice, the Group has a cyclical cash profile throughout the year.

Notes to the consolidated financial statements (continued)

25. Financial Instruments

Currency derivatives

The Group utilises currency derivatives to hedge significant future transactions and cash flows and the exchange risk arising on translation of the Group's investments in foreign operations. The Group is a party to a variety of foreign currency derivatives in the management of its exchange rate exposures. The instruments purchased are primarily denominated in the currencies of the Group's principal markets. The Group designates foreign currency-denominated debt as hedging instruments against the exposure to movements in the spot translation rates associated with the translation of its foreign operations.

The Group also designates certain cross currency swaps as hedging instruments in cash flow hedges to manage its exposure to foreign exchange risk and interest rate risk on its borrowings. During the year, the Group entered into cross currency swap contracts due in May 2028 with receipts of €750.0 million and payments of \$810.9 million. In November 2023, the Group's contracts for receipts of €500.0 million and payments of \$604.2 million matured. Contracts due in March 2025 have receipts of €500.0 million and payments of £444.1 million.

In March 2023, the Group designated £80.6 million of non-deliverable forward foreign exchange contracts as hedging instruments in cash flow hedges, to manage its exposure to foreign exchange risk on highly probable forecast foreign currency transactions (primarily INR and USD). The contracts have maturity dates between 2024 and 2028.

Critical terms of hedging instruments and hedged items are transacted to match on a 1:1 ratio by notional values. Hedge ineffectiveness can nonetheless arise from inherent differences between derivatives and non-derivative instruments and other market factors including credit, correlations, supply and demand, and market volatilities. In addition, hedge ineffectiveness can arise as a result of the currency basis being included in the hedge designation. Hedge accounting is discontinued when a hedging relationship no longer qualifies for hedge accounting.

At 31 December 2023, the fair value of the Group's currency derivatives in designated hedging relationships is estimated to be a net asset of approximately £31.7 million (2022: net liability of £52.7 million). These amounts are based on market values of equivalent instruments at the balance sheet date, comprising £31.7 million (2022: £0.6 million) assets included in trade and other receivables and nil (2022: £53.3 million) liabilities included in trade and other payables. The fair value of currency derivatives is based on the present value of contractual cash flows using foreign currency and interest rate forward market curves at the balance sheet date. The amounts taken to and deferred in equity during the year for currency derivatives that are designated as hedges and considered effective was a credit of £108.2 million (2022: debit of £141.5 million) for net investment hedges.

For cash flow hedge arrangements, amounts of a debit of £43.3 million (2022: credit of £38.5 million) representing the effective portion of the gain or loss on the hedging instrument were taken to equity, and £44.2 million was reclassified to profit or loss in the same period when the related foreign exchange impact on the associated hedged item affected profit or loss. During the year the hedges of the €750 million Eurobond were discontinued as the hedging item and hedging instrument matured which resulted in a debit of £11.8 million taken to equity and recycled to profit and loss.

Changes in the fair value relating to the ineffective portion of the currency derivatives that are designated hedges amounted to £5.0 million (2022: £2.7 million) which is included within revaluation and retranslation of financial instruments in the income statement. At the balance sheet date, the total nominal amount of outstanding forward foreign exchange contracts not designated as hedges was £955.2 million (2022: £1,004.8 million). The Group estimates the fair value of these contracts to be a net liability of £0.8 million (2022: net asset of £0.4 million).

As at 31 December 2023, the Group had designated its \$93.0 million bond, \$750.0 million bond, \$220.0 million bond, and \$810.9 million leg of its cross currency swap, as the hedging instruments in a net investment hedge relationship. The Group has designated the €500.0 million leg of its March 2025 cross currency swap and €750.0 million of its May 2028 cross currency swap as hedging instruments in cash flow hedges. £80.6 million of non-deliverable forward foreign exchange contracts has also been designated as the hedging instrument in a cash flow hedge. Possible sources of ineffectiveness include any impairments to the Group's net investment in US dollars. The hedges are documented and are assessed for effectiveness on an ongoing basis. All hedge relationships were effective during the year.

These arrangements are designed to address significant foreign exchange exposure and are renewed on a revolving basis as required.

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Notes to the consolidated financial statements (continued)

25. Financial Instruments (continued)

An analysis of the Group's financial assets and liabilities by accounting classification is set out below:

	Derivatives in designated hedge relationships	Held at fair value through profit or loss	Held at fair value through other comprehensive income	Amortised cost	Carrying value
	£m	£m	£m	£m	£m
2023					
Other investments	—	257.2	75.5	—	332.7
Cash and short-term deposits	—	180.7	—	2,036.8	2,217.5
Bank overdrafts and bonds: amounts falling due within one year	—	—	—	(946.3)	(946.3)
Bonds: amounts falling due after more than one year	—	—	—	(3,775.0)	(3,775.0)
Trade and other receivables: amounts falling due within one year	—	—	—	10,601.4	10,601.4
Trade and other receivables: amounts falling due after more than one year	—	—	—	118.3	118.3
Trade and other payables: amounts falling due within one year	—	—	—	(10,917.4)	(10,917.4)
Trade and other payables: amounts falling due after more than one year	—	—	—	(1.5)	(1.5)
Derivative assets	31.7	2.2	—	—	33.9
Derivative liabilities	—	(3.0)	—	—	(3.0)
Payments due to vendors (earnout agreements)	—	(198.7)	—	—	(198.7)
Liabilities in respect of put options	—	—	—	(103.6)	(103.6)
	31.7	238.4	75.5	(2,987.3)	(2,641.7)
2022					
Other investments	—	255.7	114.1	—	369.8
Cash and short-term deposits ¹	—	219.9	—	2,271.6	2,491.5
Bank overdrafts and bonds: amounts falling due within one year	—	—	—	(1,169.0)	(1,169.0)
Bonds: amounts falling due after more than one year	—	—	—	(3,801.8)	(3,801.8)
Trade and other receivables: amounts falling due within one year	—	—	—	11,338.0	11,338.0
Trade and other receivables: amounts falling due after more than one year	—	—	—	146.2	146.2
Trade and other payables: amounts falling due within one year	—	—	—	(11,283.0)	(11,283.0)
Trade and other payables: amounts falling due after more than one year	—	—	—	(0.9)	(0.9)
Derivative assets	0.6	5.1	—	—	5.7
Derivative liabilities	(53.3)	(4.7)	—	—	(58.0)
Payments due to vendors (earnout agreements)	—	(160.1)	—	—	(160.1)
Liabilities in respect of put options ²	—	—	—	(342.1)	(342.1)
	(52.7)	315.9	114.1	(2,841.0)	(2,463.7)

Notes

¹ Certain money market funds included within cash and short-term deposits for the year ended 31 December 2022 have been re-presented given they are measured at held at fair value through profit or loss in accordance with IFRS 9. Prior year balances were presented as amortised cost.

² Liabilities in respect of put option balances for the year ended 31 December 2022 have been re-presented given they are measured at amortised cost in accordance with IFRS 9. Prior year balances were presented as held at fair value through profit or loss.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

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Notes to the consolidated financial statements (continued)

25. Financial Instruments (continued)

Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices);

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
2023				
Derivatives in designated hedge relationships				
Derivative assets	—	31.7	—	31.7
Derivative liabilities	—	—	—	—
Held at fair value through profit or loss				
Other investments	0.6	—	256.6	257.2
Derivative assets	—	2.2	—	2.2
Derivative liabilities	—	(3.0)	—	(3.0)
Payments due to vendors (earnout agreements)	—	—	(198.7)	(198.7)
Held at fair value through other comprehensive income				
Other investments	7.4	—	68.1	75.5
2022				
Derivatives in designated hedge relationships				
Derivative assets	—	0.6	—	0.6
Derivative liabilities	—	(53.3)	—	(53.3)
Held at fair value through profit or loss				
Other investments	0.4	—	255.3	255.7
Derivative assets	—	5.1	—	5.1
Derivative liabilities	—	(4.7)	—	(4.7)
Payments due to vendors (earnout agreements)	—	—	(160.1)	(160.1)
Held at fair value through other comprehensive income				
Other investments	10.9	—	103.2	114.1

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Notes to the consolidated financial statements (continued)

25. Financial Instruments (continued)

There have been no transfers between these levels in the years presented.

Reconciliation of level 3 fair value measurements:

	Payments due to vendors (earnout agreements)	Other investments
	£m	£m
1 January 2022	(196.7)	290.0
Gains recognised in the income statement	26.2	23.1
Losses recognised in other comprehensive income	—	(5.3)
Exchange adjustments	(14.3)	—
Additions	(46.7)	66.7
Disposals	—	(16.0)
Cancellations	—	—
Settlements	71.4	—
31 December 2022	(160.1)	358.5
Gains/(losses) recognised in the income statement	50.8	(26.7)
Gains recognised in other comprehensive income	—	0.7
Exchange adjustments	1.8	—
Additions	(149.7)	2.6
Disposals	—	(10.4)
Settlements	58.5	—
31 December 2023	(198.7)	324.7

The fair values of financial assets and liabilities are based on quoted market prices where available. Where the market value is not available, the Group has estimated relevant fair values on the basis of available information from outside sources. There have been no movements between level 3 and other levels.

Payments due to vendors (earnout agreements) and liabilities in respect of put options

Future anticipated payments due to vendors in respect of contingent consideration (earnout agreements) are recorded at fair value, which is the present value of the expected cash outflows of the obligations. Liabilities in respect of put option agreements are initially recorded at the present value of the redemption amount in accordance with IAS 32 and subsequently measured at amortised cost in accordance with IFRS 9. Both types of obligations are dependent on the future financial performance of the entity and it is assumed that future profits are in line with Directors' estimates. The Directors derive their estimates from internal business plans together with financial due diligence performed in connection with the acquisition.

As of 31 December 2023, the potential undiscounted amount of future payments that could be required under the earnout agreements for acquisitions completed in the current year and for all earnout agreements ranges from £nil to £326 million (2022: £nil to £226 million) and £nil to £753 million (2022: £nil to £695 million), respectively. The increase in the maximum potential undiscounted amount of future payments for all earnout agreements is due to current year acquisitions, which is partially offset by earnout arrangements that have been completed and paid.

At 31 December 2023, the weighted average growth rate in estimating future financial performance was 14.6% (2022: 12.4%). The weighted average of the risk-adjusted discount rate applied to these obligations at 31 December 2023 was 7.0% (2022: 7.6%).

A one percentage point increase or decrease in the growth rate in estimated future financial performance would increase or decrease the combined liabilities due to earnout agreements and put options by approximately £1.4 million (2022: £9.1 million) and £5.5 million (2022: £6.9 million), respectively.

A 0.5 percentage point increase or decrease in the risk adjusted discount rate would decrease or increase the combined liabilities by approximately £2.5 million (2022: £7.3 million) and £2.5 million (2022: £7.4 million), respectively. An increase in the liability would result in a loss in the revaluation of financial instruments, while a decrease would result in a gain.

Other investments

The fair value of other investments included in level 1 is based on quoted market prices. Other investments included in level 3 are unlisted securities, where market value is not readily available. The Group has estimated relevant fair values on the basis of information from outside sources using the most appropriate valuation technique, including all external funding rounds, revenue and EBITDA multiples, discounted cash flows and the share of fund net asset value. The sensitivity to changes in unobservable inputs is specific to each individual investment. A change to one or more of these unobservable inputs to reflect a reasonably possible alternative assumption would not result in a significant change to the fair value.

During 2022, Imagina stepped down from interests in associates to other investments and this investment was designated as fair value through other comprehensive income. There were no step downs to other investments which occurred in 2023.

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Notes to the consolidated financial statements (continued)

26. Authorised and issued share capital

	Equity ordinary shares	Nominal value £m
Authorised		
At 1 January 2021	1,750,000,000	175.0
At 31 December 2021	1,750,000,000	175.0
At 31 December 2022	1,750,000,000	175.0
At 31 December 2023	1,750,000,000	175.0
Issued and fully paid		
At 1 January 2021	1,296,080,242	129.6
Exercise of share options	534,800	—
Share cancellations	(72,155,492)	(7.2)
At 31 December 2021	1,224,459,550	122.4
Exercise of share options	125,700	—
Share cancellations	(83,157,954)	(8.3)
At 31 December 2022	1,141,427,296	114.1
Exercise of share options	85,900	—
Share cancellations	—	—
At 31 December 2023	1,141,513,196	114.1

Company's own shares

The Company's holdings of own shares are stated at cost and represent shares held in treasury and purchases by the Employee Share Ownership Plan (ESOP) trusts of shares in the Company for the purpose of funding certain of the Group's share-based incentive plans.

The trustees of the ESOP purchase the Company's ordinary shares in the open market using funds provided by the Company. The Company also has an obligation to make regular contributions to the ESOP to enable it to meet its administrative costs. The number and market value of the ordinary shares of the Company held by the ESOP at 31 December 2023 was 490,646 (2022: 1,211,974, 2021: 5,803,641), and £3.7 million (2022: £9.9 million, 2021: £65.0 million) respectively. The number and market value of ordinary shares held in treasury at 31 December 2023 was 66,675,497 (2022: 70,489,953, 2021: 70,489,953) and £502.1 million (2022: £578.2 million, 2021: £789.1 million) respectively.

Notes to the consolidated financial statements (continued)

27. Other reserves

Other reserves comprise the following:

	Capital redemption reserve £m	Equity reserve £m	Hedging reserve £m	Translation reserve £m	Total other reserves £m
Balance at 1 January 2021	6.4	(122.3)	—	307.1	191.2
Foreign exchange differences on translation of foreign operations	—	—	—	(132.7)	(132.7)
Gain on net investment hedges	—	—	—	45.5	45.5
Cash flow hedges:					
Fair value loss arising on hedging instruments	—	—	(38.0)	—	(38.0)
Less: gain reclassified to profit or loss	—	—	38.0	—	38.0
Share of other comprehensive income of associate undertakings	—	—	—	7.3	7.3
Share cancellations	7.2	—	—	—	7.2
Recognition and remeasurement of financial instruments	—	(242.7)	—	—	(242.7)
Share purchases – close period commitments	—	(211.7)	—	—	(211.7)
Balance at 31 December 2021	13.6	(576.7)	—	227.2	(335.9)
Foreign exchange differences on translation of foreign operations	—	—	—	409.0	409.0
Loss on net investment hedges	—	—	—	(141.5)	(141.5)
Cash flow hedges:					
Fair value gain arising on hedging instruments	—	—	38.5	—	38.5
Less: loss reclassified to profit or loss	—	—	(38.5)	—	(38.5)
Share of other comprehensive income of associate undertakings	—	—	—	31.9	31.9
Share cancellations	8.3	—	—	—	8.3
Recognition/derecognition of liabilities in respect of put options	—	101.7	—	—	101.7
Share purchases – close period commitments	—	211.7	—	—	211.7
Balance at 31 December 2022	21.9	(263.3)	—	526.6	285.2
Foreign exchange differences on translation of foreign operations	—	—	—	(404.0)	(404.0)
Gain on net investment hedges	—	—	—	108.2	108.2
Cash flow hedges:					
Fair value loss arising on hedging instruments	—	—	(43.3)	—	(43.3)
Less: gain reclassified to profit or loss	—	—	44.2	—	44.2
Share of other comprehensive loss of associate undertakings	—	—	—	(0.9)	(0.9)
Share cancellations	—	—	—	—	—
Recognition/derecognition of liabilities in respect of put options	—	197.2	—	—	197.2
Share purchases – close period commitments	—	—	—	—	—
Balance at 31 December 2023	21.9	(66.1)	0.9	229.9	186.6

The capital redemption reserve relates entirely to share cancellations.

The equity reserve primarily relates to the recognition/derecognition of liabilities in respect of put option agreements entered into by the Group as part of a business combination that allows non-controlling shareholders to sell their shares to the Group in the future. During 2023, the Company sold a portion of its ownership of FGS to KKR. As part of this transaction the previous put option granted to management shareholders was derecognised. During 2021, the Company entered into an agreement with a third party to conduct share buybacks on its behalf in the close period commencing on 16 December 2021 and ending on 18 February 2022, in accordance with UK listing rules. The commitment resulting from this agreement constituted a liability at 31 December 2021 and was also recognised as a movement in the equity reserve in the year ended 31 December 2021. After the close period ended on 18 February 2022, the liability was settled and the amount in other reserves was reclassified to retained earnings.

The hedging reserve comprises the effective portion of the cumulative net change in fair value of cash flow hedges less amounts reclassified to profit or loss.

The translation reserve contains the accumulated gains/(losses) on currency translation of foreign operations arising on consolidation.

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Notes to the consolidated financial statements (continued)

27. Other reserves (continued)

The translation reserve comprises:

	2023 £m	2022 £m	2021 £m
Balance relating to continuing net investment hedges	(53.1)	(143.8)	(2.3)
Balance relating to discontinued net investment hedges	(67.5)	(85.0)	(85.0)
Balance relating to foreign exchange differences on translation of foreign operations	350.5	755.4	314.5
	229.9	526.6	227.2

28. Acquisitions

The Group accounts for acquisitions in accordance with IFRS 3 Business Combinations. IFRS 3 requires the acquiree's identifiable assets, liabilities and contingent liabilities (other than non-current assets or disposal groups held for sale) to be recognised at fair value at acquisition date. In assessing fair value at acquisition date, management make their best estimate of the likely outcome where the fair value of an asset or liability may be contingent on a future event. In certain instances, the underlying transaction giving rise to an estimate may not be resolved until some years after the acquisition date. IFRS 3 requires the release to profit of any acquisition reserves which subsequently become excess in the same way as any excess costs over those provided at acquisition date are charged to profit. At each period end management assess provisions and other balances established in respect of acquisitions for their continued probability of occurrence and amend the relevant value accordingly through the consolidated income statement or as an adjustment to goodwill as appropriate under IFRS 3.

The Group acquired a number of subsidiaries in the year. Details of the purchase consideration, the assets and liabilities recognised as a result of the acquisition and the goodwill recognised has been outlined in the table below.

	Book value at acquisition £m	Fair value adjustments £m	Fair value to Group £m
Intangible assets	2.9	138.5	141.4
Right-of-use assets	2.4	—	2.4
Property, plant and equipment	0.8	—	0.8
Cash and cash equivalents	22.5	—	22.5
Trade receivables due within one year	12.6	—	12.6
Other current assets	4.9	—	4.9
Total assets	46.1	138.5	184.6
Short-term loans	(48.9)	—	(48.9)
Other current liabilities	(37.1)	—	(37.1)
Trade and other payables due after one year	(0.6)	(3.0)	(3.6)
Deferred tax liabilities	1.5	(35.0)	(33.5)
Long-term lease liabilities	(1.9)	—	(1.9)
Provisions	(0.4)	(0.2)	(0.6)
Total liabilities	(87.4)	(38.2)	(125.6)
Net assets	(41.3)	100.3	59.0
Non-controlling interests			(1.7)
Goodwill			297.8
Consideration			355.1
Consideration satisfied by:			
Cash			227.4
Payments due to vendors			127.7

Goodwill arising from acquisitions represents the value of synergies with our existing portfolio of businesses and skilled staff to deliver services to our clients. Goodwill that is expected to be deductible for tax purposes is £61.9 million.

Non-controlling interests in acquired companies are measured at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. There were no newly acquired subsidiaries with non-controlling interests that are individually material to the Group.

The contribution to revenue and operating profit of acquisitions completed in the year was not material. There were no material acquisitions completed between 31 December 2023 and the date the financial statements have been authorised for issue.

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Notes to the consolidated financial statements (continued)

28. Acquisitions (continued)

Acquisitions in 2022

The Group acquired a number of subsidiaries in the prior year. Details of the purchase consideration, the assets and liabilities recognised as a result of the acquisition and the goodwill recognised has been outlined in the table below.

	Book value at acquisition £m	Fair value adjustments £m	Fair value to Group £m
Intangible assets	1.2	46.5	47.7
Property, plant and equipment	1.3	—	1.3
Cash and cash equivalents	38.8	—	38.8
Trade receivables due within one year	27.0	—	27.0
Other current assets	13.1	1.1	14.2
Total assets	81.4	47.6	129.0
Current liabilities	(49.4)	(5.3)	(54.7)
Trade and other payables due after one year	(10.3)	(27.3)	(37.6)
Deferred tax liabilities	(0.1)	(12.4)	(12.5)
Long-term lease liabilities	(0.1)	—	(0.1)
Provisions	(0.1)	(1.2)	(1.3)
Total liabilities	(60.0)	(46.2)	(106.2)
Net assets	21.4	1.4	22.8
Non-controlling interests			(2.1)
Fair value of equity stake in associate undertakings before acquisition of controlling interest			(9.0)
Goodwill			249.3
Consideration			261.0
Consideration satisfied by:			
Cash			218.3
Payments due to vendors			42.7

Goodwill arising from acquisitions represents the value of synergies with our existing portfolio of businesses and skilled staff to deliver services to our clients. Goodwill that is expected to be deductible for tax purposes is £42.7 million.

Non-controlling interests in acquired companies are measured at the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

The contribution to revenue and operating profit of acquisitions completed in the year was not material. There were no material acquisitions completed in the year ended 2021.

29. Related party transactions

The Group enters into transactions with its associate undertakings. The Group has continuing transactions with Kantar, including sales, purchases, the provision of IT services, subleases and property-related items.

In the year ended 31 December 2023, revenue of £233.0 million (2022: £159.7 million¹) was reported in relation to Compas, an associate in the USA, and revenue of £20.9 million (2022: £42.7 million) was reported in relation to Kantar. All other transactions in the years presented were immaterial.

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Notes to the consolidated financial statements (continued)

29. Related party transactions (continued)

The following amounts were outstanding at 31 December:

	2023	2022
	£m	£m
Amounts owed by related parties		
Kantar	17.5	26.1
Other	56.0	62.4
	73.5	88.5
Amounts owed to related parties		
Kantar	(4.7)	(10.5)
Other	(70.4)	(65.2)
	(75.1)	(75.7)

There are no material provisions for doubtful debts relating to these balances and no material expense has been recognised in the income statement in relation to bad or doubtful debts for 2023 or 2022.

Notes

¹ Revenue in relation to Compas for the period ended 31 December 2022 was restated from £88.3 million to £159.7 million.

30. Reconciliation of profit before taxation to headline operating profit

Reconciliation of profit before taxation to headline operating profit:

	2023	2022	2021
	£m	£m	£m
Profit before taxation	346.3	1,159.8	950.8
Finance and investment income	(127.3)	(145.4)	(69.4)
Finance costs	389.0	359.4	283.6
Revaluation and retranslation of financial instruments	(6.8)	(76.0)	87.8
Profit before interest and taxation	601.2	1,297.8	1,252.8
(Earnings)/loss from associates - after interest and tax	(70.2)	60.4	(23.8)
Operating profit	531.0	1,358.2	1,229.0
Goodwill impairment	63.6	37.9	1.8
Amortisation and impairment of acquired intangible assets	727.9	62.1	97.8
Investment and other impairment charges/(reversals)	17.8	77.0	(42.4)
Restructuring and transformation costs	195.5	218.8	175.4
Property related restructuring costs	232.5	18.0	—
(Gains)/losses on disposal of investments and subsidiaries	(7.1)	36.3	10.6
Gains on remeasurement of equity interests arising from a change in scope of ownership	—	(66.5)	—
Litigation settlement	(11.0)	—	21.3
Headline operating profit	1,750.2	1,741.8	1,493.5

Headline operating profit is one of the metrics that management uses to assess the performance of the business. Reconciling items in the above table are components of operating profit, which are included in Note 3: Costs of services and general and administrative costs.

31. Events after the reporting period

On 20 February 2024, the Group refinanced its five-year Revolving Credit Facility of \$2.5 billion maturing March 2026. The new \$2.5 billion facility runs for five years with two one-year extension options maturing February 2029 (excluding options) and with no financial covenants.

On 12 March 2024, the Group refinanced its \$750 million of 3.75% bonds due September 2024 and €500 million of 1.375% bonds due March 2025 as planned, issuing two bonds, €600 million of 3.625% bonds due September 2029 and €650 million of 4.0% bonds due September 2033.

CREDIT AGREEMENT

DATED 20 February 2024

WPP CP LLC
WPP FINANCE CO. LIMITED
AND
WPP CP FINANCE PLC

AS BORROWERS

WPP PLC
WPP JUBILEE LIMITED
AND
WPP 2005 LIMITED

AS GUARANTORS

CITIBANK EUROPE PLC, UK BRANCH
AS FACILITY AGENT

CITIBANK, N.A.
AS SWINGLINE AGENT

CITIBANK, N.A., LONDON BRANCH, BANK OF AMERICA EUROPE DESIGNATED ACTIVITY
COMPANY,

BARCLAYS BANK PLC, BNP PARIBAS LONDON BRANCH,
COMMERZBANK AG, LONDON BRANCH,
GOLDMAN SACHS BANK USA, HSBC BANK PLC,
ING BANK N.V., LONDON BRANCH, J.P. MORGAN SECURITIES PLC,
NATIONAL WESTMINSTER BANK PLC,
SUMITOMO MITSUI BANKING CORPORATION

AND

WELLS FARGO BANK, N.A., LONDON BRANCH
AS MANDATED LEAD ARRANGERS AND BOOKRUNNERS

DANSKE BANK A/S, LONDON BRANCH,
INTESA SANPAOLO S.P.A

AND

STANDARD CHARTERED BANK (SINGAPORE) LIMITED
AS MANDATED LEAD ARRANGERS

AND

THE LENDERS REFERRED TO HEREIN

U.S.\$2,500,000,000 REVOLVING CREDIT FACILITY AGREEMENT
(INCLUDING U.S.\$1,500,000,000 SWINGLINE FACILITY)

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THIS AGREEMENT is dated 20 February 2024 and is made

BETWEEN:

- (1) **WPP PLC** of 22 Grenville Street, St Helier, Jersey JE4 8PX, incorporated under the laws of Jersey with registered number 111714 as parent and guarantor (the "**Parent**");
- (2) **WPP FINANCE CO. LIMITED** of Sea Containers House, 18 Upper Ground, London, United Kingdom, SE1 9GL, incorporated under the laws of England and Wales with registered number 3953038 as borrower ("**WPP Finance**");
- (3) **WPP CP LLC** of 1521 Concord Pike, Suite 201, Wilmington, DE 19803, USA incorporated under the laws of the State of Delaware with registered number 5463455 as borrower ("**WPP CP LLC**");
- (4) **WPP CP FINANCE PLC** of Sea Containers House, 18 Upper Ground, London, United Kingdom, SE1 9GL, incorporated under the laws of England and Wales with registered number 05785385 as borrower ("**WPP CP Finance**");
- (5) **WPP 2005 LIMITED** of Sea Containers House, 18 Upper Ground, London, United Kingdom, SE1 9GL, incorporated under the laws of England and Wales with registered number 01003653 as guarantor ("**WPP 2005**");
- (6) **WPP JUBILEE LIMITED** of Sea Containers House, 18 Upper Ground, London, United Kingdom, SE1 9GL, incorporated under the laws of England and Wales with registered number 08286875 as guarantor ("**WPP Jubilee**");
- (7) **CITIBANK EUROPE PLC, UK BRANCH** of Citigroup Centre, 16th Floor, 33 Canada Square, Canary Wharf, London, E14 5LB, England (the "**Facility Agent**");
- (8) **CITIBANK, N.A.** of 1615 Brett Road, New Castle, DE 19720, USA as swingline agent (the "**Swingline Agent**");
- (9) **CITIBANK, N.A., LONDON BRANCH, BANK OF AMERICA EUROPE DESIGNATED ACTIVITY COMPANY, BARCLAYS BANK PLC, BNP PARIBAS LONDON BRANCH, COMMERZBANK AG, LONDON BRANCH, GOLDMAN SACHS BANK USA, HSBC BANK PLC, ING BANK N.V., LONDON BRANCH, J.P. MORGAN SECURITIES PLC, NATIONAL WESTMINSTER BANK PLC, SUMITOMO MITSUI BANKING CORPORATION and WELLS FARGO BANK, N.A., LONDON BRANCH** (as "**Mandated Lead Arrangers and Bookrunners**");
- (10) **DANSKE BANK A/S, LONDON BRANCH, INTESA SANPAOLO S.P.A and STANDARD CHARTERED BANK (SINGAPORE) LIMITED** (as "**Mandated Lead Arrangers**");
- (11) **THE BANKS AND FINANCIAL INSTITUTIONS** listed in Part I and Part II of Schedule 1 (*Lenders and Commitments*) as lenders (the "**Lenders**"); and
- (12) **ING BANK N.V., LONDON BRANCH** as sustainability coordinator (the "**Sustainability Coordinator**").

IT IS AGREED AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions

In this Agreement each of the following expressions has, except where the context otherwise requires, the meaning shown opposite it.

"Acceptable Bank" means a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of A- or higher by S&P or Fitch Ratings Ltd or A3 or higher by Moody's or a comparable rating from an internationally recognised credit rating agency.

"Accession Notice" means in respect of a proposed Additional Obligor, a notice substantially in the form set out in Schedule 4 (*Form of Accession Notice*) duly completed and signed on behalf of the proposed Additional Obligor and the Obligors' Agent.

"Additional Business Day" means any day specified as such in the applicable Compounded Rate Terms.

"Additional Obligor" means an additional Borrower or an additional Guarantor, pursuant, in each case, to Clause 3.7 (*Accession of Additional Obligors*).

"Advance" means a Revolving Facility Advance or a Swingline Advance.

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

"Agent's Spot Rate of Exchange" means the spot rate of exchange determined by the Facility Agent for the purchase with one currency of any other relevant currency in the London foreign exchange market at or about 11.00 a.m. on the date of the relevant Request for delivery two Business Days later, the Facility Agent's certificate of such rate being conclusive in the absence of manifest error.

"Agent" means the Facility Agent or the Swingline Agent and the term **"Agents"** shall mean both of them.

"Alternative Currency" means:

- (a) euro;
- (b) sterling;
- (c) Japanese Yen;
- (d) Swiss francs; and
- (e) any other currency (other than U.S. Dollars) approved by all the Lenders,

provided that in the case of (c), (d) and (e), such currency is freely transferable and immediately convertible into U.S. Dollars and available in the wholesale market for that currency on the Business Day before the proposed Drawing Date and the Drawing Date for

that Utilisation (and, in the case of (e), the Facility Agent (acting on the instructions of the Majority Lenders) and the Obligors' Agent have agreed Compounded Rate Terms (or other appropriate terms in respect of an interest rate benchmark) in respect of Advances in the relevant currency).

"Anti-Corruption Laws" means the Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 or other similar legislation in other jurisdictions.

"Anti-Terrorism Law and Sanctions Law" means each of:

- (a) Executive Order No. 13224 of September 23, 2001 - Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism (the **"Executive Order"**);
- (b) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56 (commonly known as the **"USA Patriot Act"**);
- (c) the Money Laundering Control Act of 1986, Public Law 99-570;
- (d) any sanctions administered or enforced by the United States Government (including, without limitation, the U.S. Department of the Treasury's Office of Foreign Assets Control), the United Nations Security Council, the European Union or His Majesty's Treasury (collectively, **"Sanctions"**); and
- (e) any similar law in the United States of America, the European Union or the United Kingdom.

"Applicable Accounting Principles" means accounting principles and practices as used in the Original Financial Statements with, for the avoidance of doubt, the classification of finance leases and operating leases and the treatment of income and expenditure in connection thereto being as per the accounting principles and practices in force as at the date of the Original Financial Statements.

"Article 55 BRRD" means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

"Availability Period" means the period commencing on the date of this Agreement and ending at the close of business in New York on the Final Drawing Date.

"Available Commitment" means, in relation to a Facility, a Lender's Commitment under that Facility minus:

- (a) the Dollar Amount of its participation in any outstanding Advances under that Facility; and
- (b) in relation to any proposed Utilisation, the Dollar Amount of its participation in any Advances that are due to be made under that Facility on or before the proposed Drawing Date,

other than that Lender's participation in any Advance under that Facility that is due to be repaid or prepaid on or before the proposed Drawing Date.

"Back to Back Loan" means any loan or other financial accommodation made available to a member of the Group to the extent that the creditor has recourse directly or indirectly to a deposit of cash or cash equivalent investments beneficially owned by any member of the Group placed, as part of a related transaction, with that creditor (or an affiliate of that creditor) or a financial institution approved by that creditor on the basis that the deposit be available, directly or indirectly, so as to reduce the economic exposure of the creditor to the Group, when looking at the related transactions together, to a net amount.

"Bail-In Action" means the exercise of any Write-down and Conversion Powers.

"Bail-In Legislation" means:

- (a) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time; and
- (b) in relation to the United Kingdom, the UK Bail-in Legislation.

"Basel III" has the meaning given to such term in paragraph (b) of sub-clause 15.2.2 of Clause 15.2 (*Increased Costs*).

"Borrower" means WPP CP LLC, WPP Finance, WPP CP Finance and any additional Borrower as shall accede to this Agreement as a Borrower pursuant to Clause 3.7 (*Accession of Additional Obligors*) or be substituted under Clause 3.9 (*Substitution of Borrowers*), in each case so long as they remain or are required to remain Borrowers and, as the context requires, together the **"Borrowers"**.

"Borrower DTTP Filing" means an HM Revenue & Customs' Form DTTP2 or DTTP2A duly completed and filed by the relevant Borrower, which:

- (a) where it relates to a UK Treaty Lender that is a Lender at the date of this Agreement, contains the scheme reference number and jurisdiction of tax residence stated opposite that Lender's name in Part I of Schedule 1 (*Lenders and Commitments*), and
 - (i) where the Borrower is a Borrower at the date of this Agreement, is filed with HM Revenue & Customs within 30 days of the date of the date of this Agreement; or
 - (ii) where the Borrower became a Borrower after the date of this Agreement, is filed with HM Revenue & Customs within 30 days of the date on which that Borrower became a Borrower; or
- (b) where it relates to a UK Treaty Lender that is a New Lender or Increase Lender, contains the scheme reference number and jurisdiction of tax residence stated in respect of that Lender in the relevant Transfer Certificate or Increase Confirmation, and
 - (i) where the Borrower is a Borrower as at the relevant Transfer Date or Increase Date, is filed with HM Revenue & Customs within 30 days of that Transfer Date or Increase Date; or

- (ii) where the Borrower became a Borrower after the relevant Transfer Date or Increase Date, is filed with HM Revenue & Customs within 30 days of the date on which that Borrower became a Borrower.

"Break Costs" means the amount (if any) by which:

- (a) the interest (exclusive of Margin) which a Lender should have received for the period from the date of receipt of all or any part of its participation in a Term Rate Advance or a related Unpaid Sum to the last day of the current Interest Period in respect of that Term Rate Advance or related Unpaid Sum, had the principal amount or relevant Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

- (b) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or relevant Unpaid Sum received by it on deposit with a leading bank in the Relevant Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open in London for the transaction of business of the nature required by this Agreement and:

- (a) in relation to a day on which a payment is to be made in a currency other than euros in the place of the principal domestic market of the currency of such payment;
- (b) which is (in relation to any fixing date for euros), a TARGET Day; and
- (c) in relation to:
 - (i) any date for payment or purchase of an amount relating to a Compounded Rate Advance; or
 - (ii) the determination of the first day or the last day of an Interest Period for a Compounded Rate Advance, or otherwise in relation to the determination of the length of such an Interest Period,

which is an Additional Business Day relating to that Compounded Rate Advance or Unpaid Sum.

"Calculation Methodology" means, in relation to a KPI, the calculation methodology applicable to that KPI as set out in a Sustainability Supplement.

"Central Bank Rate" has the meaning given to that term in the applicable Compounded Rate Terms.

"Central Bank Rate Adjustment" has the meaning given to that term in the applicable Compounded Rate Terms.

"Code" means the City Code on Takeovers and Mergers.

"Commitment" means a Revolving Facility Commitment or a Swingline Commitment.

"Compounded Rate Advance" means any Revolving Facility Advance or, if applicable, Unpaid Sum, which is not a Term Rate Advance.

"Compounded Rate Currency" means U.S. Dollars or any Alternative Currency and, subject to it becoming a Compounded Rate Currency pursuant to Clause 9 (Rate Switch), euro.

"Compounded Rate Interest Payment" means the aggregate amount of interest that:

- (a) is, or is scheduled to become, payable under any Financing Document; and
- (b) relates to a Compounded Rate Advance.

"Compounded Rate Supplement" means, in relation to any Compounded Rate Currency, a document which:

- (a) is agreed in writing by the Obligors' Agent, the Facility Agent (in its own capacity) and the Facility Agent (acting on the instructions of the Majority Lenders);
- (b) specifies for that Compounded Rate Currency the relevant terms which are expressed in this Agreement to be determined by reference to Compounded Rate Terms; and
- (c) has been made available to the Obligors' Agent and each Finance Party.

"Compounded Rate Terms" means in relation to:

- (a) a Compounded Rate Currency;
- (b) a Compounded Rate Advance or related Unpaid Sum in a Compounded Rate Currency;
- (c) an Interest Period for a Compounded Rate Advance or Unpaid Sum in a Compounded Rate Currency (or other period for the accrual of commission or fees in a Compounded Rate Currency); or
- (d) any term of this Agreement relating to the determination of a rate of interest in relation to a Compounded Rate Advance or Unpaid Sum in a Compounded Rate Currency,

the terms set out for that currency in Schedule 10 (*Compounded Rate Terms*) or in any Compounded Rate Supplement.

"Compounded Reference Rate" means, in relation to any RFR Banking Day during the Interest Period of a Compounded Rate Advance, the percentage rate per annum which is the aggregate of:

- (a) the Daily Non-Cumulative Compounded RFR Rate for that RFR Banking Day; and
- (b) the applicable Credit Adjustment Spread.

"Compounding Methodology Supplement" means, in relation to the Daily Non-Cumulative Compounded RFR Rate, a document which:

- (a) is agreed in writing by the Obligors' Agent, the Facility Agent (in its own capacity) and the Facility Agent (acting on the instructions of the Majority Lenders);
- (b) specifies a calculation methodology for that rate; and

(c) has been made available to the Obligors' Agent and each Finance Party.

"Confidential Information" means all information relating to the Parent, any Obligor, the Group, the Financing Documents or a Facility of which a Finance Party becomes aware in its capacity as, or for the purpose of becoming, a Finance Party or which is received by a Finance Party in relation to, or for the purpose of becoming a Finance Party under, the Financing Documents or a Facility from either:

- (a) any member of the Group or any of its advisers; or
- (b) another Finance Party, if the information was obtained by that Finance Party directly or indirectly from any member of the Group or any of its advisers,

in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes:

- (i) information that:
 - (A) is or becomes public information other than as a direct or indirect result of any breach by that Finance Party of Clause 25 (*Confidentiality*); or
 - (B) is identified in writing at the time of delivery as non-confidential by any member of the Group or any of its advisers; or
 - (C) is known by that Finance Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by that Finance Party after that date, from a source which is, as far as that Finance Party is aware, unconnected with the Group and which, in either case, as far as that Finance Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; and
- (ii) any Funding Rate.

"Confidentiality Undertaking" means a confidentiality undertaking substantially in the form recommended by the Loan Market Association from time to time or in any other form agreed between the Parent and the Facility Agent.

"Credit Adjustment Spread" means, in respect of any Compounded Rate Advance, any rate which is either:

- (a) specified as such in the applicable Compounded Rate Terms;
- (b) determined by the Facility Agent (or by any other Finance Party which agrees to determine that rate in place of the Facility Agent) in accordance with the methodology specified in the applicable Compounded Rate Terms; or
- (c) otherwise agreed between the Facility Agent (acting on the instructions of all of the Lenders) and the Obligors' Agent.

"Credit Rating" means the rating by each of S&P and Moody's for the long-term unsecured and non-credit enhanced debt obligations of the Parent.

"CTA" means the Corporation Tax Act 2009.

"CTA 2010" means the Corporation Tax Act 2010.

"**Daily Non-Cumulative Compounded RFR Rate**" means, in relation to any RFR Banking Day during an Interest Period for a Compounded Rate Advance, the percentage rate per annum determined by the Facility Agent (or by any other Finance Party which agrees to determine that rate in place of the Facility Agent) in accordance with the methodology set out in Schedule 11 (*Daily Non-Cumulative Compounded RFR Rate*) or in any relevant Compounding Methodology Supplement.

"**Daily Rate**" means the rate specified as such in the applicable Compounded Rate Terms.

"**Declassification Date**" means the date on which the Facility Agent (acting on the instructions of the Majority Lenders) exercises its right to declassify the Revolving Facility as "sustainability-linked" in accordance with paragraph 14.7.1 (Declassification Event).

"**Declassification Event**" means:

- (a) a failure by the Parties to agree the amendments referred to in sub-clause 27.5.2 (Sustainability Amendments) (in accordance with the terms of Clause 27.5 (Sustainability Amendments)) within 40 Business Days following notification by the Parent to the Facility Agent of the occurrence of a Sustainability Amendment Event in accordance with Clause 27.5.1 (Sustainability Amendments); or
- (b) a failure by the Parent to deliver a Sustainability Certificate in accordance with Clause 14.5 (Compliance certificates) for two consecutive Sustainability Performance Periods.

"**Defaulting Lender**" means any Lender:

- (a) which has failed to make its participation in an Advance available or has notified the Facility Agent or the Swingline Agent (as appropriate) that it will not make its participation in an Advance available by the Drawing Date of that Advance in accordance with Clause 3.1 (*Participation in Revolving Facility Advances*) or sub-clause 6.4.1 of Clause 6.4 (*Swingline Lenders' participation*);
- (b) which has otherwise rescinded or repudiated a Financing Document; or
- (c) with respect to which an Insolvency Event has occurred and is continuing,

unless, in the case of paragraph (a) above:

- (i) its failure to pay is caused by:
 - (A) administrative or technical error; or
 - (B) a Disruption Event; andpayment is made within five Business Days of its due date; or
- (ii) the Lender is disputing in good faith whether it is contractually obliged to make the payment in question.

"Disruption Event" means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facilities (or otherwise in order for the transactions contemplated by the Financing Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other Party:
 - (i) from performing its payment obligations under the Financing Documents; or
 - (ii) from communicating with other Parties in accordance with the terms of the Financing Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

"Dollar Amount" means:

- (a) in relation to any Advance or other amount denominated in U.S. Dollars, its principal amount; or
- (b) in relation to any Advance in an Alternative Currency, the Dollar Equivalent of the principal amount of such Advance determined on the date on which a Request is received by the Facility Agent.

"Dollar Equivalent" means in relation to any amount denominated in any currency other than U.S. Dollars, the equivalent thereof in U.S. Dollars as determined by the Facility Agent on the basis of the Agent's Spot Rate of Exchange on the date of determination.

"Drawing Date" means a Business Day upon which any Advance is to be made available.

"Dutch FSA" means the Financial Supervision Act (*Wet op het financieel toezicht*) including any regulations issued pursuant thereto.

"Dutch Undisclosed Administration" means, in relation to a Lender, the appointment of a "silent administrator" (*stille bewindvoerder*) pursuant to the Dutch FSA.

"Earn-out Payment" means any payment made or to be made to a former shareholder in a Subsidiary pursuant to arrangements made in connection with the acquisition of such Subsidiary by any member of the Group and related to the performance of that Subsidiary, including any payment in respect of loan notes issued to such former shareholder in connection with the said acquisition but excluding payments under Employee Incentive Plans.

"EEA Member Country" means any member state of the European Union, Iceland, Liechtenstein and Norway.

"Eligible Company" means any of the Borrowers and any other wholly owned Subsidiary which is approved by the Facility Agent (acting on the instructions of the all the Lenders).

"Employee Incentive Plan" means any arrangement entered into by any member of the Group (other than Earn-out Payments) for the payment for services, acquisition or purchase of shares, warrants or other equity linked instruments of any kind (or options for any of the foregoing) or similar arrangements with any person (or any entity on behalf of or ultimately for the benefit of that person) primarily for the purpose of incentivising or compensating that person for services to any member of the Group in the nature of services of employment.

"ERISA" means the US Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means, with respect to any Obligor, any person treated as a single employer with any Obligor for the purpose of section 414(b), (c), (m) or (o) of the United States Internal Revenue Code of 1986, as amended or treated as under common control with an Obligor under Section 4001(a)(14) of ERISA.

"EU Bail-In Legislation Schedule" means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

"EURIBOR" means, in relation to any Term Rate Advance in euro:

- (a) the applicable Screen Rate as of 11.00 a.m. (Brussels time) on the Rate Fixing Day for euro and for a period equal in length to the Interest Period of that Term Rate Advance; or
- (b) as otherwise determined pursuant to Clause 15.5 (Unavailability of Screen Rate for Term Rate Advances or no RFR for Compounded Rate Advances denominated in Japanese Yen),

and if, in either case, that rate is less than zero, EURIBOR shall be deemed to be zero.

"euro" and **"EUR"** mean the single currency unit of the Participating Member States.

"Event of Default" means any of the events mentioned in Clause 17.1 (*Events of Default*).

"Existing Facilities" means the facilities made available pursuant to the Existing Facilities Agreement.

"Existing Facilities Agreement" means the U.S. \$2,500,000,000 revolving credit facility agreement originally dated 15 March 2019 between, amongst others, WPP PLC as parent and guarantor and Citibank Europe plc, UK Branch as facility agent (as amended, restated, supplemented and/or otherwise varied from time to time, including pursuant to a supplemental agreement dated 12 November 2021).

"External Reviewer" means any independent and internationally recognised party appointed from time to time by the Parent for the purposes of auditing and/or verifying the Group's performance against each KPI as set out in a Sustainability Supplement and/or any Sustainability Certificate, provided that such party is:

- (a) a professional services firm, environmental consultancy firm or ratings agency which is regularly engaged in the application and monitoring of ESG standards and ESG calculation methodologies; and
- (b) not an Affiliate of the Parent.

"Facility" means the Revolving Facility or the Swingline Facility (as a sub-limit of the Revolving Facility).

"Facility Agent" means Citibank Europe plc, UK Branch or any successor as facility agent of the Lenders under the Financing Documents.

"Facility Office" means the office or offices notified by a Lender to the Facility Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than five Business Days' written notice) as the office or offices through which it will perform its obligations under this Agreement.

"FATCA" means:

- (a) sections 1471 to 1474 of the Revenue Code or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"FATCA Application Date" means:

- (a) in relation to a "withholdable payment" described in section 1473(1)(A)(i) of the Revenue Code (which relates to payments of interest and certain other payments from sources within the U.S.), 1 July 2014; or
- (b) in relation to a "passthru payment" described in section 1471(d)(7) of the Revenue Code not falling within paragraph (a) above, the first date from which such payment may become subject to a deduction or withholding required by FATCA.

"FATCA Deduction" means a deduction or withholding from a payment under a Financing Document required by FATCA.

"FATCA Exempt Party" means a Party that is entitled to receive payments free from any FATCA Deduction.

"Fee Letter" means any letters between, amongst others, the Facility Agent and/or Swingline Agent and/or a Lender and an Obligor setting out any of the fees referred to in Clause 22 (*Fees and Expenses*) or under any other Financing Document.

"Final Drawing Date" means the date falling seven days prior to the Final Maturity Date.

"Final Maturity Date" means, subject to Clause 2.5 (Extension of the Final Maturity Date), the date falling on the fifth anniversary of the date of this Agreement.

"Financing Documents" means this Agreement, the Accession Notices, any Novation Agreement, any Increase Confirmation, any Fee Letters, any Resignation Letter, any Compounded Rate Supplement, any Compounding Methodology Supplement, any

Sustainability Supplement and any other document designated as such by the Facility Agent and the Obligors' Agent in writing.

"Finance Party" means the Facility Agent, the Swingline Agent or a Lender.

"Funding Rate" means any individual rate notified by a Lender to the Facility Agent pursuant to sub-clause 15.6.1(ii) of Clause 15.6 (*Cost of funds*).

"Group" means the Parent and each of its Subsidiaries from time to time.

"Group Structure Chart" means the abbreviated Group structure chart which sets out the Obligor structure as delivered by the Parent to the Facility Agent pursuant to Clause 4.1 (Conditions to the Facilities).

"Guaranteed Amounts" means any and all amounts whatsoever (including, without limitation, interest accruing in the period after the date on which the resolution is passed or, as the case may be, petition, application or notice is filed initiating a proceeding referred to in sub-clauses 17.1.6 or 17.1.9 of Clause 17.1 (*Events of Default*), whether or not such interest constitutes a claim which is provable for the purposes of such proceeding) which are to be paid by the Obligors (or any of them) to the Finance Parties (or any of them) under the Financing Documents (**provided always that** any amounts to be paid by a Borrower shall not constitute Guaranteed Amounts for the purpose of the guarantee given by that company in its capacity as a Guarantor).

"Guarantor" means the Parent, WPP 2005, WPP Jubilee and any other member of the Group which becomes an additional Guarantor in accordance with Clause 3.7 (*Accession of Additional Obligors*) or Clause 14.18 (*Guarantees*).

"Historic RFR" means, in relation to a currency and an RFR Banking Day for that currency, the most recent RFR for a day which is no more than five RFR Banking Days before that RFR Banking Day.

"Holding Company" means in relation to a person, an entity of which that person is a Subsidiary.

"IFRS" means UK adopted international accounting standards within the meaning of section 474(1) of the Companies Act 2006 to the extent applicable to the relevant financial statements.

"Impaired Agent" means an Agent at any time when:

- (a) it has failed to make (or has notified a Party that it will not make) a payment required to be made by it under the Financing Documents by the due date for payment;
- (b) the Agent otherwise rescinds or repudiates a Financing Document;
- (c) (if the Agent is also a Lender) it is a Defaulting Lender under paragraph (a) or (b) of the definition of "Defaulting Lender"; or
- (d) an Insolvency Event has occurred and is continuing with respect to the Agent;

unless, in the case of paragraph (a) above:

- (i) its failure to pay is caused by:
 - (A) administrative or technical error; or
 - (B) a Disruption Event; andpayment is made within five Business Days of its due date; or
- (ii) the Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

"Increase Confirmation" means a confirmation substantially in the form set out in Schedule 8 (*Form of Increase Confirmation*).

"Increase Date" means the later of:

- (a) the date specified as such in the relevant Increase Confirmation; and
- (b) the date on which the Facility Agent executes such Increase Confirmation.

"Increase Lender" has the meaning given to that term in sub-paragraph (i) of sub-clause 2.2.1 of Clause 2.2 (*Increase*).

"Insolvency Event" in relation to an entity means that the entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (c) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (d) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets, in each case other than by way of a Dutch Undisclosed Administration;
- (e) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;
- (f) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (e) above; or
- (g) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

"Interest Payment Date" means for any Advance, the last day of an Interest Period and for any Interest Period longer than six months the dates falling at six monthly intervals after the first day of such Interest Period and the last day of such Interest Period.

"Interest Period" means for any Advance, the period determined in accordance with sub-clause 5.1.5 of Clause 5.1 (*Revolving Facility Advances*) or paragraph (f) of sub-clause 6.3.1 of Clause 6.3 (*Completion of a Request for Swingline Advances*).

"Interpolated Screen Rate" means, in relation to any Term Rate Advance the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

- (a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Term Rate Advance; and
- (b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Term Rate Advance,

each as at 11.30 a.m. (Brussels time) on the Rate Fixing Day for the currency of that Term Rate Advance.

"ITA" means the Income Tax Act 2007.

"Japanese Yen" and **"JPY"** denote the lawful currency of Japan.

"KPI" means each key performance indicator to be agreed between the Facility Agent (acting on the instructions of all the Lenders) and the Obligors' Agent within 12 Months from the date of this Agreement (or such later date as may be agreed by the Facility Agent (acting on the instructions of the Majority Lenders)) in a separate Sustainability Supplement.

"Lenders" means the Revolving Facility Lenders and the Swingline Lenders.

"Loan" means the aggregate of Advances outstanding under this Agreement.

"Lookback Period" means the number of days specified as such in the applicable Compounded Rate Terms.

"Majority Lenders" means:

- (a) whilst an Event of Default is continuing:
 - (i) if Advances are outstanding, a Lender or Lenders whose participations in the Advances then outstanding aggregate more than $66\frac{2}{3}$ per cent. of all the Advances then outstanding (where, for the purpose of such calculation, any Advances which have not been made in U.S. Dollars shall be converted into U.S. Dollars at the Agent's Spot Rate of Exchange); or
 - (ii) if no Advances are outstanding, a Lender or Lenders whose Revolving Facility Commitments represent more than $66\frac{2}{3}$ per cent. in aggregate of the Revolving Facility Total Commitments (or if the Revolving Facility Total Commitments have been reduced to zero, aggregated more than $66\frac{2}{3}$ per cent. of the Revolving Facility Total Commitments immediately prior to the reduction); or

- (b) at any other time, a Lender or Lenders whose Revolving Facility Commitments represent more than $66\frac{2}{3}$ per cent. in aggregate of the Revolving Facility Total Commitments (or, if the Revolving Facility Total Commitments have been reduced to zero, aggregated more than $66\frac{2}{3}$ per cent. of the Revolving Facility Total Commitments immediately prior to the reduction).

"Majority Swingline Lenders" means a Swingline Lender or Swingline Lenders whose Swingline Commitments represent more than $66\frac{2}{3}$ per cent. in aggregate of the Total Swingline Commitments (or, if the Total Swingline Commitments have been reduced to zero, aggregated more than $66\frac{2}{3}$ per cent. of the Total Swingline Commitments immediately prior to the reduction).

"Margin" has the meaning given thereto in Clause 10.1 (*Margin, Commitment and Utilisation Fees*).

"Margin Stock" means margin stock or **"margin security"** within the meaning of Regulations T, U and X.

"Material Subsidiary" means at any time, a Subsidiary whose revenues or operating profits are at least 5% of the aggregate of the total consolidated revenues or, as the case may be, total consolidated operating profits of all members of the Group. For this purpose:

- (a) in the case of a company which itself has subsidiaries, the calculation shall be made by using the consolidated revenues or, as the case may be, consolidated operating profits of it and its subsidiaries;
- (b) the calculation of consolidated revenues or, as the case may be, consolidated operating profits shall be made by reference to:
- (i) the accounts of the relevant Subsidiary (consolidated where necessary) used for the purpose of the most recent audited consolidated accounts of the Parent; and
 - (ii) the accounts of each member of the Group used for the purpose of those audited consolidated accounts of the Parent.

"Moody's" means Moody's Investors Service, Inc.

"Notice of Proposed Substitution" means in respect of a proposed substitute Borrower, the notice delivered by the Obligors' Agent to the Facility Agent in the form set out in Schedule 5 (*Notice of Proposed Substitution*).

"Novation Agreement" means in respect of a proposed substitute Borrower, a novation agreement substantially in the form set out in Schedule 6 (*Form of Novation Agreement*) duly executed or to be executed by the parties thereto.

"Obligors" means the Guarantors and the Borrowers.

"Obligors' Agent" means the Parent as agent for the Borrowers and the Guarantors and each of them in accordance with Clause 3.5 (*Obligors' Agent*).

"Original Financial Statements" means the audited consolidated financial statements (including the profit and loss, cash flow statement and balance sheet) of the Parent and its Subsidiaries for the year ended 31 December 2022.

"Outstandings" means, in respect of a Lender, the aggregate Dollar Amount of that Lender's participation in all Advances for the time being outstanding.

"Participating Member State" means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"Party" means a party to this Agreement.

"Potential Event of Default" means any event which with the giving of notice, expiry of any grace period or satisfaction of any other condition specified in Clause 17.1 (*Events of Default*) would constitute an Event of Default.

"Protected Party" means a Finance Party which is or will be subject to any liability, or required to make any payment, for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Financing Document.

"Rate Fixing Day" means, in respect of a Term Rate Advance in euros only, the second TARGET Day before the first day of an Interest Period for that Advance, (unless market practice differs in the Relevant Market for euro, in which case the Rate Fixing Day will be determined by the Facility Agent in accordance with market practice in the Relevant Market (and if quotations would normally be given on more than one day, the Rate Fixing Day will be the last of those days)).

"Regulations T, U and X" means, respectively, Regulations T, U and X of the Board of Governors of the Federal Reserve System of the United States (or any successor).

"Related Fund", in relation to a fund (the **"first fund"**), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

"Relevant Market" means:

- (a) subject to paragraph (b) below, in relation to euro (prior to it becoming a Compounded Rate Currency pursuant to Clause 9 (Rate Switch)), the European interbank market and, in relation to any other currency, the London interbank market; and
- (b) in relation to a Compounded Rate Currency, the market specified as such in the applicable Compounded Rate Terms.

"Reporting Time" means the relevant time (if any) specified as such in the applicable Compounded Rate Terms.

"Representative" means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

"Request" means a notice of drawing substantially in the form set out in Part I or Part II of Schedule 2 (*Requests*) duly completed and signed by the Obligors' Agent (in respect of any such notice for a Revolving Facility Advance) or the relevant Borrower (in respect of any such notice for a Swingline Advance).

"Resignation Letter" means a letter substantially in the form set out in Schedule 9 (*Form of Resignation Letter*).

"Resolution Authority" means any body which has authority to exercise any Write-down and Conversion Powers.

"Restricted Party" means any person or entity:

- (a) listed in (i) the "Specially Designated Nationals and Blocked Persons" list maintained by the U.S. Department of the Treasury, Office of Foreign Assets Control, (ii) any list of sanctioned persons or export restricted persons maintained by the U.S. Departments of Commerce or State, or (iii) any Sanctions list maintained by the United Nations Security Council, the European Union or the United Kingdom, including any asset freeze list or investment ban list designating specific persons, entities or bodies under any such Sanctions (collectively, "**Listed Persons**"); or
- (b) owned or controlled by a Listed Person.

"Revenue Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time.

"Revolving Facility" means the revolving loan facility (including a swingline facility as a sub-limit) made available under this Agreement as described in Clause 2.1 (*The Facilities*).

"Revolving Facility Advance" means any amount made or to be made available to a Borrower hereunder in respect of the Revolving Facility by way of advance or roll-over or (as the context requires) the principal amount thereof for the time being outstanding.

"Revolving Facility Commitment" means:

- (a) in relation to a Lender as at the date of this Agreement, the amount in U.S. Dollars opposite its name under the heading "Commitment (in U.S. Dollars)" in Part I of Schedule 1 (*Lenders and Commitments*) and the amount of any other Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*); and
- (b) in relation to any other Lender, the amount in U.S. Dollars of any Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

"Revolving Facility Lender" means:

- (a) each of the banks and financial institutions listed in Part I of Schedule 1 (*Lenders and Commitments*) as having a Revolving Facility Commitment; or

- (b) any other bank, financial institution, trust, fund or other entity that assumes or acquires a Revolving Facility Commitment in accordance with Clause 2.2 (*Increase*) or Clause 24.2 (*Assignments and transfers by the Lenders*),

which in each case has not ceased to be a Party as such in accordance with the terms of this Agreement.

"Revolving Facility Total Commitments" means the aggregate amount of the Revolving Facility Commitments being \$2,500,000,000 at the date of this Agreement (which includes the Total Swingline Commitments as a sub-limit of the Revolving Facility Commitments).

"RFR" means the rate specified as such in the applicable Compounded Rate Terms.

"RFR Banking Day" means any day specified as such in the applicable Compounded Rate Terms.

"Sanctions" has the meaning given thereto in the definition of "Anti-Terrorism Law and Sanctions Law" in this Clause 1.1 (*Definitions*).

"S&P" means S&P Global Ratings, a division of S&P Global Inc..

"Screen Rate" means, in relation to EURIBOR, the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period published by the European Money Markets Institute (or any other person which takes over the publication of that rate) without taking account of any correction, recalculation or republication of the originally published rate.

"Security Interest" means any mortgage, charge, pledge, lien or other security interest.

"Sharing Lender" has the meaning given thereto in sub-clause 23.2.7 of Clause 23.2 (*Pro rata Sharing*).

"Shortfall" has the meaning given thereto in sub-clause 7.3.4 of Clause 7.3 (*Repayment*).

"SLLP" means the Sustainability-Linked Loan Principles published by the Loan Market Association from time to time.

"SPT" means, in relation to each KPI and each Sustainability Performance Period, each sustainability performance target to be agreed between the Facility Agent (acting on the instructions of all the Lenders) and the Obligors' Agent within 12 Months from the date of this Agreement (or such later date as may be agreed by the Facility Agent (acting on the instructions of the Majority Lenders)) in a separate Sustainability Supplement.

"sterling", "pounds" and "£" mean the lawful currency of the United Kingdom of Great Britain and Northern Ireland.

"Subsidiary" means a subsidiary for the time being of the Parent and **"Subsidiaries"** shall refer to all such subsidiaries.

"Sustainability Amendment Event" means:

- (a) the:

- (i) sale, lease, transfer or other disposal of an asset;
 - (ii) acquisition of a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them);
 - (iii) entry into of any amalgamation, demerger, merger, consolidation or corporate restructuring; or
 - (iv) introduction of any changes to the calculation methodology applicable to a KPI, by a member of the Group which, in each case, could reasonably be expected to materially affect any KPI and/or any SPT;
- (b) the introduction of or a change in a law or regulation which means that any KPI or SPT is no longer relevant and/or appropriate or that it can no longer be calculated;
 - (c) the exercise by the Parent of any option to extend the Final Maturity Date pursuant to Clause 2.5 (Extension of the Final Maturity Date), to the extent that the exercise of such Extension Option would result in the Final Maturity Date falling after the last day of the last Sustainability Performance Period for which applicable SPTs have been agreed; or
 - (d) the Parent notifying the Facility Agent that it has ceased (or intends to cease) to target any KPI or publish the values or scores associated with the Group's performance against any such KPI.

"Sustainability Breach" means:

- (a) an Obligor does not comply with any Sustainability Provision, provided that no Sustainability Breach will occur under this paragraph (a) if the failure to comply is capable of remedy and is remedied within 30 days of the earlier of (i) the Facility Agent giving notice to the Parent or relevant Obligor and (ii) the Parent or an Obligor becoming aware of the failure to comply; or
- (b) the representation made by an Obligor pursuant to sub-clause 13.1.7(c) is or proves to have been incorrect or misleading when made or deemed to be made and, if the non-compliance or circumstances giving rise to the misrepresentation are capable of remedy, it is not remedied within 30 days of the earlier of (i) the Facility Agent giving notice to the Parent or relevant Obligor and (ii) the Parent or an Obligor becoming aware of the misrepresentation.

"Sustainability Certificate" means a certificate in the form set out in Schedule 12 (Form of Sustainability Compliance Certificate).

"Sustainability Certificate Inaccuracy" has the meaning given to it in sub-clause 14.5.5 (Compliance certificates).

"Sustainability Information" means all information (including sustainability performance projections and forecasts) which has been:

- (a) provided by or on behalf of a member of the Group to a Finance Party and/or to the Sustainability Coordinator; or

(b) approved by any member of the Group,

solely in connection with, and to the extent it relates to, any Sustainability Certificate, a KPI, a SPT, any associated Calculation Methodologies or any associated verification reports.

"Sustainability Margin Adjustment" has the meaning given to that term in sub-clause 10.5.3 (Sustainability Margin Adjustment).

"Sustainability Performance Period" means each financial year of the Parent commencing with the financial year ending 31 December 2025 (in each case, unless otherwise agreed between the Facility Agent (acting on the instructions of all the Lenders) and the Obligors' Agent in a Sustainability Supplement).

"Sustainability Provision" means each of paragraph (c) of sub-clause 13.1.7 (No misleading information); sub-clause 14.5.2 to sub-clause 14.5.6 (Compliance certificates), Clause 14.6 (Sustainability Information) (inclusive) and sub-clause 27.5 (Sustainability Amendments).

"Sustainability Report" has the meaning given to that term in sub-clause 14.5.2(b)(i) (Compliance certificates).

"Sustainability Reporting Date" means the date in each year by which the audited consolidated accounts of the Group for the Parent's most recent financial year should be delivered to the Facility Agent in accordance with sub-clause 14.2.1 (Information) .

"Sustainability Supplement" means a supplement substantially in the form set out in Schedule 13 (Form of Sustainability Supplement).

"Swingline Advance" means an advance made or to be made under the Swingline Facility or the principal amount outstanding for the time being of that advance.

"Swingline Commitment" means:

- (a) in relation to a Swingline Lender as at the date of this Agreement, the amount in U.S. Dollars set opposite its name under the heading "Swingline Commitment" in Part II of Schedule 1 (*Lenders and Commitments*) and the amount of any other Swingline Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*); and
- (b) in relation to any other Swingline Lender, the amount of any Swingline Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

"Swingline Facility" means the dollar swingline advance facility made available under this Agreement as a sub-limit of the Revolving Facility as described in Clause 7 (*Swingline Advances*).

"Swingline Lender" means:

- (a) each of the banks and financial institutions listed in Part II of Schedule 1 (*Lenders and Commitments*) as a swingline lender; or

- (b) any other bank, financial institution, trust, fund or other entity that becomes a "Lender" in respect of a Swingline Commitment or participation in an Advance under the Swingline Facility after the date of this Agreement in accordance with Clause 2.2 (*Increase*) or Clause 24.2 (*Assignments and transfers by the Lenders*),

which in each case has not ceased to be a Party as such in accordance with the terms of this Agreement.

"**Swiss francs**" and "**CHF**" denote the lawful currency of Switzerland.

"**T2**" means the real time gross settlement system operated by the Eurosystem, or any successor system.

"**TARGET Day**" means any day on which T2 is open for the settlement of payments in euro.

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"**Tax Confirmation**" means a confirmation by a Lender that the person beneficially entitled to interest payable to that Lender in respect of an Advance under a Financing Document is either:

- (a) a company resident in the United Kingdom for United Kingdom tax purposes;
- (b) a partnership each member of which is:
 - (i) a company so resident in the United Kingdom; or
 - (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or
- (c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company.

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under a Financing Document, other than a FATCA Deduction.

"**Term Rate Advance**" means any Revolving Facility Advance or, if applicable, Unpaid Sum, denominated in euro to the extent that it has not, or has not become, either:

- (a) a "Compounded Rate Advance" for its then current Interest Period pursuant to Clause 15.5 (Unavailability of Screen Rate for Term Rate Advances or no RFR for Compounded Rate Advances denominated in Japanese Yen); or
- (b) "a Compounded Rate Advance" pursuant to Clause 9 (Rate Switch).

"Total Outstandings" means the aggregate amount from time to time of the Outstandings in respect of all the Lenders.

"Total Swingline Commitments" means the aggregate amount of the Swingline Commitments, being \$1,500,000,000 at the date of this Agreement.

"Transfer Certificate" means a certificate substantially in the form of Schedule 7 (*Form of Transfer Certificate*) delivered by a Lender to the Facility Agent pursuant to Clause 24.6 (*Procedure for transfer*).

"Transfer Date" means, in relation to a transfer, the later of:

- (a) the proposed Transfer Date specified in the Transfer Certificate; and
- (b) the date on which the Facility Agent executes the Transfer Certificate, and,

in relation to an assignment, the date on which such assignment takes effect.

"UK Bail-In Legislation" means Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

"UK Non-Bank Lender" means where a Lender becomes a Party after the date of this Agreement, a Lender which gives a Tax Confirmation in the Transfer Certificate or Increase Confirmation which it executes on becoming a Party.

"UK Qualifying Lender" means a Lender which is beneficially entitled to interest payable to that Lender in respect of an Advance under a Financing Document and is:

- (a) a Lender:
 - (i) which is a bank (as defined for the purpose of section 879 of the ITA) making an Advance under a Financing Document; or
 - (ii) in respect of an Advance made under a Financing Document by a person that was a bank (as defined for the purpose of section 879 of the ITA) at the time that Advance was made,

and which is within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that Advance;

- (b) a Lender which is:
 - (i) a company resident in the United Kingdom for United Kingdom tax purposes;
 - (ii) a partnership each member of which is:
 - (A) a company so resident in the United Kingdom; or
 - (B) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within

the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or

- (iii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company; or
- (c) a UK Treaty Lender.

"UK Treaty Lender" means a Lender which:

- (a) is treated as a resident of a UK Treaty State for the purposes of a relevant UK Treaty;
- (b) does not carry on a business in the United Kingdom through a permanent establishment with which that Lender's participation in the Advance is effectively connected; and
- (c) fulfils any other conditions which must be fulfilled under the relevant UK Treaty for residents of that UK Treaty State to obtain full exemption from UK tax on interest, except for this purpose it shall be assumed that any necessary procedural formalities are satisfied.

"UK Treaty State" means a jurisdiction having a double taxation agreement (a **"UK Treaty"**) with the United Kingdom which makes provision for full exemption from tax imposed by the United Kingdom on interest.

"United States Person" means a United States person for U.S. federal income tax purposes.

"Unpaid Sum" means any sum due and payable but unpaid by an Obligor under the Financing Documents.

"U.S." means the United States of America.

"U.S. Borrower", **"U.S. Subsidiary"** and **"U.S. Obligor"** mean a Borrower, Subsidiary or Obligor, as the case may be, incorporated or organised under the laws of any State in the United States of America.

"U.S. Dollars" and **"\$"** mean the lawful currency of the United States of America.

"U.S. Tax Obligor" means:

- (a) a Borrower which is resident for tax purposes in the U.S.; or
- (b) an Obligor some or all of whose payments under the Financing Documents are from sources within the U.S. for U.S. federal income tax purposes.

"Utilisation" means a utilisation of the Facilities.

"VAT" means:

- (a) any value added tax imposed by the Value Added Tax Act 1994;

- (b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (c) any other tax of a similar nature, whether imposed in the United Kingdom or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraphs (a) or (b) above, or imposed elsewhere.

"Verification Report" has the meaning given to that term in sub-clause 14.5.2(b)(ii) (Compliance certificates).

"Withdrawal Act" means the European Union (Withdrawal) Act 2018.

"Write-down and Conversion Powers" means:

- (a) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule; and
- (b) in relation to the UK Bail-In Legislation, any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers.

1.2 **Financial Definitions**

In this Agreement the following expressions have the following meanings:

"Borrowings" means:

- (a) moneys borrowed or raised (including, without limitation, amounts advanced under any accounts receivable facility entered into on or after the date of this Agreement (other than in respect of any receivables to the extent that they are sold on a non-recourse basis);
- (b) any liability under any bond, bill discounting facility, debenture, note or other similar debt security or under acceptance credit or note purchase facilities, letter of credit, subordinated debt or any amount raised pursuant to an issue of shares which are expressed to be redeemable (in cash or in instruments which would themselves constitute Borrowings) on or prior to the Final Maturity Date;
- (c) any liability in respect of the acquisition cost of assets or services to the extent payable more than 120 days before or after the time of acquisition or possession thereof by the party liable but excluding any bona fide performance related cash consideration payable under Employee Incentive Plans or for an acquisition calculated by reference to future profits in accordance with the current practice of the Parent and its Subsidiaries as at the date of this Agreement;

- (d) the capital element of rentals payable under finance leases (required to be disclosed in accordance with IFRS) entered into primarily as a method of raising finance or financing the acquisition cost of the asset in question; and
- (e) any guarantee or other assurance against financial loss in respect of any indebtedness of the type specified in paragraphs (a) to (d) of this definition (including any obligation to counter-indemnify any person in respect of the provision of any such guarantee (but only to the extent that Borrowings supported thereby are outstanding)),

but:

- (i) indebtedness owing or shares issued by one member of the Group to another member of the Group shall not be taken into account as Borrowings;
- (ii) interest (other than interest which is capitalised and which itself bears interest), acceptance commission and finance charges shall be excluded;
- (iii) Trade Debt and Back to Back Loans shall be excluded; and
- (iv) no indebtedness shall be taken into account more than once (so that, for example, a guarantee shall be excluded to the extent that the indebtedness guaranteed thereby is taken into account).

"Consolidated EBITDA" means in respect of any Financial Period the Relevant Operating Profit of the Group for such Financial Period:

- (a) before deducting all depreciation and other amortisation and write-downs, including but not limited to goodwill amortisation and brand write-downs;
- (b) before taking into account any Exceptional Items (whether positive or negative);
- (c) after deducting any gain over, and adding back any losses under, book value (including related goodwill) arising on the sale, lease or other disposal of any asset (other than on the sale of trading stock) during such period and any gain or loss arising on revaluation of any asset during such period, in each case to the extent that it would otherwise be taken into account, whether as an Exceptional Item or otherwise;
- (d) excluding the charge to profit represented by the expensing of stock options; and
- (e) taking no account of unrealised gains/losses on financial instruments;

and for the purposes of the foregoing no item shall be effectively deducted or credited more than once in this calculation, all as determined on a consolidated basis by reference to the most recent financial statements and certificates delivered pursuant to Clause 14.5 (*Compliance certificates*);

"Exceptional Items" means any material items of an unusual or non-recurring nature which represent gains or losses including, without limitation, those arising on:

- (a) the restructuring of the activities of an entity and reversals of any provisions for the cost of restructuring;
- (b) disposals, revaluations or impairment of non-current assets; and

- (c) disposals of assets associated with discontinued operations;

"Financial Period" shall refer to each period of 12 months ending on 30th June and 31st December in each year;

"Relevant Operating Profit" means, in respect of any Financial Period, the consolidated operating profits of the Group, as disclosed in or derived from the published or announced financial results of the Group; and

"Trade Debt" means:

- (a) obligations of any member of the Group to pay the purchase price of assets or services purchased by any member of the Group in the ordinary course of business including, without limitation, indebtedness incurred by any member of the Group in respect of any documentary letter of credit, bill of exchange or promissory note issued in respect of any such purchase;
- (b) indebtedness incurred by any member of the Group in respect of any bill of exchange or promissory note drawn on or by, or accepted, issued or endorsed by, any member of the Group in the ordinary course of business, including, without limitation, indebtedness in respect of any moneys raised by way of sale, discounting or otherwise in respect of any such bill or note; and
- (c) indebtedness incurred by any member of the Group in respect of any guarantee, indemnity, counter-indemnity or other assurance against financial loss or indebtedness of the type specified in paragraph (a) or (b) above,

except to the extent that any indebtedness falling within paragraphs (a) to (c) above is treated as borrowings under IFRS, consistently applied.

1.3 Construction

1.3.1 Except where the context otherwise requires, any reference in this Agreement to:

- (a) any of the Financing Documents (including this Agreement) or any other agreement or instrument is to such Financing Document or other agreement or instrument as it may be altered, amended, restated, supplemented, extended or novated from time to time;
- (b) the **"Facility Agent"**, the **"Swingline Agent"**, any **"Finance Party"**, any **"Lender"**, any **"Obligor"** or any **"Party"** shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under the Financing Documents;
- (c) an **"agreement"** also includes a concession, contract, deed, franchise, licence, treaty or undertaking (in each case, whether oral or written);
- (d) the **"assets"** of any person shall be construed as a reference to the whole or any part of its business, undertaking, property, assets and revenues (including any right to receive revenues);
- (e) a **"group of Lenders"** includes all the Lenders;

- (f) "**indebtedness**" includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
- (g) a Lender's "**cost of funds**" in relation to its participation in an Advance is a reference to the average cost (determined either on an actual or a reasonable notional basis) which that Lender would incur if it were to fund, from whatever source(s) it may reasonably select, an amount equal to the amount of that participation in that Advance for a period equal in length to the Interest Period of that Advance;
- (h) a "**person**" includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, partnership or other entity (whether or not having separate legal personality) of two or more of the foregoing;
- (i) a "**month**" is to a calendar month;
- (j) "**subsidiary**" has the meaning ascribed thereto by section 1159 of the Companies Act 2006 as amended, modified, replaced or re-enacted from time to time;
- (k) words and expressions (including defined words and expressions) importing the singular include the plural and vice versa, those importing the masculine gender include the feminine and vice versa, and references to persons include references to companies and corporations and vice versa;
- (l) a "**regulation**" includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to whom it applies is accustomed to comply) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;
- (m) a provision of law is a reference to that provision as amended or re-enacted from time to time;
- (n) a time of day is (unless this Agreement specifically states otherwise) a reference to London time;
- (o) unless a contrary indication appears, a term used in any other Financing Document or in any notice given under or in connection with any Financing Document has the same meaning in that Financing Document or notice as in this Agreement;
- (p) a page or screen of an information service displaying a rate shall include:
 - (i) any replacement page of that information service which displays that rate; and
 - (ii) the appropriate page of such other information service which displays that rate from time to time in place of that information service,

and, if such page or service ceases to be available, shall include any other page or service displaying that rate specified by the Facility Agent after consultation with the Obligors' Agent; and

- (q) a Central Bank Rate shall include any successor rate to, or replacement rate for, that rate.

1.3.2 Any Compounded Rate Supplement relating to a currency overrides anything relating to that currency in:

- (a) Schedule 10 (*Compounded Rate Terms*); or
- (b) any earlier Compounded Rate Supplement,

provided that a Compounded Rate Supplement may not effect any reduction in the Margin.

1.3.3 A Compounding Methodology Supplement relating to the Daily Non-Cumulative Compounded RFR Rate overrides anything relating to that rate in:

- (a) Schedule 11 (*Daily Non-Cumulative Compounded RFR Rate*); or
- (b) any earlier Compounding Methodology Supplement.

1.3.4 The determination of the extent to which a rate is "**for a period equal in length**" to an Interest Period shall disregard any inconsistency arising from the last day of that Interest Period being determined pursuant to the terms of this Agreement.

1.3.5 Headings, sub-headings and the table of contents are for ease of reference only.

1.3.6

- (a) Unless expressly provided to the contrary in a Financing Document, nothing in the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") confers or purports to confer on any third party any benefit or any right to enforce any term of this Agreement.
- (b) Subject to sub-clause 27.4.4 but otherwise notwithstanding any term of any Financing Document, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.

1.3.7 A Potential Event of Default or an Event of Default is "continuing" if it has not been remedied or waived.

1.3.8 A Sustainability Breach is "continuing" if it has not been remedied or waived.

2. AMOUNT AND PURPOSE OF THE FACILITIES AND EXTENSION OF THE FINAL MATURITY DATE

2.1 The Facilities

Subject to the terms and conditions of this Agreement, the Lenders make available to the Borrowers a U.S. Dollar denominated multicurrency revolving credit facility in a maximum aggregate amount at the date of the Agreement of \$2,500,000,000 pursuant to which:

- (a) the Revolving Facility Lenders shall, when requested by a Borrower, make cash advances in U.S. Dollars or in Alternative Currencies to that Borrower on a revolving basis during the Availability Period; and
- (b) the Swingline Lenders shall, when requested by a Borrower, make to that Borrower Swingline Advances in U.S. Dollars in a maximum aggregate amount at the date of the Agreement of \$1,500,000,000 (as a sub-limit of the Revolving Facility) on a revolving basis during the Availability Period.

2.2 Increase

2.2.1 The Parent may by giving prior notice to the Facility Agent by no later than the date falling 25 Business Days after the effective date of a cancellation of:

- (a) the Available Commitments of a Defaulting Lender in accordance with Clause 12.5 (*Cancellation of Defaulting Lender*); or
- (b) the Commitments of a Lender in accordance with Clause 15.1 (*Illegality*),

request that the Revolving Facility Total Commitments be increased (and the Revolving Facility Total Commitments shall be so increased) in an aggregate amount in U.S. Dollars of up to the amount of the Available Commitments or Commitments so cancelled as follows:

- (i) the increased Commitments will be assumed by one or more Lenders or other banks, financial institutions, trusts, funds or other entities (each an "**Increase Lender**") selected by the Parent (each of which shall not be a member of the Group and which is further acceptable to the Facility Agent (acting reasonably)) and each of which confirms in writing its willingness to assume and does assume all the obligations of a Lender corresponding to that part of the increased Commitments which it is to assume, as if it had been a Lender on the date of this Agreement in respect of those Commitments;
- (ii) each of the Obligors and any Increase Lender shall assume obligations towards one another and/or acquire rights against one another as the Obligors and the Increase Lender would have assumed and/or acquired had the Increase Lender been a Lender on the date of this Agreement in respect of that part of the increased Commitments which it is to assume;
- (iii) each Increase Lender shall become a Party as a "Lender" and any Increase Lender and each of the other Finance Parties shall assume obligations towards one another and acquire rights against one another

as that Increase Lender and those Finance Parties would have assumed and/or acquired had the Increase Lender been a Lender on the date of this Agreement in respect of that part of the increased Commitments which it is to assume;

- (iv) the Commitments of the other Lenders shall continue in full force and effect; and
- (v) any increase in the Revolving Facility Total Commitments shall take effect on the date specified by the Parent in the notice referred to above or any later date on which the conditions set out in sub-clause 2.2.2 below are satisfied.

2.2.2 An increase in the Revolving Facility Total Commitments will only be effective on:

- (a) the execution by the Facility Agent of an Increase Confirmation from the relevant Increase Lender (which the Facility Agent shall, subject to paragraph (b) below, execute as soon as reasonably practicable after receipt by it of a duly completed Increase Confirmation appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement); and
- (b) in relation to an Increase Lender which is not a Lender immediately prior to the relevant increase, the performance by the Facility Agent of all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the assumption of the increased Commitments by that Increase Lender, the completion of which the Facility Agent shall promptly notify to the Parent and the Increase Lender.

2.2.3 Each Increase Lender, by executing the Increase Confirmation, confirms (for the avoidance of doubt) that the Facility Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the increase becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as it would have been had it been a Lender as at the date of this Agreement.

2.2.4 Neither the Facility Agent nor any Lender shall have any obligations to find an Increase Lender and in no event shall any Lender whose Commitment is replaced by an Increase Lender be required to pay or surrender any of the fees received by such Lender pursuant to the Financing Documents.

2.2.5 Unless the Facility Agent otherwise agrees or the increased Commitment is assumed by an existing Lender, the Increase Lender shall, on the date upon which the increase takes effect, pay to the Facility Agent (for its own account) a fee of \$3,000 and the Parent shall promptly on demand pay the Facility Agent the amount of all costs and expenses (including legal fees) reasonably incurred by it in connection with any increase in Commitments under this Clause 2.2 (*Increase*).

2.2.6 Clause 24.5 (*Limitation of responsibility of Existing Lenders*) shall apply *mutatis mutandis* in this Clause 2.2 (*Increase*) in relation to an Increase Lender as if references in that Clause to:

- (a) an "**Existing Lender**" were references to all the Lenders immediately prior to the relevant increase;
- (b) the "**New Lender**" were references to that "**Increase Lender**"; and
- (c) a "**re-transfer**" and "**re-assignment**" were references to respectively a "**transfer**" and "**assignment**".

2.3 Purpose

The Facilities shall be used:

2.3.1 to refinance the Existing Facilities; and

2.3.2 for general corporate purposes.

2.4 Monitoring

No Finance Party is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

2.5 Extension of the Final Maturity Date

2.5.1 The Parent may by notice to the Facility Agent (the "**Initial Extension Request**") not more than 60 days and not less than 30 days before the first anniversary of the date of this Agreement (the "**First Anniversary**"), request that the Final Maturity Date be extended for a further period of one year.

2.5.2 The Parent may by notice to the Facility Agent (the "**Second Extension Request**") not more than 60 days and not less than 30 days before the second anniversary of the date of this Agreement (the "**Second Anniversary**"), request that the Final Maturity Date:

- (a) with respect to Lenders who have agreed to the Initial Extension Request, be extended for a further period of one year; and/or
- (b) if no Initial Extension Request has been made, or with respect to Lenders who refused the Initial Extension Request,
 - (i) be extended for a period of one year; or
 - (ii) be extended for a period of two years,

as selected by the Parent in the notice to the Facility Agent.

2.5.3 The Facility Agent must promptly notify the Lenders of any Initial Extension Request or Second Extension Request (an "**Extension Request**").

2.5.4 Each Lender may, in its sole discretion, agree to or refuse any Extension Request. Each Lender that agrees to an Extension Request by the date falling 15 days before

the relevant anniversary of the date of this Agreement, will, subject to payment by the Parent of the extension fee described in sub-clause 2.5.9 below, extend its Commitment for a further period of one year or two years, as applicable, from the then current Final Maturity Date and the Final Maturity Date with respect to the Commitment of that Lender will be extended accordingly.

- 2.5.5 If any Lender fails to reply to an Extension Request on or before the date falling 15 days before the relevant anniversary of the date of this Agreement, it will be deemed to have refused that Extension Request and its Commitment will not be extended.
- 2.5.6 Subject to sub-clause 2.5.8 below, each Extension Request is irrevocable.
- 2.5.7 If one or more (but not all) of the Lenders agree to an Extension Request, then the Facility Agent must notify the Parent and the Lenders which have agreed to the extension, identifying in that notification the aggregate amount of the Commitments of any Lenders who have refused the Extension Request.
- 2.5.8 The Parent may, on the basis that one or more of the Lenders have not agreed to an Extension Request and no later than the date falling five days before the relevant anniversary of the date of this Agreement, withdraw that Extension Request by notice to the Facility Agent which will promptly notify the Lenders.
- 2.5.9 If a Commitment is extended in accordance with this Clause 2.5, the Parent must pay to any Lender who has agreed to an Extension Request such extension fee (if any) as has been agreed between the Parent and the relevant extending Lender, at such time as may be agreed between the Parent and the relevant extending Lender.

3. SYNDICATE AND BORROWERS AND GUARANTORS

3.1 Participation in Revolving Facility Advances

Subject to the provisions of this Agreement, including Clause 11.2 (*Repayment of Revolving Facility Advances*), each Revolving Facility Lender shall participate in any Revolving Facility Advance in the proportion which its Revolving Facility Commitment bears to the Revolving Facility Total Commitments up to an aggregate principal Dollar Amount outstanding at any time not exceeding its Revolving Facility Commitment.

3.2 Obligations Several

- 3.2.1 The rights and obligations of each Finance Party under the Financing Documents are several. Failure of a Finance Party to perform its obligations under the Financing Documents shall neither:
 - (a) result in any other Finance Party incurring any liability whatsoever; nor
 - (b) relieve any Borrower, any Guarantor or any other Finance Party from their respective obligations under the Financing Documents.
- 3.2.2 The aggregate of the amounts due to each Finance Party under the Financing Documents at any time is a separate and independent debt and, save as otherwise provided in this Agreement and in particular subject to the provisions of Clause 17 (*Default*), each Finance Party shall have the right to protect and enforce its rights under the Financing Documents and it shall not be necessary (except as otherwise provided

in the Financing Documents) for any other Finance Party to be joined as an additional party in any proceedings to this end. The rights of each Finance Party include any debt owing to that Finance Party under the Financing Documents and, for the avoidance of doubt, any part of an Advance or any other amount owed by an Obligor which relates to a Finance Party's participation in a Facility or its role under a Financing Document (including any such amount payable to the Facility Agent on its behalf) is a debt owing to the Finance Party by that Obligor.

3.3 **Rights of Borrowers**

No part of any Facility is reserved for any individual Borrower.

3.4 **Liability of Borrowers**

The obligations of each Borrower hereunder are separate and distinct and notwithstanding anything hereinafter contained no Borrower shall be liable for the obligations of any other Borrower hereunder or for the obligations of the Obligors' Agent hereunder save that (a) this Clause 3.4 (*Liability of Borrowers*) shall not affect the obligations of any Guarantor and (b) the obligations of the Borrowers pursuant to Clauses 18 (*Indemnity*) and 22 (*Fees and Expenses*) shall be joint and several.

3.5 **Obligors' Agent**

Each Obligor irrevocably authorises and instructs the Obligors' Agent separately to give and receive as agent on its behalf all notices and to take such other action (including, without limitation, the giving of consents, the signing of certificates or the acceptance of any proposal) as may be necessary or desirable under or in connection with the Financing Documents and confirms that it will be bound by any action taken by the Obligors' Agent under or in connection with the Financing Documents.

3.6 **Actions of Obligors' Agent**

The respective liabilities of each of the Obligors under the Financing Documents shall not be in any way affected by (a) any irregularity in any act done by or any failure to act by the Obligors' Agent or (b) the Obligors' Agent acting in any respect outside any authority conferred upon it by any Borrower or any Guarantor or (c) the failure by or inability of the Obligors' Agent to inform any Obligor of receipt by it of any notification hereunder or under any of the other Financing Documents.

3.7 **Accession of Additional Obligors**

3.7.1 The Obligors' Agent may from time to time deliver to the Facility Agent an Accession Notice in the form of Schedule 4 (*Form of Accession Notice*) duly completed and executed by the Obligors' Agent and a proposed additional Borrower or, as the case may be, additional Guarantor (which must be a member of the Group if acceding as an additional Guarantor hereunder or wholly owned Subsidiary if acceding as an additional Borrower hereunder).

3.7.2 Upon, but not before, the Facility Agent (acting on the instructions of all the Lenders) approving the accession (which approval is only required for a proposed additional Borrower) and notifying the Lenders of receipt of the Accession Notice and the documents specified in Clause 4.2 (*Conditions for Additional and Substitute Obligors*)

in form and substance satisfactory to the Facility Agent (acting reasonably), the proposed additional Borrower or additional Guarantor shall become an additional Borrower or, as the case may be, an additional Guarantor.

- 3.7.3 Other than to the extent that the Majority Lenders notify the Facility Agent in writing to the contrary before the Facility Agent gives the notification described in sub-clause 3.7.2 above, the Lenders authorise the Facility Agent to give that notification. The Facility Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

3.8 Removal of Borrowers

Provided that:

- 3.8.1 no Event of Default or Potential Event of Default is continuing or would result from such discharge (and the Parent has confirmed this is the case); and
- 3.8.2 such Borrower is under no actual or contingent obligations as a Borrower under any Financing Document,

any Borrower (other than the Parent) may at the request of the Obligors' Agent cease to be a Borrower hereunder by delivering to the Facility Agent a Resignation Letter which shall discharge the obligations of such Borrower hereunder.

3.9 Substitution of Borrowers

Any Borrower (the "**Existing Borrower**") may be released from its obligations under this Agreement in relation to the Facilities **provided that** another Eligible Company (the "**Substitute Borrower**") assumes the obligations in respect thereof of the Existing Borrower and **provided further that:**

- 3.9.1 any such substitution shall take effect on and from the later of the day upon which the Facility Agent notifies the Obligors' Agent in writing that it is satisfied with the compliance with the matters set out in sub-clauses 3.9.3 and 3.9.4 below of this Clause 3.9 (*Substitution of Borrowers*) and the date for substitution specified in the relevant Notice of Proposed Substitution;
- 3.9.2 a Notice of Proposed Substitution, substantially in the form of Schedule 5 (*Notice of Proposed Substitution*) has been delivered by the Obligors' Agent to the Facility Agent not less than 14 days prior to the proposed substitution;
- 3.9.3 the Substitute Borrower enters into a Novation Agreement with the Existing Borrower, the Obligors' Agent and the Facility Agent on behalf of the Lenders in the form of Schedule 6 (*Form of Novation Agreement*) together with such amendments as the Facility Agent may reasonably require; and
- 3.9.4 the documents referred to in Clause 4.2 (*Conditions for Additional and Substitute Obligors*) shall have been provided to the Facility Agent.

Other than to the extent that the Majority Lenders notify the Facility Agent in writing to the contrary before the Facility Agent gives the notification described in sub-clause 3.9.1 above, the Lenders authorise the Facility Agent to give that notification. The

Facility Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

3.10 **Legal/Regulatory Restrictions**

If at any time any Lender is prohibited either by law or pursuant to any requirement of any central bank or other fiscal, monetary or other authority from making Advances to a Borrower organised under the laws of a particular jurisdiction which shall have been approved as an additional Borrower or a Substitute Borrower (as defined in Clause 3.9 (*Substitution of Borrowers*)) in accordance with Clause 3.7 (*Accession of Additional Obligors*) or Clause 3.9 (*Substitution of Borrowers*) or from having any rights or obligations under this Agreement in respect of Advances to such a Borrower, such Lender shall notify the Facility Agent and the Obligors' Agent prior to the date on which such Borrower accedes to this Agreement, and such Lender will not be obliged to make Advances to such Borrower.

3.11 **Contractual recognition of bail-in**

Notwithstanding any other term of any Financing Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Financing Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

3.11.1 any Bail-In Action in relation to any such liability, including (without limitation):

- (a) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
- (b) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
- (c) a cancellation of any such liability; and

3.11.2 a variation of any term of any Financing Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

4. **CONDITIONS PRECEDENT**

4.1 **Conditions to the Facilities**

No Borrower may deliver a Request unless the Facility Agent has received the following in each case in form and content satisfactory to it (acting reasonably):

4.1.1 a certificate in respect of each Obligor signed by an officer or secretary, as the case may be, of the Obligor substantially in the form set out in Schedule 3 (*Certificate*) and the documents therein referred to;

4.1.2 a certificate in respect of each Obligor signed by an officer or a secretary, as the case may be, of that Obligor, confirming that utilisation in full of or guaranteeing, as appropriate, the Facilities in accordance with its terms would not cause any borrowing and/or guarantee limit binding on that Obligor to be exceeded;

- 4.1.3 a copy of a good standing certificate with respect to each U.S. Obligor issued as of a recent date by Secretary of State or other appropriate official of each U.S. Obligor's jurisdiction of incorporation or organisation;
- 4.1.4 a solvency certificate with respect to each U.S. Obligor;
- 4.1.5 a copy of an irrevocable notice of prepayment and/or cancellation of the Existing Facilities together with evidence that any amounts outstanding under the Existing Facilities Agreement have been or will be prepaid or discharged in full and/or irrevocably cancelled on or before the first Drawing Date;
- 4.1.6 a copy of the Original Financial Statements and, if required to be produced by the relevant statutory authority, the latest audited financial statements for each Borrower;
- 4.1.7 a duly executed copy of this Agreement;
- 4.1.8 a duly executed copy of each Fee Letter;
- 4.1.9 evidence that the agent for service of process in England and Wales specified in sub-clause 27.15.2 (Submission to jurisdiction) has accepted its appointment in relation to any Obligor which is not incorporated in England and Wales;
- 4.1.10 evidence that the agent for service of process in New York specified in sub-clause 27.15.2 (Submission to jurisdiction) has accepted its appointment in relation to any Obligor which is not incorporated in New York;
- 4.1.11 an opinion of Ogier (Jersey) LLP, Jersey counsel to the Lenders, substantially in the form distributed to the Lenders prior to the date of this Agreement;
- 4.1.12 an opinion of Clifford Chance LLP, English Counsel to the Lenders, substantially in the form distributed to the Lenders prior to the date of this Agreement; and
- 4.1.13 an opinion of Allen & Overy LLP, U.S. counsel to WPP CP LLC, substantially in the form distributed to the Lenders prior to the date of this Agreement;
- 4.1.14 a certificate of a director of the Parent, addressed to Ogier (Jersey) LLP for the purposes of Ogier (Jersey) LLP's opinion;
- 4.1.15 evidence that the fees, costs and expenses then due from the Obligors pursuant to Clause 9 (*Interest and Fees*) and Clause 22 (*Fees and Expenses*) have been paid or will be paid by the first Drawing Date;
- 4.1.16 the Group Structure Chart; and
- 4.1.17 a copy of any other document, authorisation, opinion or assurance notified by the Facility Agent to the Obligors' Agent in connection with the entry into and performance of the transactions contemplated by any Financing Document or for the validity and enforceability of any Financing Document.

The Facility Agent shall notify the Parent and the Lenders promptly upon being so satisfied. Other than to the extent that the Majority Lenders notify the Facility Agent in writing to the contrary before the Facility Agent gives the notification, the Lenders authorise the Facility

Agent to give that notification. The Facility Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

4.2 **Conditions for Additional and Substitute Obligors**

A proposed additional or substitute Obligor shall deliver to the Facility Agent the following documents in each case in form and content satisfactory to the Facility Agent (acting reasonably):

- 4.2.1 a certificate signed by the secretary of the Borrower or, as the case may be, the Guarantor substantially in the form set out in Schedule 3 (*Certificate*) and the documents therein referred to;
- 4.2.2 a certificate of a director of the Obligors' Agent confirming that utilisation in full of the Facilities or, as the case may be, guaranteeing the Facilities in accordance with their terms would not cause any borrowing limit on any Borrower or guaranteeing limit on any Guarantor, as appropriate, to be exceeded;
- 4.2.3 a certificate of a director of the Obligors' Agent confirming that such Obligor is not prohibited by any applicable financial assistance restriction from entering into the Financing Documents or that all necessary action has been taken to enable such Obligor to enter into the Financing Documents and perform its obligations therein;
- 4.2.4 a copy of a good standing certificate with respect to each U.S. Obligor issued as of a recent date by Secretary of State or other appropriate official of each U.S. Obligor's jurisdiction of incorporation or organisation; and
- 4.2.5 an opinion of an independent firm of lawyers in the country of incorporation of the Borrower or, as the case may be, the Guarantor.

4.3 **Conditions to each Utilisation of the Revolving Facility**

Each Utilisation, in whatever form, of the Revolving Facility (other than any Utilisation which, taken together with any repayment on the date of such Utilisation of amounts outstanding under the Revolving Facility in the same currency, will not result in any increase in the amount outstanding thereunder (a "**roll-over utilisation**")) is subject to the further conditions precedent that both on the date of the relevant Request and on the relevant Drawing Date or date of Utilisation:

- 4.3.1 no Event of Default or Potential Event of Default has occurred and is continuing or would occur as a result of making the Revolving Facility Advance available or permitting the Utilisation; and
- 4.3.2 each of the representations and warranties deemed to be repeated in Clause 13 (*Representations and Warranties*) remains accurate in all material respects as if given on the Drawing Date or the date of the relevant Utilisation by reference to the facts and circumstances then existing.

Each roll-over utilisation is subject to the further condition precedent that both on the date of the relevant Request and on the date of such roll-over utilisation no Event of Default has occurred or is continuing or would occur as a result of making the Revolving Facility Advance available or permitting the Utilisation.

5. UTILISATION OF THE REVOLVING FACILITY

5.1 Revolving Facility Advances

Subject to the terms of this Agreement, any Borrower may on Business Days during the Availability Period draw an Advance under the Revolving Facility (save for the Swingline Facility) by the Obligors' Agent delivering to the Facility Agent no later than noon on the third Business Day prior to the proposed Drawing Date for a Revolving Facility Advance in U.S. Dollars or in an Alternative Currency (other than sterling), and no later than noon on the Business Day prior to the proposed Drawing Date for a Revolving Facility Advance to be in sterling, a duly completed Request in the form set out in Part I of Schedule 2 (*Requests*), specifying in respect of the proposed Revolving Facility Advance:

- 5.1.1 the Borrower;
- 5.1.2 the proposed Drawing Date, which shall be a Business Day falling on or prior to the Final Drawing Date;
- 5.1.3 the currency of the Revolving Facility Advance (each Request shall request one currency only) which must be U.S. Dollars or an Alternative Currency;
- 5.1.4 the amount of the Revolving Facility Advance which shall be a Dollar Amount of not less than \$25,000,000 (or its equivalent in Alternative Currencies), or such other multiple in the currency concerned as the Facility Agent and the Obligors' Agent may agree and which shall not in any event at the time immediately preceding the Revolving Facility Advance exceed the Revolving Facility Total Commitments less the Total Outstandings; and
- 5.1.5 the Interest Period, which may be for a period of:
 - (a) in the case of a Term Rate Advance, seven days or one, three or six months;
 - (b) in the case of a Compounded Rate Advance, one, two, three or six months; or
 - (c) in respect of any Revolving Facility Advance, such other period as has been agreed by the Obligors' Agent and (i) in respect of periods not exceeding twelve months, the Facility Agent (acting on the instructions of Lenders in relation to the relevant Revolving Facility Advance whose Revolving Facility Commitments represent more than 66⅔ per cent. in aggregate of the Revolving Facility Total Commitments) and (ii) in respect of periods of twelve months or more, the Facility Agent (acting on the instructions of all the Lenders in relation to the relevant Revolving Facility Advance), and, in each case, provided always that an Interest Period for a Compounded Rate Advance shall not exceed six months.

5.2 Irrevocability

A Request shall be irrevocable and, subject to the terms of this Agreement, the Borrower named therein shall draw the Revolving Facility Advance on the Drawing Date specified in the Request.

5.3 Notice to Lenders

When the Facility Agent actually receives a Request pursuant to Clause 5.1 (*Revolving Facility Advances*) it shall promptly on the date of receipt notify each of the Lenders of the amount of the proposed Advance and the proposed Drawing Date, the amount of its participation in that Advance and, if different, the amount of that participation to be made available in cash and that Lender shall, subject to the provisions of this Agreement, make available to the Facility Agent on the Drawing Date its participation in that Advance, in each case in accordance with Clause 3.1 (*Participation in Revolving Facility Advances*).

5.4 Number of Revolving Facility Advances

No more than 15 Revolving Facility Advances may be outstanding at any one time.

6. UTILISATION - SWINGLINE ADVANCES

6.1 General

6.1.1 In this Clause 6 (*Utilisation – Swingline Advances*) and Clause 7 (*Swingline Advances*):

(a) "**Available Swingline Commitment**" of a Swingline Lender means (but without limiting Clause 6.5 (*Relationship with the Revolving Facility*)) that Lender's Swingline Commitment minus:

- (i) the Dollar Amount of its participation in any outstanding Swingline Advances; and
- (ii) in relation to any proposed Utilisation under the Swingline Facility, the Dollar Amount of its participation in any Swingline Advances that are due to be made under the Swingline Facility on or before the proposed Drawing Date,

other than that Lender's participation in any Swingline Advances that are due to be repaid or prepaid on or before the proposed Drawing Date;

(b) "**Available Swingline Facility**" means the aggregate for the time being of each Swingline Lender's Available Swingline Commitment;

(c) "**Federal Funds Rate**" means, in relation to any day, the rate per annum equal to:

- (i) the rate on overnight federal funds transactions calculated by the Federal Reserve Bank of New York as the federal funds effective rate, as published for that day (or, if that day is not a New York Business Day, for the immediately preceding New York Business Day) by the Federal Reserve Bank of New York; or
- (ii) if a rate is not so published for any day which is a New York Business Day, the average of the quotations for that day on overnight federal funds transactions received by the Swingline Agent from three depository institutions of recognised standing selected by the Swingline Agent,

and, if any such rate is below zero, the Federal Funds Rate will be deemed to be zero;

- (d) "**New York Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in New York City; and
- (e) "**Overall Revolving Commitment**" of a Lender means:
 - (i) its Revolving Facility Commitment; and
 - (ii) in the case of a Swingline Lender which does not have a Revolving Facility Commitment, the Revolving Facility Commitment of a Lender which is its Affiliate.

6.1.2 Any reference in this Agreement to:

- (a) an "**Interest Period**" includes each period determined under this Agreement by reference to which interest on a Swingline Advance is calculated; and
- (b) a "**Lender**" includes a Swingline Lender unless the context otherwise requires.

6.1.3

- (a) Clauses 4.3 (*Conditions to each Utilisation of the Revolving Facility*);
- (b) Clause 5 (*Utilisation of the Revolving Facility*);
- (c) Clause 8 (*Alternative Currencies*); and
- (d) Clause 9 (*Interest and Fees*) as it applies to the calculation of interest on an Advance but not default interest on an overdue amount,

do not apply to Swingline Advances.

6.2 **Delivery of a Request for Swingline Advances**

- 6.2.1 A Borrower may utilise the Swingline Facility by delivery to the Swingline Agent of a duly completed Request in the form of Part II of Schedule 2 (*Requests*) not later than 11.00 a.m. (New York time) on the proposed Drawing Date.
- 6.2.2 Each Request for a Swingline Advance must be sent to the Swingline Agent to the address in the U.S. notified by the Swingline Agent for this purpose with a copy to its address referred to in Clause 27.8 (*Notices*).

6.3 **Completion of a Request for Swingline Advances**

- 6.3.1 Each Request for a Swingline Advance is irrevocable and will not be regarded as having been duly completed unless:
 - (a) it identifies the Borrower;
 - (b) it specifies that it is for a Swingline Advance;

- (c) the proposed Drawing Date is a New York Business Day within the Availability Period;
- (d) the Swingline Advance is denominated in U.S. Dollars;
- (e) the amount of the proposed Swingline Advance is an amount whose Dollar Amount is not more than the Available Swingline Facility and is a minimum of \$25,000,000 or, if less, the Available Swingline Facility; and
- (f) the proposed Interest Period:
 - (i) does not overrun the Final Maturity Date; and
 - (ii) is a period of not more than five New York Business Days; and
 - (iii) ends on a New York Business Day.

6.3.2 Only one Swingline Advance may be requested in each Request.

6.4 **Swingline Lenders' participation**

6.4.1 If the conditions set out in this Agreement have been met, each Swingline Lender shall make its participation in each Swingline Advance available through its Facility Office in the U.S or, at its discretion and provided that it is able to make its participation in that Swingline Advance available on the relevant Drawing Date, in London.

6.4.2 The Swingline Lenders will only be obliged to comply with sub-clause 6.4.1 above if on the date of the Request and on the proposed Drawing Date:

- (a) no Event of Default or Potential Event of Default is continuing or would result from the proposed Utilisation; and
- (b) the representations and warranties deemed to be repeated by each Obligor in accordance with Clause 13 (*Representations and Warranties*) are true in all material respects.

6.4.3 The amount of each Swingline Lender's participation in each Swingline Advance will be equal to the proportion borne by its Available Swingline Commitment to the Available Swingline Facility immediately prior to making the Swingline Advance, adjusted to take account of any limit applying under Clause 6.5 (*Relationship with the Revolving Facility*).

6.4.4 The Swingline Agent shall notify each Swingline Lender of the amount of each Swingline Advance and its participation in that Swingline Advance no later than 12.00 p.m. (New York time).

6.5 **Relationship with the Revolving Facility**

6.5.1 This sub-clause 6.5.1 applies when a Swingline Advance is outstanding or is to be borrowed.

6.5.2 The Revolving Facility may be utilised by way of Swingline Advances. The Swingline Facility is not independent of the Revolving Facility.

- 6.5.3 Notwithstanding any other term of this Agreement a Lender is only obliged to participate in a Revolving Facility Advance or a Swingline Advance to the extent that it would not result in the Dollar Amount of its participation and that of a Lender which is its Affiliate in all Revolving Facility Advances and all Swingline Advances exceeding its Overall Revolving Commitment.
- 6.5.4 Where, but for the operation of sub-clause 6.5.3 above, the Dollar Amount of a Lender's participation and that of a Lender which is its Affiliate in all Revolving Facility Advances and all Swingline Advances would have exceeded its Overall Revolving Commitment, the excess will be apportioned among the other Lenders participating in the relevant Advance *pro rata* according to their relevant Commitments. This calculation will be applied as often as necessary until the Advance is apportioned among the relevant Lenders in a manner consistent with sub-clause 6.5.3 above.

7. SWINGLINE ADVANCES

7.1 Swingline

Subject to the terms of this Agreement, the Swingline Lenders make available to the Borrowers a U.S. Dollar swingline loan facility in an aggregate amount equal to the Total Swingline Commitments.

7.2 Purpose

Each Borrower shall apply all amounts borrowed by it under the Swingline Facility for general corporate purposes. A Swingline Advance may not be applied in repayment or prepayment of another Swingline Advance.

7.3 Repayment

- 7.3.1 Each Borrower that has drawn a Swingline Advance shall repay that Swingline Advance on the last day of its Interest Period.
- 7.3.2 The Swingline Agent shall give notice to the Facility Agent if any Swingline Advance is not repaid in full on its due date. At such time the Facility Agent shall set a date (the "**Loss Sharing Date**") on which payments shall be made between the Lenders to re-distribute the Unpaid Amount between them (if requested to do so in writing by any affected Swingline Lender). The Swingline Agent shall provide such notification to the Facility Agent as is necessary to allow the Facility Agent to give at least 3 Business Days' notice to each affected Lender of the Loss Sharing Date and notify it of the amounts to be paid or received by it.
- 7.3.3 On the Loss Sharing Date each Lender must pay to the Swingline Agent its Proportion of the Unpaid Amount minus its (or its Affiliate's) Unpaid Swingline Participation (if any). If this produces a negative figure for a Lender no amount need to be paid by that Lender.

The "**Proportion**" of a Lender means the proportion borne by:

- (a) its Revolving Facility Commitment (or, if the Revolving Facility Commitments are then zero, its Revolving Facility Commitment immediately prior to their reduction to zero) minus the Dollar Amount of its participation

(or that of a Lender which is its Affiliate) in any outstanding Advances and Swingline Advances (but ignoring its (or its Affiliate's) participation in the unpaid Swingline Advance): to

- (b) the Revolving Facility Total Commitments (or, if the Revolving Facility Total Commitments are then zero, the aggregate amount of the Revolving Facility Total Commitments immediately prior to their reduction to zero) minus the Dollar Amount of any outstanding Advances (but ignoring the unpaid Swingline Advance).

The "**Unpaid Amount**" means, in relation to a Swingline Advance, any principal not repaid and/or any interest accrued but unpaid on that Swingline Advance calculated from the Drawing Date to the Loss Sharing Date.

The "**Unpaid Swingline Participation**" of a Lender means that part of the Unpaid Amount (if any) owed to that Lender (or its Affiliate) (before any redistribution under this Clause 7.3 (*Repayment*)).

7.3.4 Out of the funds received by the Swingline Agent pursuant to sub-clause 7.3.3 the Swingline Agent shall pay to each Swingline Lender an amount equal to its Unpaid Swingline Participation minus its (or its Affiliate's) Proportion of the Unpaid Amount (such amount, if any, being the "**Shortfall**" of such Swingline Lender).

7.3.5 If the amount actually received by the Swingline Agent from the Lenders is insufficient to pay the full amount of the Shortfall of all Swingline Lenders then the amount actually received will be distributed amongst the Swingline Lenders *pro rata* to the Shortfall of each Swingline Lender.

7.3.6

- (a) On a payment under this Clause 7.3 (*Repayment*), the paying Lender will be subrogated to the rights of the Swingline Lenders which have shared in the payment received.
- (b) If and to the extent a paying Lender is not able to rely on its rights under paragraph (a) above, the Borrower which did not repay the relevant Swingline Advance shall be liable to the paying Lender for a debt equal to the amount the paying Lender has paid under this Clause 7.3 (*Repayment*).
- (c) Any payment under this Clause 7.3 (*Repayment*) does not reduce the obligations in aggregate of any Obligor.

For the avoidance of doubt, no Lender shall be obliged to exceed its Revolving Facility Commitment as a result of making any payment under this Clause 7.3 (*Repayment*).

7.4 **Voluntary Prepayment of Swingline Advances**

7.4.1 The Borrower to which a Swingline Advance has been made may prepay at any time the whole of that Swingline Advance.

7.4.2 Unless a contrary indication appears in this Agreement, any part of the Swingline Facility which is repaid or prepaid may be reborrowed in accordance with the terms of this Agreement.

7.5 **Interest**

7.5.1 The rate of interest on each Swingline Advance for any day during its Interest Period is the higher of:

- (a) the prime commercial lending rate in U.S. Dollars announced by the Swingline Agent at 12 noon (New York time) and in force on that day; and
- (b) 0.50% per annum over the rate per annum determined by the Swingline Agent to be the Federal Funds Rate for that day.

7.5.2 The Swingline Agent shall promptly notify the Swingline Lenders and the relevant Borrower of the determination of the rate of interest under sub-clause 7.5.1 above.

7.5.3 If any day during an Interest Period for a Swingline Advance is not a New York Business Day, the rate of interest on a Swingline Advance on that day will be the rate applicable to the immediately preceding New York Business Day.

7.5.4 Each Borrower shall pay accrued interest on each Swingline Advance made to it on the last day of its Interest Period.

7.6 **Interest Period**

7.6.1 Each Swingline Advance has one Interest Period only.

7.6.2 The Interest Period for a Swingline Advance must be selected in the relevant Request.

7.7 **Conditions of assignment or transfer**

Notwithstanding any other term of this Agreement, each Lender shall ensure that at all times its Overall Revolving Commitment is not less than:

7.7.1 its Swingline Commitment; or

7.7.2 if it does not have a Swingline Commitment, the Swingline Commitment of a Lender which is its Affiliate.

8. **ALTERNATIVE CURRENCIES**

8.1 **Alternative Currencies**

8.1.1 If before 5.30 p.m. on:

- (a) the second Business Day before the proposed Drawing Date for a Revolving Facility Advance which it is proposed be denominated in an Alternative Currency (other than sterling or euro); or
- (b) the Business Day before the Rate Fixing Day relative to a Revolving Facility Advance which it is proposed to be denominated in euro:

the Facility Agent receives notice from a Lender that:

- (i) it is impracticable for that Lender to fund its participation in the Revolving Facility Advance in the proposed Alternative Currency in the ordinary course of business in the Relevant Market; or
- (ii) the central bank or other governmental authorisation in the country of the proposed Alternative Currency is required to permit its use by the Lender (through the office through which it participates in the Revolving Facility) for lending under this Agreement and the authorisation has not been obtained or is not in full force and effect; or
- (iii) the use of the proposed Alternative Currency is restricted or prohibited by any request, directive, regulation or guideline of any governmental body, agency, department or regulatory or other authority (whether or not having the force of law) in accordance with which the Lender is accustomed to act,

the Facility Agent shall give notice to the Obligors' Agent to that effect before 5.30 p.m. on:

- (c) the Business Day before the proposed Drawing Date for that Revolving Facility Advance (if that Revolving Facility Advance is proposed be denominated in an Alternative Currency (other than euro)); or
- (d) the Rate Fixing Day relative to that Revolving Facility Advance (if that Revolving Facility Advance is proposed to be denominated in euro).

8.1.2 If the Facility Agent delivers notice under sub-clause 8.1.1 of this Clause 8.1 (*Alternative Currencies*):

- (a) the Lender's participation in the Revolving Facility Advance shall be denominated in U.S. Dollars; and
- (b) the relevant Borrower shall indemnify each Lender against any loss and expense which such Lender may have reasonably incurred as a consequence of the operation of this Clause 8.1 (*Alternative Currencies*).

8.2 Notification

The Facility Agent shall promptly notify the Obligors' Agent and the Lenders of the Agent's Spot Rate of Exchange and relevant Dollar Amount, as the case may be, of the Revolving Facility Advance at the same time as it notifies the Lenders of the details of any Request.

8.3 Availability of Alternative Currencies

If the Obligors' Agent delivers to the Facility Agent a Request specifying that a Borrower wishes a Revolving Facility Advance to be denominated in an Alternative Currency and to give effect to such request would cause the Loan to be denominated in more than four Alternative Currencies, then the Facility Agent will promptly notify the Obligors' Agent and the Lenders shall not be obliged to make any such Revolving Facility Advance.

9. **RATE SWITCH**

9.1 **Switch to Compounded Reference Rate**

Subject to clause 9.2 (Delayed switch for existing Term Rate Advances), on and from the Rate Switch Date for the Rate Switch Currency:

9.1.1 use of the Compounded Reference Rate will replace the use of EURIBOR for the calculation of interest for Revolving Facility Advances in the Rate Switch Currency; and

9.1.2 any Revolving Facility Advance or Unpaid Sum in the Rate Switch Currency shall be a "Compounded Rate Advance" and Clause 10.4 (Rate of Interest for Revolving Facility – Compounded Rate Advances) shall apply to each Revolving Facility Advance or Unpaid Sum.

9.2 **Delayed switch for existing Term Rate Advances**

If the Rate Switch Date for the Rate Switch Currency falls before the last day of an Interest Period for a Term Rate Advance:

9.2.1 that Revolving Facility Advance shall continue to be a Term Rate Advance for that Interest Period and Clause 10.3 (Rate of Interest for Revolving Facility – Term Rate Advances) shall continue to apply to that Revolving Facility Advance for that Interest Period; and

9.2.2 on and from the first day of the next Interest Period (if any) for that Revolving Facility Advance:

(a) that Revolving Facility Advance shall be a "Compounded Rate Advance"; and

(b) Clause 10.4 (Rate of Interest for Revolving Facility – Compounded Rate Advances) shall apply to that Revolving Facility Advance.

9.3 **Notifications by Agent**

9.3.1 Following the occurrence of a Rate Switch Trigger Event for the Rate Switch Currency, the Facility Agent shall:

(a) promptly upon becoming aware of the occurrence of that Rate Switch Trigger Event, notify the Parent and the Lenders of that occurrence; and

(b) promptly upon becoming aware of the date of the Rate Switch Trigger Event Date applicable to that Rate Switch Trigger Event, notify the Parent and the Lenders of that date.

9.3.2 The Facility Agent shall, promptly upon becoming aware of the occurrence of the Rate Switch Date for the Rate Switch Currency, notify the Parent and the Lenders of that occurrence.

9.4 **Rate Switch Definitions**

In this Agreement:

"Backstop Rate Switch Date" means in relation to the Rate Switch Currency, any date agreed as such between the Facility Agent and the Parent in relation to that currency.

"Rate Switch Currency" means euro.

"Rate Switch Date" means, in relation to the Rate Switch Currency, the earlier of:

- (a) the Backstop Rate Switch Date; and
- (b) any Rate Switch Trigger Event Date.

"Rate Switch Trigger Event" means:

- (a) in relation to the Rate Switch Currency and the Screen Rate applicable to Revolving Facility Advances in the Rate Switch Currency:
 - (i)
 - (A) the administrator of the Screen Rate or its supervisor publicly announces that such administrator is insolvent; or
 - (B) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of the Screen Rate is insolvent,
provided that, in each case, at that time, there is no successor administrator to continue to provide the Screen Rate;
 - (ii) the administrator of the Screen Rate publicly announces that it has ceased or will cease to provide the Screen Rate for any Quoted Tenor permanently or indefinitely and, at that time, there is no successor administrator to continue to provide the Screen Rate for that Quoted Tenor;
 - (iii) the supervisor of the administrator of the Screen Rate publicly announces that such Screen Rate has been or will be permanently or indefinitely discontinued for any Quoted Tenor; or
 - (iv) the administrator of the Screen Rate or its supervisor publicly announces that the Screen Rate for any Quoted Tenor may no longer be used, and
- (b) in relation to the Screen Rate, the supervisor of the administrator of the Screen Rate publicly announces or publishes information stating that the Screen Rate for any Quoted Tenor is no longer, or as of a specified future date will no longer be, representative of the underlying market and the economic reality that it is intended to measure and that such representativeness will not be restored (as determined by such supervisor).

"Rate Switch Trigger Event Date" means, in relation to the Rate Switch Currency:

- (a) in the case of an occurrence of a Rate Switch Trigger Event described in paragraph (a)(i) of the definition of "Rate Switch Trigger Event", the date on which the Screen Rate ceases to be published or otherwise becomes unavailable;
- (b) in the case of an occurrence of a Rate Switch Trigger Event described in paragraphs (a)(ii), (a)(iii) or (a)(iv) of the definition of "Rate Switch Trigger Event", the date on which the Screen Rate for the relevant Quoted Tenor ceases to be published or otherwise becomes unavailable; and
- (c) in the case of an occurrence of a Rate Switch Trigger Event described in paragraph (b) of the definition of "Rate Switch Trigger Event", the date on which the Screen Rate for the relevant Quoted Tenor ceases to be representative of the underlying market and the economic reality that it is intended to measure (as determined by the supervisor of the administrator of such Screen Rate).

10. INTEREST AND FEES

10.1 Margin, Commitment and Utilisation Fees

10.1.1 Subject to sub-clauses 10.1.2 to 10.1.3 (inclusive) and Clause 10.5 (Sustainability Margin Adjustment) below, the margin (the "**Margin**") as at the date of this Agreement shall be 0.40 per cent. per annum and thereafter the Margin shall be determined in accordance with the following table to be the percentage rate per annum set out in Column 2 below opposite the Credit Rating specified in Column 1 below:

Column 1 Credit Rating	Column 2 Margin
A-/A3 or higher	0.25 per cent. per annum
BBB+/Baa1	0.30 per cent. per annum
BBB/Baa2	0.40 per cent. per annum
BBB-/Baa3	0.50 per cent. per annum
BB+/Ba1 or lower	0.80 per cent. per annum

If a different Credit Rating is assigned by Moody's and S&P, the applicable Margin shall be determined by averaging the relevant Margin for the Credit Rating given by each of Moody's and S&P as determined in accordance with the table above.

10.1.2 The Margin shall be the highest rate set out in the table in sub-clause 10.1.1 above in respect of any period when:

- (i) an Event of Default has occurred and is continuing; or
- (ii) there is no Credit Rating assigned by either Moody's or S&P.

- 10.1.3 The Parent shall notify the Facility Agent of any change in, or withdrawal of, the Credit Rating promptly upon becoming aware of the same. Any change in the Margin as a result of a change in, or withdrawal of, the Credit Rating or as a result of the occurrence of an Event of Default shall take effect on the date falling two Business Days after the earlier of the Facility Agent receiving such notification from the Parent or otherwise becoming aware of the same, in the case of a change in or withdrawal of the Credit Rating as a result of any public announcement by Moody's or S&P.
- 10.1.4 The Parent shall pay a utilisation fee (the "**Utilisation Fee**") of:
- (a) 0.075 per cent. per annum on the Dollar Amount of the Total Outstandings for any day on which the Dollar Amount of the Total Outstandings exceed zero but are less than or equal to 33% of the aggregate amount of the Revolving Facility Total Commitments;
 - (b) 0.15 per cent. per annum on the Dollar Amount of the Total Outstandings for any day on which the Dollar Amount of the Total Outstandings exceed 33% of the Revolving Facility Total Commitments but are less than or equal to 66% of the aggregate amount of the Revolving Facility Total Commitments; and
 - (c) 0.30 per cent. per annum on the Dollar Amount of the Total Outstandings for any day on which the Dollar Amount of the Total Outstandings exceed 66% of the Revolving Facility Total Commitments.

Such fee shall be payable on the day which is 3 months after the date of this Agreement and on (i) each day falling at 3 monthly intervals thereafter and (ii) the Final Maturity Date (the "**Payment Dates**") and shall be payable in respect of each day on which such an excess occurs during the 3 month period preceding each Payment Date.

- 10.1.5 The amount of the relevant Utilisation Fee shall be notified to the Borrowers by the Facility Agent and following such notification shall be paid to the Facility Agent for the account of the Lenders *pro rata* to the proportion which their respective Revolving Facility Commitment bears to the Revolving Facility Total Commitments.
- 10.1.6 Subject to sub-clause 10.1.9 below, the Borrowers shall pay a commitment fee of 35 per cent. of the applicable Margin on the unused and uncanceled amount of the Revolving Facility from and including the date of this Agreement to and including the last day of the Availability Period and shall be payable by the Borrowers in U.S. Dollars.
- 10.1.7 The commitment fee shall be paid to the Facility Agent for the account of the Lenders *pro rata* to the proportion which their respective Revolving Facility Commitment bears to the Revolving Facility Total Commitments.
- 10.1.8 The commitment fee shall be paid on the day which falls three months after the date of this Agreement and on each date falling at three monthly intervals thereafter and on the Final Drawing Date (or any earlier date on which the Revolving Facility Commitments of the Lenders are permanently reduced to zero).
- 10.1.9 No commitment fee is payable to the Facility Agent (for the account of a Lender) on any Available Commitment under the Revolving Facility of that Lender for any day on which that Lender is a Defaulting Lender.

10.2 **Interest Periods for Revolving Facility Advances**

- 10.2.1 Each Revolving Facility Advance has one Interest Period only. The Interest Period for each Revolving Facility Advance shall commence on the date of that Advance.
- 10.2.2 An Interest Period which would otherwise end on a day which is not a Business Day shall end on the next succeeding Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not), save that an Interest Period which commences on the last Business Day in a calendar month shall, end on the last Business Day in the calendar month in which that Interest Period is to end.
- 10.2.3 No Advance shall have an Interest Period ending after the Final Maturity Date.
- 10.2.4 The Obligors' Agent and the Facility Agent may enter into such other arrangements as they may agree for the consolidation or splitting of Revolving Facility Advances and Interest Periods.

10.3 **Rate of Interest for Revolving Facility – Term Rate Advances**

The rate of interest payable on a Term Rate Advance under the Revolving Facility for each Interest Period shall be the rate per annum determined by the Facility Agent to be the aggregate of:

- 10.3.1 the applicable Margin; and
- 10.3.2 EURIBOR.

10.4 **Rate of Interest for Revolving Facility – Compounded Rate Advances**

- 10.4.1 The rate of interest payable on a Compounded Rate Advance under the Revolving Facility for any day during an Interest Period shall be the rate per annum which is the aggregate of the applicable:
 - (a) Margin; and
 - (b) Compounded Reference Rate for that day.
- 10.4.2 If any day during an Interest Period for a Compounded Rate Advance is not an RFR Banking Day, the rate of interest on that Compounded Rate Advance for that day will be the rate applicable to the immediately preceding RFR Banking Day.

10.5 **Sustainability Margin Adjustment**

- 10.5.1 The Obligors' Agent and the Facility Agent (acting on the instructions of all the Lenders) may, on or before the date falling 12 Months from the date of this Agreement (or such later date as the Facility Agent (acting on the instructions of the Majority Lenders) may agree) (the "**Sustainability Supplement Deadline**"), sign a Sustainability Supplement setting out, among others, the applicable KPIs and SPTs.
- 10.5.2 This Clause 10.5 (except for sub-clause 10.5.1) shall only be effective if the Obligors' Agent and the Facility Agent have signed a Sustainability Supplement on or before the Sustainability Supplement Deadline in accordance with sub-clause 10.5.1 above.

- 10.5.3 Subject to Clause 14.7 (Declassification Event) and the other paragraphs of this Clause 10.5, following the receipt by the Facility Agent of the Sustainability Certificate (in substantially the form set out in Schedule 13 (Sustainability Supplement)) in respect of a Sustainability Performance Period in accordance with sub-clause 14.5 (Compliance certificates), the Margin applicable to each Revolving Facility Advance shall be adjusted (a "**Sustainability Margin Adjustment**") (or not adjusted, as the case may be) to the applicable rate determined using the margin adjustment table set out below and the number of SPTs that the Sustainability Certificate for that Sustainability Performance Period certifies have been met:

SPTs achieved or exceeded in the relevant Sustainability Performance Period	Sustainability Margin Adjustment (% points)
3	The rate which is 0.03 per cent. per annum lower than the rate which would otherwise have been applicable.
2	The rate which is 0.015 per cent. per annum lower than the rate which would otherwise have been applicable.
1	The rate which is 0.015 per cent. per annum higher than the rate which would otherwise have been applicable.
0	The rate which is 0.03 per cent. per annum higher than the rate which would otherwise have been applicable.

provided that in the event that the Parent does not supply a Sustainability Certificate to the Facility Agent in respect of any Sustainability Performance Period by the Sustainability Reporting Date falling immediately after the last day of that Sustainability Performance Period to enable the Facility Agent to establish the number of SPTs that have been achieved or exceeded in that Sustainability Performance Period, it shall be assumed that no SPTs have been achieved or exceeded in that Sustainability Performance Period and the Margin shall be adjusted accordingly until such time as a Sustainability Certificate demonstrating that at least one SPT has been achieved or exceeded has been supplied to Facility Agent in respect of the most recently completed Sustainability Performance Period.

- 10.5.4 Subject to sub-clause 10.5.6 below, any Sustainability Margin Adjustment in respect of the Margin for a Revolving Facility Advance shall take effect on the date falling five Business Days after the date of receipt by the Facility Agent of the Sustainability Certificate for the most recently completed Sustainability Performance Period pursuant to sub-clause 14.5.2 (Compliance certificates).
- 10.5.5 Subject to sub-clause 10.5.6 below and to sub-clause 14.5.5 (Compliance certificates), only one Sustainability Certificate may be delivered in respect of any Sustainability Performance Period and any Sustainability Margin Adjustment made by reference to a Sustainability Performance Period shall only apply until:

- (a) the date on which the Sustainability Certificate is required to be delivered for the following Sustainability Performance Period pursuant to Clause 14.5.2 (Compliance certificates); or
- (b) where a Sustainability Certificate has been delivered for the following Sustainability Performance Period pursuant to Clause 14.5.2 (Compliance certificates), the date falling five Business Days after receipt by the Facility Agent of that Sustainability Certificate.

For the avoidance of doubt, the calculation of any Sustainability Margin Adjustment which is applied to the Margin in respect of a Sustainability Performance Period shall disregard any Sustainability Margin Adjustment which was applied to the Margin in respect of the preceding Sustainability Performance Period.

- 10.5.6 If a revised Sustainability Certificate is received by the Facility Agent in respect of any Sustainability Performance Period pursuant to sub-clause 14.5.5 (Compliance certificates), any Sustainability Margin Adjustment which is applied to the Margin for a Revolving Facility Advance by reference to that Sustainability Performance Period shall:
- (a) be recalculated in accordance with the revised Sustainability Certificate; and
 - (b) take effect on the date which falls five Business Days after receipt by the Facility Agent of the revised Sustainability Certificate for the relevant Sustainability Performance Period pursuant to sub-clause 14.5.5 (Compliance certificates).
- 10.5.7 If a revised Sustainability Certificate received by the Facility Agent pursuant to sub-clause 14.5.5 (Compliance certificates) shows that a higher Margin should have applied during a certain period, then the Parent shall (or shall ensure the relevant Borrower shall) promptly pay to the Facility Agent any amounts necessary to put the Facility Agent and the Lenders in the position they would have been in had the appropriate rate of the Margin applied during such period.
- 10.5.8 For so long as a Sustainability Breach is continuing the SPTs will, for the purposes of this Clause 10.5, be deemed not to have been met for the applicable Sustainability Performance Period.

10.6 Payment of Interest on Revolving Facility Advances and payment of fees

- 10.6.1 Interest and fees accruing under a Financing Document will accrue from day to day and the amount of any such interest or fee shall be calculated on the basis of actual days elapsed (not counting within an Interest Period the last day of that Interest Period) and a year of 360 days (or in the case of sterling, Hong Kong Dollars, Canadian Dollars and Singapore Dollars, 365 days or such other period applied generally in the relevant market to such calculations for the relevant currency) and, subject to sub-clause 10.6.2 below, without rounding. Interest shall be paid on each Advance by the relevant Borrower to the Facility Agent for the account of the Lenders under the relevant Facility in arrears on the Interest Payment Date in the currency applicable to that Advance.

10.6.2 The aggregate amount of any accrued interest or fees which is, or becomes, payable by an Obligor under a Financing Document shall be rounded to 2 decimal places.

10.7 Facility Agent's Certificate

10.7.1 In respect of any Term Rate Advance the Facility Agent shall notify the Obligors' Agent and the Lenders under the relevant Facility of the rate of interest as soon as it is determined under this Agreement.

10.7.2 The Facility Agent shall promptly upon a Compounded Rate Interest Payment being determinable notify:

- (a) the relevant Borrower of that Compounded Rate Interest Payment;
- (b) each relevant Lender of the proportion of that Compounded Rate Interest Payment which relates to that Lender's participation in the relevant Compounded Rate Advance; and
- (c) the relevant Lenders and the relevant Borrower of each applicable rate of interest relating to the determination of that Compounded Rate Interest Payment.

10.7.3 The certificate of the Facility Agent as to a rate of interest shall, in the absence of manifest error, be conclusive.

10.7.4 This Clause 10.7 (*Facility Agent's Certificate*) shall not require the Facility Agent to make any notification to any Party on a day which is not a Business Day.

11. REDUCTION OF FACILITIES AND REPAYMENT

11.1 Reduction

The undrawn portion of the Revolving Facility Total Commitments shall be cancelled on the Final Drawing Date.

11.2 Repayment of Revolving Facility Advances

11.2.1 The relevant Borrower shall on the last day of the Interest Period relating to each Advance made to it repay that Advance to the Facility Agent for the account of the Lenders under the relevant Facility in accordance with Clause 16.1 (*By Obligors*). Any Advance repaid pursuant to this sub-clause 11.2.1 shall be available to be redrawn during the Availability Period in accordance with the terms of this Agreement. All Advances outstanding on the Final Maturity Date shall be repaid on that date and the Facilities shall be cancelled on that date.

11.2.2 Without prejudice to each Borrower's obligation under sub-clause 11.2.1 above, if one or more Advances are to be made available to a Borrower:

- (a) on the same day that a maturing Advance is due to be repaid by that Borrower under the relevant Facility;
- (b) in the same currency as the maturing Advance (unless it arose as a result of the operation of Clause 8.1 (*Alternative Currencies*)); and

(c) in whole or in part for the purpose of refinancing the maturing Advance;

the aggregate amount of the new Advances shall be treated as if applied in or towards repayment of the maturing Advance so that:

- (i) if the amount of the maturing Advance exceeds the aggregate amount of the new Advances:
 - (A) the relevant Borrower will only be required to pay an amount in cash in the relevant currency equal to that excess; and
 - (B) each Lender's participation (if any) in the new Advances shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation (if any) in the maturing Advance and that Lender will not be required to make its participation in the new Advances available in cash; and
- (ii) if the amount of the maturing Advance is equal to or less than the aggregate amount of the new Advances:
 - (A) the relevant Borrower will not be required to make any payment in cash; and
 - (B) each Lender will be required to make its participation in the new Advances available in cash only to the extent that its participation (if any) in the new Advances exceeds that Lender's participation (if any) in the maturing Advance and the remainder of that Lender's participation in the new Advances shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender's participation in the maturing Advance.

12. PREPAYMENT AND CANCELLATION

12.1 Voluntary Prepayment

12.1.1 Any Borrower may, without premium, prepay an Advance made to it in whole or in part (but, if in part, in an aggregate minimum amount of \$25,000,000 and an integral multiple of \$5,000,000, or such other minimum amount and multiple in the currency concerned as the Facility Agent and Obligors' Agent may agree), **provided that** the Obligors' Agent has given the Facility Agent not less than:

- (a) in the case of a Term Rate Advance, ten days' prior notice; or
- (b) in the case of a Compounded Rate Advance, five RFR Banking Days' prior notice,

stating the principal amount of the Advance to be prepaid.

12.1.2 Any prepayment under this Clause 12.1 (*Voluntary Prepayment*) shall be made together with accrued interest and all other amounts due under this Agreement (including, without limitation, such amounts as may be due under Clauses 15.2

(*Increased Costs*) and 16.5 (*Withholdings*)) in respect of that prepayment and, subject to any Break Costs, without premium or penalty.

- 12.1.3 If more than three prepayments of Compounded Rate Advances are made pursuant to this Clause 12.1 in any calendar year, the relevant Borrower shall, along with each additional prepayment of a Compounded Rate Advance pursuant to this Clause 12.1 in that calendar year, pay to the Facility Agent an administration fee of £3,500.

12.2 **Mandatory Prepayment**

If any person or group of persons acting in concert (as defined in the Code) acquires control (as defined in Section 450 of the CTA 2010) of the Parent:

- 12.2.1 the Parent shall promptly notify the Facility Agent upon becoming aware of that event; and
- 12.2.2 if the Majority Lenders so require, the Facility Agent shall (and in circumstances where such acquisition of control takes place with the consent, and on the recommendation, of the Board of Directors of the Parent, by not less than 30 days' notice to the Parent) cancel the Facilities and declare all outstanding Advances together with accrued interest, and all other amounts accrued under the Financing Documents immediately due and payable whereupon the Facilities will be cancelled and all such outstanding Advances and amounts will become immediately due and payable.

12.3 **Cancellation of Facilities**

- 12.3.1 The Obligors' Agent may, without premium, cancel the undrawn part of the Facilities (in respect of which no Request has been served), in whole or in part (being in a minimum amount of \$25,000,000 and an integral multiple of \$5,000,000) at any time **provided that** it has given the Facility Agent not less than ten days' prior written notice stating the principal amount to be cancelled. During such ten day period no Borrower may draw or utilise all or any part of the amount the subject of such notice of cancellation. Any cancellation in part shall be applied against the relevant Commitment of each relevant Lender *pro rata*.
- 12.3.2 The Obligors' Agent may not make a cancellation pursuant to sub-clause 12.3.1 above to the extent that that cancellation would result in a Lender (or its Affiliate) failing to meet the requirement in Clause 7.7 (*Conditions of assignment or transfer*).

12.4 **Prepayment of certain Lenders**

- 12.4.1 Without prejudice to the rights of the Borrowers under Clause 15.8 (*Mitigation*), if any Borrower becomes or will, on or before the last day of the Interest Period relating to an Advance made to it, become obliged to pay to any Lender additional amounts pursuant to Clause 15.2 (*Increased Costs*), or any amounts pursuant to sub-clause 16.5.2 of Clause 16.5 (*Withholdings*) or Clause 16.10 (*Tax indemnity*); and:
- (a) the Obligors' Agent gives the Facility Agent and the relevant Lender not less than 10 days' prior notice of the date of prepayment, the Borrowers may on the date of prepayment specified in that notice prepay all (but not part only) of that Lender's participation in all Advances outstanding; or

- (b) the Obligor's Agent gives the Facility Agent and the relevant Lender notice of its intention to replace that Lender in accordance with sub-clause 12.4.4 below, the Parent may replace that Lender in accordance with sub-clause 12.4.4 below.
- 12.4.2 Any prepayment under this Clause 12.4 (*Prepayment of certain Lenders*) shall be made together with accrued interest and all other amounts due to the relevant Lender under this Agreement (including, without limitation, such amounts as may be due under Clause 15.2 (*Increased Costs*) and Clause 16.5 (*Withholdings*)) and, subject to any Break Costs, without premium or penalty.
- 12.4.3 If a Lender's participation in all Advances is prepaid under this Clause 12.4 (*Prepayment of certain Lenders*), that Lender's Commitment shall thereupon be immediately cancelled.
- 12.4.4 The Parent may, in the circumstances set out in sub-clause 12.4.1 above, on ten Business Days' prior notice to the Facility Agent and that Lender, replace that Lender by requiring that Lender to (and, to the extent permitted by law, that Lender shall) transfer pursuant to Clause 24 (*Benefit of Agreement*) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank, financial institution, trust, fund or other entity selected by the Parent which confirms in writing its willingness to assume and does assume all the obligations of the transferring Lender (including the assumption of the transferring Lender's participations on the same basis as the transferring Lender) in accordance with Clause 24 (*Benefit of Agreement*) for a purchase price in cash payable at the time of the transfer in an amount equal to the outstanding principal amount of such Lender's participation in the outstanding Advances and all accrued interest (to the extent that the Facility Agent has not given a notification under Clause 24.8 (*Pro rata interest settlement*)), Break Costs and other amounts payable in relation thereto under the Financing Documents.
- 12.4.5 The replacement of a Lender pursuant to sub-clause 12.4.4 above shall be subject to the following conditions:
 - (a) the Parent shall have no right to replace the Facility Agent;
 - (b) neither the Facility Agent nor any Lender shall have any obligation to find a replacement Lender;
 - (c) in no event shall the Lender replaced under sub-clause 12.4.4 above be required to pay or surrender any of the fees received by such Lender pursuant to the Financing Documents; and
 - (d) the transfer must not result in that Lender (or its Affiliate) failing to meet the requirements set out in Clause 7.7 (*Conditions of assignment or transfer*).

12.5 Cancellation of Defaulting Lender

- 12.5.1 If any Lender becomes a Defaulting Lender, the Parent may, at any time whilst the Lender continues to be a Defaulting Lender, give the Facility Agent ten Business Days' notice of cancellation of each Available Commitment of that Lender.

- 12.5.2 On the notice referred to in sub-clause 12.5.1 above becoming effective, each Available Commitment of the Defaulting Lender shall, other than as set out in sub-clause 12.5.4 below, immediately be reduced to zero.
- 12.5.3 The Facility Agent shall as soon as practicable after receipt of a notice referred to in sub-clause 12.5.1 above, notify all the Lenders.
- 12.5.4 That Lender's Available Commitment under the Revolving Facility shall immediately be reduced to the lowest amount possible which does not result in that Lender (or its Affiliate) failing to meet the requirement set out in Clause 7.7 (*Conditions of assignment or transfer*).

12.6 Irrevocability

Any notice under Clause 12.1 (*Voluntary Prepayment*), Clause 12.3 (*Cancellation of Facilities*) or Clause 12.4 (*Prepayment of certain Lenders*) shall be irrevocable. The amount of any prepayment shall become due and payable on the applicable date. No amount cancelled under Clause 12.2 (*Mandatory Prepayment*), Clause 12.3 (*Cancellation of Facilities*) or Clause 12.4 (*Prepayment of certain Lenders*) may subsequently be reinstated.

12.7 Currency

Repayment and prepayment shall each be made in the currency or currencies in which the amounts repaid or prepaid (as appropriate) are denominated on the day the repayment or prepayment (as appropriate) is due to be made.

12.8 Redrawing

- 12.8.1 Subject to sub-clause 12.8.2 below, no amount which is prepaid under this Agreement may be redrawn.
- 12.8.2 Any Advance prepaid under sub-clause 12.1.1 of Clause 12.1 (*Voluntary Prepayment*) shall be available to be redrawn during the Availability Period in accordance with the terms of this Agreement.
- 12.8.3 If all or part of any Lender's participation in an Advance under a Facility is prepaid and is not available for redrawing (other than by operation of Clause 4.3 (*Conditions to each Utilisation of the Revolving Facility*)), an amount of that Lender's Commitment (equal to the Dollar Amount of the amount of the participation which is prepaid) in respect of that Facility will be deemed to be cancelled on the date of prepayment.
- 12.8.4 Any prepayments of an Advance pursuant to Clause 12.1 (*Voluntary Prepayment*) or Clause 12.2 (*Mandatory Prepayment*) shall be applied pro rata to each Lender's participation in that Advance.

13. REPRESENTATIONS AND WARRANTIES

13.1 On Signing

Each Obligor acknowledges that each Finance Party has entered into the Financing Documents in full reliance on representations by each Obligor in the following terms and each

Obligor warrants to each of them in respect of itself, and the Parent warrants to each of them in respect of itself and of each other Obligor that as of the date of this Agreement:

- 13.1.1 *Status*: it is duly incorporated with limited liability and validly existing and, in the case of a U.S. Borrower in good standing, under the laws of its place of incorporation;
- 13.1.2 *Powers and authorisations*: the documents which contain or establish its constitution include provisions which give power, and all necessary corporate authority has been obtained and action taken, for it to own its assets, carry on its business and operations as they are now being conducted, and sign and deliver, and perform the transactions contemplated in, the Financing Documents to which it is a party and the Financing Documents to which it is a party constitute valid and binding obligations of it enforceable in accordance with their terms subject to general equitable principles, insolvency, liquidation and other laws affecting creditors' rights generally;
- 13.1.3 *Non-Violation*: neither the signing and delivery of the Financing Documents to which it is a party nor the performance of any of the transactions contemplated in any of them does or will contravene or constitute a default under, or cause to be exceeded any limitation on it or the powers of its directors imposed by or contained in, (a) any law by which it or any of its assets is bound or affected, (b) any document which contains or establishes its constitution, or (c) any agreement to which it is a party or by which any of its assets is bound which has had or would be reasonably likely to have, in any such case, a material adverse effect on its ability to observe and perform its obligations under the Financing Documents;
- 13.1.4 *Consents*: no authorisation, approval, consent, licence, exemption, registration, recording, filing or notarisation and no payment of any duty or Tax and no other action whatsoever which has not been duly and unconditionally obtained, made or taken is necessary or desirable to ensure the validity or enforceability of the liabilities and obligations of it or the rights of the Finance Parties under the Financing Documents;
- 13.1.5 *Deduction of Tax*: it is not required under the law of its jurisdiction of incorporation (or, if different, the law of the jurisdiction in which that Obligor is resident for tax purposes) to make any Tax Deduction from any payment it may make under any Financing Document **provided that**, with respect to any Tax imposed on a Borrowing by any Borrower which is a U.S. Borrower by the United States of America, this sub-clause 13.1.5 shall not apply unless the Lender complies with the requirements of sub-clause 16.6.1 of Clause 16.6 (*U.S. taxes*);
- 13.1.6 *No filing or stamp taxes*: under the law of its jurisdiction of incorporation it is not necessary that the Financing Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the Financing Documents or the transactions contemplated by the Financing Documents;
- 13.1.7 *No misleading information*:
 - (a) any factual information generated and provided by any Obligor to the Lenders in relation to this Agreement on or prior to the date of this Agreement was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated;

- (b) no information has been withheld that results in any information provided to the Lenders in relation to this Agreement on or prior to the date of this Agreement being untrue or misleading in any material respect; and
- (c) all Sustainability Information is true, complete and accurate in all material respects as at the date it is provided and, as at that date, is not misleading in any material respect;

13.1.8 *No Default:*

- (a) no Event of Default has occurred which is continuing under this Agreement; and
- (b) no event has occurred which constitutes a contravention of, or default in any material respect under, any agreement or instrument (other than the Financing Documents) by which it or any of its assets is bound or affected, being a contravention or default which has had or would be reasonably likely either to have a material adverse effect on the business, assets or consolidated financial condition of the Group as a whole or materially and adversely affects the ability of the Obligors as a whole to observe or perform their obligations under the Financing Documents;

13.1.9 *Litigation:* no:

- (a) litigation, arbitration, administrative proceeding or claim in which there is a reasonable possibility of an adverse decision is presently in progress or pending or, to the knowledge of any Obligor, threatened against any member of the Group or any of their assets; or
- (b) judgment or order of a court, arbitral body or agency has been issued,

which has had or would be reasonably likely by itself or together with any other such proceedings, claims, judgments or orders either (a) to have a material adverse effect on the business, assets or consolidated financial condition of the Group as a whole or (b) materially and adversely to affect the ability of the Obligors as a whole to observe or perform their obligations under any Financing Documents or (c) to impair the validity or enforceability of this Agreement or any other Financing Document;

13.1.10 *Accounts:* the Original Financial Statements fairly present the results of the operations of the Group for that year and the state of the affairs of the Group at that date; since that date there has been no material adverse change in the consolidated financial condition of the Group as shown in such statements;

13.1.11 *Anti-Terrorism and Sanctions Laws:*

- (a) to the best of the Obligors' knowledge, no Obligor nor any Affiliate thereof: (i) is a Restricted Party; or (ii) is in breach of or is the subject of any action or investigation under any Anti-Terrorism Law and Sanctions Law applicable to such Obligor or such Affiliate;
- (b) each Obligor and, to the best of the Obligors' knowledge, each Affiliate thereof has taken reasonable measures to ensure compliance with the Anti-Terrorism Law and Sanctions Law applicable to such Obligor or such Affiliate; and

- (c) it is acknowledged and agreed that this representation and warranty is only sought and given to the extent that to do so would not result in any violation of, conflict with or liability under:
 - (i) Regulation (EC) 2271/96 (or any law or regulation implementing such Regulation in any member state of the European Union;
 - (ii) Regulation (EC) 2271/96 as it forms part of domestic law of the United Kingdom by virtue of the Withdrawal Act; or
 - (iii) Section 7 Foreign Trade and Payments Rules (AWV) (*Außenwirtschaftsverordnung*) (in connection with Section 4 paragraph 1 a no. 3 German Foreign Trade and Payments Act (AWG) (*Außenwirtschaftsgesetz*).

13.1.12 *Investment Company Act*: none of the Obligors or their respective subsidiaries is an “investment company” or otherwise subject to regulation under the United States Investment Company Act of 1940, as amended (the “**U.S. 1940 Act**”);

13.1.13 *Federal Reserve Regulations*

- (a) No Obligor is engaged or will engage, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock or extending credit for the purpose of purchasing or carrying Margin Stock; and
- (b) None of the proceeds of the Advances or other extensions of credit under this Agreement will be used, directly or indirectly, for the purpose of buying or carrying any Margin Stock, for the purpose of reducing or retiring any indebtedness that was originally incurred to buy or carry any Margin Stock or for any other purpose which might cause all or any Advances or other extensions of credit under this Agreement to be considered a “purpose credit” within the meaning of Regulation U or Regulation X; and

13.1.14 *Anti-Corruption*: save as disclosed in writing by the Parent to the Finance Parties on or prior to the date of this Agreement on a confidential basis, each member of the Group has conducted its business in compliance with applicable Anti-Corruption Laws and has instituted and maintained policies and procedures designed to promote and achieve compliance by that member of the Group with such laws.

13.2 **After Signing**

Each Obligor shall be deemed to represent and warrant in respect of itself, and the Parent shall be deemed to represent and warrant in respect of itself and each other Obligor, to each Finance Party, with reference to the facts and circumstances then subsisting, that:

13.2.1 on the date of each Request, every Drawing Date and on every other date upon which any utilisation of the Facilities is made available, each of the representations and warranties contained in sub-clauses 13.1.1 (*Status*), 13.1.2 (*Powers and authorisations*), 13.1.3 (*Non-Violation*), 13.1.8 (*No Default*), 13.1.11 (*Anti-Terrorism and Sanctions Laws*) and 13.1.12 (*Investment Company Act*) of Clause 13.1 (*On Signing*) remains correct; and

13.2.2 on the date of the Sustainability Supplement and on the date of each Sustainability Certificate, the representation contained in paragraph (c) of sub-clause 13.1.7 (*No misleading information*) remains correct.

14. UNDERTAKINGS

14.1 Duration

The undertakings in this Clause 14 (*Undertakings*) shall remain in force for so long as any amount is or may be outstanding under the Financing Documents or any Commitment is in force.

14.2 Information

The Obligors will furnish or procure to be furnished to the Facility Agent, in sufficient copies for each of the Lenders:

14.2.1 as soon as practicable (and in any event within 180 days after the close of each of the Parent's financial years) the audited consolidated accounts of the Group for that year;

14.2.2 as soon as practicable (and in any event within 90 days of the end of each half year of the Parent's financial year) the published unaudited interim consolidated accounts of the Group;

14.2.3 promptly, all notices, other documents or information despatched by the Parent to its shareholders generally (or any class thereof) or its creditors generally (or any class thereof);

14.2.4 promptly, such further information in the possession or control of any of the Obligors or of any of their respective Material Subsidiaries regarding the financial condition or operations of any of the Obligors or any of their respective Material Subsidiaries, as the Facility Agent may reasonably request (including information in respect of the underlying documentation and underlying calculations used to produce any Sustainability Certificate); and

14.2.5 details of:

(a) any litigation, arbitration or administrative proceedings, as soon as the same are instituted, or, to the knowledge of any Obligor, are threatened, which, if adversely determined; and

(b) any judgment or order of a court, arbitral body or agency which,

would be reasonably likely to have a material adverse effect on the business, assets or consolidated financial condition of the Group as a whole or materially and adversely to affect the ability of any Obligor to observe or perform its obligations under the Financing Documents and which affect any Obligor or the Group as a whole.

14.3 Requirements as to financial statements

14.3.1 All accounts and statements required under Clause 14.2 (*Information*) above shall be certified as fairly representing the state of affairs of the Group and of the profit and cash flows of the Group and in the case of unaudited accounts and statements shall be

prepared in a manner which is consistent with the audited consolidated accounts of the Group except to comply with changes in accounting practice or as noted therein.

- 14.3.2 The Parent shall procure that each set of financial statements of the Parent delivered pursuant to Clause 14.2 (*Information*) is prepared using the Applicable Accounting Principles and financial reference periods consistent with those applied in the Original Financial Statements unless, in relation to any set of financial statements, it notifies the Facility Agent that there has been a material change to IFRS, the accounting practices or reference periods and its auditors deliver to the Facility Agent:
- (a) a description of any change necessary for those financial statements to reflect the Applicable Accounting Principles and reference periods upon which the Original Financial Statements were based; and
 - (b) sufficient information, in form and substance as may be reasonably required by the Facility Agent, to enable the Lenders to make an accurate comparison between the financial position indicated in those financial statements and that which would have been indicated had they been prepared using the Applicable Accounting Principles and reference periods consistent with those applied in the Original Financial Statements **provided that** any such comparative information shall only be required to be delivered if necessary to determine compliance with the Material Subsidiary test hereunder.

Any reference in this Agreement to those financial statements shall be construed as a reference to those financial statements as adjusted to reflect the basis upon which the Original Financial Statements were prepared.

- 14.3.3 If the Parent notifies the Facility Agent of a change in accordance with sub-clause 14.3.2 above then the Parent and the Facility Agent (acting on the instructions of the Majority Lenders) shall enter into negotiations in good faith with a view to agreeing:
- (a) whether or not the change might result in any material alteration in the commercial effect of any of the terms of this Agreement; and
 - (b) if so, any amendments to this Agreement which may be necessary to ensure that the change does not result in any material alteration in the commercial effect of those terms,

and if any amendments are agreed they shall take effect and be binding on each of the Parties in accordance with their terms.

14.4 **Notification of Default**

The Obligors' Agent and each Obligor will notify the Facility Agent in writing of any Event of Default or Potential Event of Default forthwith upon becoming aware thereof.

14.5 **Compliance certificates**

- 14.5.1 The Parent will no later than the time of the delivery of the accounts specified in sub-clauses 14.2.1 and 14.2.2 of Clause 14.2 (*Information*) (and, in relation to a certificate dealing with the matters referred to in this sub-clause 14.5.1, also promptly at the request of the Facility Agent from time to time) furnish the Facility Agent with a

certificate signed by any two of the company secretary of the Parent, the Director of Group Treasury (or equivalent from time to time) and the executive directors of the Parent certifying on behalf of the Parent without personal liability that no Event of Default or Potential Event of Default has occurred and is continuing or, if the same has occurred, specifying the Event of Default or Potential Event of Default and the steps being taken to remedy the same.

14.5.2 The Parent shall, on or before the relevant Sustainability Reporting Date in each year following delivery of the Sustainability Supplement in accordance with Clause 10.5 (Sustainability Margin Adjustment), furnish the Facility Agent with a Sustainability Certificate signed by any two of the company secretary of the Parent, the Director of Group Treasury (or equivalent from time to time) and the executive directors of the Parent:

- (a) certifying, on behalf of the Parent without personal liability:
 - (i) the Group's performance as measured against each SPT for each KPI and audited by an External Reviewer, in respect of the Sustainability Performance Period ending immediately prior to that Sustainability Reporting Date, together with the relevant calculations; and
 - (ii) any Sustainability Margin Adjustment to be applied in accordance with Clause 10.5 (Sustainability Margin Adjustment) and the applicable Margin following application of such Sustainability Margin Adjustment;
- (b) attaching a correct and complete copy of each of:
 - (i) the annual non-financial disclosure report setting out the Group's sustainability-linked information for each KPI for the relevant Sustainability Performance Period in sufficient detail for the Lenders to assess whether the SPTs have been met during that Sustainability Performance Period (a "**Sustainability Report**"); and
 - (ii) any verification report prepared for that Sustainability Performance Period by an External Reviewer in respect of each KPI, which satisfies the requirements of sub-clause 14.5.3 below (the "**Verification Report**"); and
- (c) confirming that the Sustainability Report and each Verification Report relating to that Sustainability Performance Period and attached to the Sustainability Certificate is a correct and complete copy of the original and has not been amended or superseded as at the date of the Sustainability Certificate.

14.5.3 The Parent shall procure that each Verification Report verifies each KPI to which it relates (in accordance with the relevant Calculation Methodology) for the applicable Sustainability Performance Period.

14.5.4 For the avoidance of doubt and without prejudice to paragraph (b) of the definition of "Declassification Event", there shall be no consequences (and no Potential Event of Default, Event of Default, breach of contract or other cause of action shall occur or arise) if:

(a) the Parent does not furnish the Facility Agent with a Sustainability Certificate on or before any Sustainability Reporting Date in respect of the Sustainability Performance Period ending immediately prior to that Sustainability Reporting Date; or

(b) the Group does not achieve or exceed any KPI or SPT,

other than any applicable increase to the Margin in accordance with Clause 10.5 (Sustainability Margin Adjustment).

14.5.5 The Parent shall notify the Facility Agent upon becoming aware of any inaccuracy in a Sustainability Certificate which may result in that Sustainability Certificate being misleading in any material respect (a "**Sustainability Certificate Inaccuracy**"). Such notice shall be provided together with:

(a) a description (in reasonable detail) of the relevant Sustainability Certificate Inaccuracy; and

(b) a revised Sustainability Certificate which complies with the requirements of sub-clause 14.5.2 and which corrects the relevant Sustainability Certificate Inaccuracy.

14.5.6 Notwithstanding any provision of this Clause 14.5, a Sustainability Certificate Inaccuracy shall not constitute a Sustainability Breach, a Potential Event of Default or an Event of Default.

14.6 Sustainability Information

14.6.1 The Parent shall supply to the Facility Agent, promptly upon request, any additional information which any Lender (through the Facility Agent) may reasonably request in order to:

(a) determine and confirm if any SPT has been met; or

(b) otherwise determine a member of the Group's compliance with its obligations under any Sustainability Provision.

14.6.2 The Parent shall notify the Facility Agent of any Sustainability Breach (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

14.6.3 The Parent shall promptly notify the Facility Agent:

(a) upon becoming aware that an External Reviewer has threatened to terminate its appointment, or that an External Reviewer's appointment has been terminated; and

(b) of the appointment of any successor External Reviewer.

14.6.4 The Parties acknowledge and agree that the Facility Agent, the Sustainability Coordinator and the Lenders may rely, without independent verification, upon the accuracy, adequacy and completeness of the Sustainability Information, and that neither the Facility Agent, the Sustainability Coordinator nor any Lender:

- (a) assumes any responsibility or has any liability for the Sustainability Information; or
- (b) has an obligation to conduct any appraisal of any Sustainability Information.

14.7 **Declassification Event**

14.7.1 On and at any time after the occurrence of a Declassification Event, the Facility Agent may, and shall if so directed by the Majority Lenders, by notice to the Parent declassify the Revolving Facility as "sustainability linked".

14.7.2 With effect on and from the Declassification Date:

- (a) the Sustainability Margin Adjustment and each Sustainability Provision shall cease to apply; and
- (b) no Sustainability Margin Adjustment will apply to any Revolving Facility Advance.

14.7.3 The Revolving Facility may not be re-classified as "sustainability linked" on or after the Declassification Date.

14.8 **Consents**

Each Obligor will use its best endeavours to obtain and promptly renew from time to time, and will promptly furnish certified copies to the Facility Agent of, all such authorisations, approvals, consents, licences and exemptions as may be required under any applicable law or regulation to enable it to perform its obligations under the Financing Documents or required for the validity or enforceability of the Financing Documents and each Obligor shall comply with the terms of the same.

14.9 **Compliance with laws**

Each Obligor shall comply in all respects with all laws to which it may be subject, if failure so to comply would materially impair its ability to perform its obligations under the Financing Documents.

14.10 **Pari passu ranking**

Each Obligor undertakes that, subject as set out herein, its obligations under the Financing Documents do and will rank at least *pari passu* with all its other present and future unsecured and unsubordinated obligations other than obligations in respect of national, provincial and local taxes and employees' remuneration and taxes and for certain other statutory exceptions.

14.11 **Negative pledge**

The Parent undertakes that no Obligor will create, suffer or permit to subsist (and will procure that none of its Subsidiaries will create, suffer or permit to subsist) any Security Interest on the whole or any part of its respective present or future assets except for the following:

14.11.1 Security Interests created with the prior written consent of the Majority Lenders;

- 14.11.2 Security Interests arising by operation of law in the ordinary course of business including, without limitation, statutory liens and encumbrances;
- 14.11.3 any Security Interest over the assets and/or revenues of a company which became or becomes a Subsidiary of any Obligor after the date of this Agreement and which Security Interest is in existence or contracted to be given as at the date it becomes a Subsidiary (and which was not created in contemplation of it becoming a Subsidiary) **provided that** the principal amount of any borrowing which may be so secured shall not be increased beyond the amount outstanding or committed at the date it becomes a Subsidiary but shall be reduced in accordance with its terms and **provided further that** in the case of a fluctuating amount for banking type accommodation the foregoing shall not prevent fluctuation within the overall limit that existed at that date and **provided that** the amount secured under any such Security Interest shall not be increased beyond the amount secured at the date the company becomes a Subsidiary;
- 14.11.4 those Security Interests existing at the date of this Agreement over the assets and/or revenues of a Subsidiary (whether or not it is an Obligor), **provided that** the principal amount of any borrowing which may be so secured shall not be increased beyond the amount outstanding or committed at the date of this Agreement but shall be reduced in accordance with its terms and **provided further that** in the case of a fluctuating amount for banking type accommodation the foregoing shall not prevent fluctuation within the overall limit that existed at the date of this Agreement;
- 14.11.5 Security Interests securing the performance of bids, tenders, bonds, leases, contracts (other than in respect of Borrowings), statutory obligations, surety, customs and appeal bonds and other obligations of like nature (but not including obligations in respect of Borrowings) incurred in the ordinary course of business **provided that** the aggregate amount secured under such Security Interests shall not, at any time, exceed \$50,000,000 (or its equivalent) save that such aggregate amount may be exceeded with the prior written consent of the Majority Lenders;
- 14.11.6 Security Interests arising out of judgments or awards which are being contested in good faith and with respect to which an appeal or proceeding for review has been instituted or the time for doing so has not yet expired;
- 14.11.7 Security Interests upon any property which are created or incurred contemporaneously with the acquisition of such property to secure or provide for the payment of any part of the purchase price of such property (but no other amounts), **provided that** any such Security Interest shall not apply to any other property of the purchaser thereof and **provided further that** the aggregate amount of all liabilities secured by Security Interests permitted by this sub-clause 14.11.7 shall not, at any time, exceed \$60,000,000 (or its equivalent);
- 14.11.8 any Security Interest arising out of title retention provisions in a supplier's conditions of supply of goods or services acquired by a member of the Group in the ordinary course of its business;
- 14.11.9 any right of any bank or financial institution of combination or consolidation of accounts or right to set-off or transfer any sum or sums standing to the credit of any account (or appropriate any securities held by such bank or financial institution) in or towards satisfaction of any present or future liabilities to that bank or financial institution;

14.11.10 any Security Interest securing indebtedness re-financing indebtedness secured by Security Interests permitted by sub-clauses 14.11.3, 14.11.4 or 14.11.7 of this Clause 14.11 (*Negative pledge*) or this sub-clause 14.11.10 **provided that** (except to the extent otherwise permitted by sub-clause 14.11.1 of this Clause 14.11 (*Negative pledge*)) the maximum principal amount of the indebtedness secured by such Security Interests is not increased and such Security Interests do not extend to any assets which were not subject to the Security Interests securing the re-financed indebtedness;

14.11.11 any Security Interest created by a member of the Group which is not an Obligor securing banking facilities over accounts receivable (or book debts) outside the UK or the U.S.;

14.11.12 any other Security Interest created or outstanding on or over any assets of any member of the Group **provided that** the aggregate outstanding amount secured by all Security Interests created or outstanding under this exception in this sub-clause 14.11.12 shall not at any time exceed \$90,000,000 or its equivalent and further **provided that** no single such Security Interest under this sub-clause 14.11.12 shall secure an aggregate principal amount exceeding \$25,000,000 or its equivalent; and

14.11.13 any Security Interest arising out of any of the Back to Back Loans.

14.12 Disposals

No Obligor will, without the prior written consent of the Majority Lenders (which may be given subject to conditions), and each Obligor will procure that none of its Subsidiaries will sell, transfer, lease or otherwise dispose of all or any substantial part of their respective assets except on an arm's length basis and for a fair market value or to another member of the Group.

14.13 Change of business

Except with the prior written consent of the Majority Lenders, no Obligor will, and each Obligor will procure that none of its Material Subsidiaries will, make any change in its business as presently conducted, or carry on any other business other than its business as presently conducted or business consisting of allied or related activities, **provided that** this prohibition shall not apply unless such change of business or other business alters the nature of the business of the Group as a whole.

14.14 Mergers

No Obligor will without the prior written consent of the Majority Lenders enter into any merger or consolidation if the effect thereof would be to alter the legal personality or identity of such Obligor except that any Borrower or any Guarantor may merge or consolidate with or into any other Subsidiary which is in the same jurisdiction as the relevant Borrower or the relevant Guarantor (as the case may be) **provided that** from the date on which the merger or consolidation takes effect a Borrower or a Guarantor is the legal entity surviving the merger or the legal entity into which it shall be merged or the legal entity which is formed by such consolidation shall assume its obligations hereunder in an agreement or instrument satisfactory in form and substance to the Majority Lenders.

14.15 Insurance

Each Obligor will, and will procure that each of its Material Subsidiaries will, effect and maintain such insurance over and in respect of its respective assets and business and in such manner and to such extent as is reasonable and customary for a business enterprise engaged in the same or a similar business and in the same or similar localities.

14.16 Limitation on Borrowings of Subsidiaries

The Parent will not permit any of its Subsidiaries to create, permit to subsist, incur, assume or in any other manner be or become directly or indirectly liable for the payment of any Borrowings (including, without limitation, by way of indemnity, counter-indemnity or guarantee) other than:

14.16.1 Borrowings under this Agreement;

14.16.2 any Borrowings of any Subsidiary owing to another member of the Group;

14.16.3 Borrowings by a Subsidiary whose main business is to operate as a finance company for the Group; and

14.16.4 additional Borrowings of Subsidiaries to the extent that:

- (a) no individual Material Subsidiary has or will create, permit to subsist, incur, assume or in any other manner be or become directly or indirectly liable for the payment of any Borrowings (including, without limitation, by way of indemnity, counter-indemnity or guarantee) with an aggregate principal amount exceeding an amount equal to 15% of Consolidated EBITDA; and
- (b) the aggregate principal amount of Borrowings of all Subsidiaries permitted under this sub-clause 14.16.4 does not exceed an amount equal to 35% of Consolidated EBITDA,

in each case for the Financial Period most recently ended from time to time in respect of which financial results of the Group have been published or announced **provided that** no Borrowings of a Subsidiary shall be included in the percentage limits set out in paragraphs (a) and (b) of sub-clause 14.16.4 if such Subsidiary has provided a full and unconditional guarantee of all sums outstanding under the Facilities (without limit).

14.17 Compliance with ERISA

14.17.1 Each Obligor undertakes that, where relevant it (a) has fulfilled all its obligations under the minimum funding standards of ERISA and the Revenue Code, with respect to any employee pension benefit plan (a "**Plan**") covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Revenue Code maintained by such Obligor or to which such Obligor makes contributions, has within the previous five years made contributions or has an obligation to make contributions to and (b) is in compliance in all material respects with the presently applicable provisions of ERISA and the Revenue Code, and has not incurred any liability to the Pension Benefit Guaranty Corporation (or any entity succeeding to any or all of its

functions under ERISA) or a Plan under Title IV of ERISA (other than premiums due and not delinquent under Section 4007 of ERISA).

- 14.17.2 Except as could not reasonably be expected to: (a) give rise to a material adverse effect on the business, assets or consolidated financial condition of the Group as a whole; or (b) materially and adversely affect the ability of the Obligors as a whole to observe or perform their obligations under the Financing Documents, no ERISA Affiliate has or will have any actual or contingent, direct or indirect liability under Title IV of ERISA or with respect to a Plan that is subject to Title IV of ERISA.

14.18 **Guarantees**

- 14.18.1 If any Subsidiary (the "**Relevant Subsidiary**") gives a guarantee, indemnity or other assurance against financial loss to any creditor (a "**Guaranteed Creditor**") who is a creditor in respect of all or any part of the Borrowings raised by WPP CP LLC, WPP CP Finance, WPP Finance or any Subsidiary, or by a member of the Group (whether under a loan or other credit facility, bond or note or otherwise) where the Borrowings so raised equal or exceed \$50,000,000 (or its equivalent), the Relevant Subsidiary will simultaneously provide an equivalent guarantee, indemnity or other assurance in favour of the Lenders of all obligations of the Obligors under the Facilities.

- 14.18.2 If sub-clause 14.18.1 above applies, the Relevant Subsidiary may provide its guarantee by way of deed poll governed by English law or other instrument in a form satisfactory to the Facility Agent (acting reasonably and such approval to be given if the guarantee is equivalent to the guarantee given to the relevant Guaranteed Creditor) and the Relevant Subsidiary shall supply to the Facility Agent such certificates, documents and legal opinions (if any) equivalent to those it is supplying to the relevant Guaranteed Creditor (or a trustee or agent on its behalf).

14.19 **Margin Stock**

None of the proceeds of the Advances will be used in a manner that violates Regulations T, U or X of the Board of Governors of the USA Federal Reserve System.

14.20 **"Know your customer" checks**

14.20.1 If:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
- (b) any change in the status of an Obligor or the composition of the shareholders of an Obligor (other than the Parent) after the date of this Agreement; or
- (c) a proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Facility Agent or any Lender (or, in the case of paragraph (c) above, any prospective new Lender) to comply with "know your customer" or similar identification procedures, including obtaining, verifying and recording information regarding any Obligor, its directors, authorised signing officers, direct or indirect shareholders or other persons in control of any Obligor, in circumstances where the

necessary information is not already available to it, each Obligor shall promptly upon the request of the Facility Agent or any Lender supply, or procure the supply of, such information, including supporting documentation and other evidence as is reasonably requested by the Facility Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in paragraph (c) above, on behalf of any prospective new Lender) in order for the Facility Agent, such Lender or, in the case of the event described in paragraph (c) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks or requirements under all applicable laws and regulations pursuant to the transactions contemplated in the Financing Documents.

- 14.20.2 Each Lender shall promptly upon the request of the Facility Agent supply, or procure the supply of, such information, including supporting documentation and other evidence as is reasonably requested by the Facility Agent (for itself) in order for the Facility Agent to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks or requirements under all applicable laws and regulations pursuant to the transactions contemplated in the Financing Documents.
- 14.20.3 The Parent shall, by not less than 10 Business Days' prior written notice to the Facility Agent, notify the Facility Agent (which shall promptly notify the Lenders) of its intention to request that one of its Subsidiaries becomes an Additional Obligor pursuant to Clause 3.7 (*Accession of Additional Obligors*) or a Substitute Borrower pursuant to Clause 3.9 (*Substitution of Borrowers*).
- 14.20.4 Following the giving of any notice pursuant to sub-clause 14.20.3 above, if the accession of such Additional Obligor or a Substitute Borrower obliges the Facility Agent or any Lender to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, the Parent shall promptly upon the request of the Facility Agent or any Lender supply, or procure the supply of, such information, including supporting documentation and other evidence as is reasonably requested by the Facility Agent (for itself or on behalf of any Lender) or any Lender (for itself or on behalf of any prospective new Lender) in order for the Facility Agent or such Lender or any prospective new Lender to carry out and be satisfied it has complied with the results of all necessary "know your customer" or other similar checks or requirements under all applicable laws and regulations pursuant to the accession of such Additional Obligor or the novation to such Substitute Borrower.

14.21 **Compliance with U.S. Regulations**

No Obligor shall (and the Parent shall ensure that no other member of the Group will) become an "**investment company**," or an "**affiliated person**" of, an "**investment company**," as such terms are defined in the U.S. 1940 Act.

14.22 **Restricted Parties**

- 14.22.1 No Obligor shall use the proceeds, or cause or permit the proceeds of any Utilisation to be used, directly or indirectly, to make a loan or other advance to, invest in or contribute to or otherwise finance or support the activities or business of any Restricted Party or in any other manner that would cause any Lender to be in breach of Anti-Terrorism Law and Sanctions Law.

- 14.22.2 No Restricted Party or other person whose property is blocked under Sanctions will have any property interest in any funds repaid or remitted by or on behalf of any Obligor to any of the Lenders in connection with the Facilities.
- 14.22.3 It is acknowledged and agreed that the undertakings in this Clause 14.22 are only sought and given to the extent that to do so would not result in any violation of, conflict with or liability under:
- (a) Regulation (EC) 2271/96 (or any law or regulation implementing such Regulation in any member state of the European Union);
 - (b) Regulation (EC) 2271/96 as it forms part of domestic law of the United Kingdom by virtue of the Withdrawal Act; or
 - (c) Section 7 Foreign Trade and Payments Rules (AWV) (*Außenwirtschaftsverordnung*) (in connection with Section 4 paragraph 1 a no. 3 German Foreign Trade and Payments Act (AWG) (*Außenwirtschaftsgesetz*)).

14.23 **Anti-Corruption**

- 14.23.1 No Obligor shall (and the Parent shall ensure that no other member of the Group will) use the proceeds, or cause or permit the proceeds of any Utilisation to be used, directly or indirectly, in any way that would be in breach of applicable Anti-Corruption Laws.
- 14.23.2 Subject to the disclosure referred to in sub-clause 13.1.14 (Anti-Corruption), each Obligor shall (and the Parent shall ensure that each other member of the Group will):
- (a) conduct its businesses in compliance with applicable Anti-Corruption Laws; and
 - (b) maintain policies and procedures designed to promote and achieve compliance with such laws.

14.24 **Sustainability Publicity**

Neither the Parent (who shall ensure that no other member of the Group will) nor the Lenders shall make any disclosure that references the Revolving Facility or any Revolving Facility Advance as "sustainability-linked" at any time:

- 14.24.1 until the Facility Agent (acting on the instructions of all the Lenders) and the Obligors' Agent have agreed all KPIs and SPTs and have each signed a Sustainability Supplement confirming such KPIs and SPTs on or before the Sustainability Supplement Deadline; or
- 14.24.2 on or after the occurrence of a Declassification Event.

15. CHANGES IN CIRCUMSTANCES

15.1 Illegality

If it becomes unlawful in any jurisdiction for a Lender to perform any of its obligations as contemplated by this Agreement or to fund its participation in any Advance:

- 15.1.1 that Lender shall promptly notify the Facility Agent upon becoming aware of that event;
- 15.1.2 upon the Facility Agent notifying the Obligors' Agent, each Available Commitment of that Lender and of any Affiliate of that Lender which is a Swingline Lender (to the greatest extent possible which does not result in that Lender (or its Affiliate) failing to meet the requirement set out in Clause 7.7 (*Conditions of assignment or transfer*) will be immediately cancelled; and
- 15.1.3 each Borrower shall, to the extent necessary to cure such illegality, repay that Lender's participation in the Advances made to that Borrower on the last day of the Interest Period for each Advance occurring after the Facility Agent has notified the Obligors' Agent or, if earlier, the date specified by the Lender in the notice delivered to the Facility Agent (being no earlier than the last day of any applicable grace period permitted by law) and that Lender's (and any such Affiliate's) corresponding Commitment(s) shall be immediately cancelled in the amount of the participation repaid.

15.2 Increased Costs

15.2.1 Subject to Clause 15.4 (*Exceptions*) the Parent shall, within three Business Days of a demand by the Facility Agent, pay for the account of a Lender the amount of any Increased Costs incurred by that Lender or any of its Affiliates as a result of:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation after the date of this Agreement;
- (b) compliance with any law or regulation or request (whether or not having the force of law) from any central bank or other fiscal, monetary or other authority made after the date of this Agreement; or
- (c) the implementation or application of, or compliance with, Basel III or CRD IV or any law or regulation that implements or applies Basel III or CRD IV.

15.2.2 In this Agreement:

- (a) "**Increased Costs**" means:
 - (i) a reduction in the rate of return from the Facilities or on a Lender's (or its Affiliate's) overall capital;
 - (ii) an additional or increased cost; or
 - (iii) a reduction of any amount due and payable under any Financing Document,

which is incurred or suffered by a Lender or any of its Affiliates to the extent that it is attributable to that Lender having entered into its Commitment or funding or performing its obligations under any Financing Document;

- (b) **"Basel III"** means:
 - (i) the agreements on capital requirements, a leverage ratio and liquidity standards contained in "Basel III: A global regulatory framework for more resilient banks and banking systems", "Basel III: International framework for liquidity risk measurement, standards and monitoring" and "Guidance for national authorities operating the countercyclical capital buffer" published by the Basel Committee on Banking Supervision on 16 December 2010, each as amended, supplemented or restated;
 - (ii) the rules for global systematically important banks contained in "Global systematically important banks: assessment methodology and the additional loss absorbency requirement – Rules text" published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and
 - (iii) any further guidance or standards published by the Basel Committee on Banking Supervision relating to "Basel III";
- (c) **"Basel III Costs"** means an Increased Cost in relation to Basel III or CRD IV;
- (d) **"CRD IV"** means EU CRD IV and UK CRD IV;
- (e) **"EU CRD IV"** means:
 - (i) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012); and
 - (ii) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC; and
- (f) **"UK CRD IV"** means:
 - (i) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms as it forms part of domestic law of the United Kingdom by virtue of the Withdrawal Act;
 - (ii) the law of the United Kingdom or any part of it, which immediately before IP completion day (as defined in the European Union (Withdrawal Agreement) Act 2020) implemented Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential

supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC and its implementing measures;

- (iii) direct EU legislation (as defined in the European Union (Withdrawal) Act 2018), which immediately before IP completion day (as defined in the European Union (Withdrawal Agreement) Act 2020) implemented EU CRD IV as it forms part of the laws of the United Kingdom;
- (iv) CRR rules as amended, restated or re-enacted, as such term is defined in Article 144A of the Financial Services and Markets Act 2000; and
- (v) any replacement of the legislation or rules referred to in paragraphs (a) to (d) above following revocation of the relevant law or rules in the UK pursuant to the Financial Services and Markets Act 2023, to the extent that such replacement legislation or rules replicate substantially the effect or subject of the law, rules and policy set out in that legislation or those rules and/or implement Basel III.

15.3 Increased cost claims

- 15.3.1 Subject to Clause 15.3.3 below, a Lender intending to make a claim pursuant to Clause 15.2 (*Increased Costs*) shall notify the Facility Agent of the event giving rise to the claim, following which the Facility Agent shall promptly notify the Parent.
- 15.3.2 Subject to Clause 15.3.3 below, each Lender shall, as soon as practicable after a demand by the Facility Agent, provide a certificate confirming the amount of such Increased Costs, together with calculations in reasonable detail.
- 15.3.3 Nothing in Clauses 15.3.1 and 15.3.2 above shall require a Lender to disclose any information which in the opinion of that Lender (in its sole discretion) is confidential or proprietary.

15.4 Exceptions

- 15.4.1 Clause 15.2 (*Increased Costs*) does not apply to the extent any Increased Cost is:
 - (a) compensated for by sub-clause 16.5.2 of Clause 16.5 (*Withholdings*) or Clause 16.10 (*Tax indemnity*) (or would have been compensated for under sub-clause 16.5.2 of Clause 16.5 (*Withholdings*) or Clause 16.10 (*Tax indemnity*) but was not so compensated solely because one of the exclusions in Clause 16.6 (*U.S. taxes*), sub-clause 16.7.4 of Clause 16.7 (*UK taxes*) or Clause 16.10 (*Tax indemnity*) applied);
 - (b) attributable to the implementation or application of or compliance with the "International Convergence of Capital Measurement and Capital Standards, a Revised Framework" published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement (but excluding any amendment arising out of Basel III or CRD IV) ("**Basel II**") or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates) **provided that** the Credit Rating does

not at any time fall below BBB- (in respect of a Credit Rating by S&P) or Baa3 (in respect of a Credit Rating by Moody's);

- (c) attributable to Basel III Costs, except that a Lender may recover Basel III Costs under Clause 15.2 (*Increased Costs*) from the Parent if it is its policy to seek to recover Basel III Costs to a similar extent from other similar borrowers in relation to similar facilities.
- (d) attributable to a FATCA Deduction required to be made by a Party; or
- (e) attributable to the wilful breach by the relevant Lender or its Affiliates of any law or regulation.

15.5 **Unavailability of Screen Rate for Term Rate Advances or no RFR for Compounded Rate Advances denominated in Japanese Yen**

15.5.1 *Interpolated Screen Rate*: If no Screen Rate is available for EURIBOR for the Interest Period of a Term Rate Advance, the applicable EURIBOR shall be the Interpolated Screen Rate for a period equal in length to the Interest Period of that Term Rate Advance.

15.5.2 *Compounded Reference Rate*: if Clause 15.5.1 applies but it is not possible to calculate the Interpolated Screen Rate for euros then:

- (a) there shall be no EURIBOR for that Revolving Facility Advance for that Interest Period and Clause 10.3 (Rate of Interest for Revolving Facility – Term Rate Advances) will not apply to that Revolving Facility Advance for that Interest Period; and
- (b) that Revolving Facility Advance shall be a "Compounded Rate Advance" for that Interest Period and Clause 10.4 (Rate of Interest for Revolving Facility – Compounded Rate Advances) shall apply to that Revolving Facility Advance for that Interest Period.

15.5.3 *Cost of funds (Compounded Rate Advances denominated in Japanese Yen)*: If:

- (a) there is no applicable RFR for the purposes of calculating the Daily Non-Cumulative Compounded RFR Rate for an RFR Banking Day during an Interest Period for a Compounded Rate Advance denominated in Japanese Yen; and
- (b) "Cost of funds will apply as a fallback" is specified in the Compounded Rate Terms for that Compounded Rate Advance denominated in Japanese Yen,

Clause 15.6 (*Cost of funds*) shall apply to that Compounded Rate Advance denominated in Japanese Yen for that Interest Period.

15.6 **Cost of funds**

15.6.1 If, by virtue of Clause 15.5.3, this Clause 15.6 applies to a Compounded Rate Advance denominated in Japanese Yen, for an Interest Period, Clause 10.4 (Rate of Interest for Revolving Facility – Compounded Rate Advances) shall not apply to that Compounded Rate Advance denominated in Japanese Yen, for that Interest Period and

the rate of interest on each Lender's share of the relevant Compounded Rate Advance denominated in Japanese Yen, for the relevant Interest Period shall be the percentage rate per annum which is the sum of:

- (i) the Margin; and
- (ii) the weighted average of the rates notified to the Facility Agent by each Lender as soon as practicable and in any event before interest is due to be paid in respect of that Interest Period to be that which expresses as a percentage rate per annum its cost of funds relating to its participation in that Compounded Rate Advance denominated in Japanese Yen.

15.6.2 If this Clause 15.6 applies and the Facility Agent or the Obligors' Agent so requires, the Facility Agent and the Obligor's Agent shall enter into negotiations (for a period of not more than thirty days) with a view to agreeing a substitute basis for determining the rate of interest.

15.6.3 Any alternative basis agreed pursuant to paragraph 15.6.2 above shall, with the prior consent of the Majority Lenders and the Obligors' Agent, be binding on all Parties.

15.6.4 If this Clause 15.6 applies but any Lender does not notify a rate to the Facility Agent by the time specified in sub-clause 15.6.1(ii) above the rate of interest shall be calculated on the basis of the rates notified by the remaining Lenders.

15.7 **Notification to Obligors' Agent**

If Clause 15.6 (*Cost of funds*) applies the Facility Agent shall, as soon as is practicable, notify the Obligors' Agent.

15.8 **Mitigation**

15.8.1 Each Lender shall, in consultation with the Parent, take all reasonable steps to mitigate any circumstances which arise and which would result in any amount becoming payable under, or cancelled pursuant to, any of Clause 15.1 (*Illegality*), Clause 15.2 (*Increased Costs*) or Clause 16.5 (*Withholdings*) including (but not limited to) transferring its rights and obligations under the Financing Documents to another Affiliate or Facility Office.

15.8.2 Sub-clause 15.8.1 above does not in any way limit the obligations of any Obligor under the Financing Documents.

15.9 **Limitation of liability**

15.9.1 The Parent shall promptly indemnify each Lender for all costs and expenses reasonably incurred by that Lender as a result of steps taken by it under Clause 15.8 (*Mitigation*).

15.9.2 A Lender is not obliged to take any steps under Clause 15.8 (*Mitigation*) if, in the opinion of that Lender (acting reasonably), to do so might be prejudicial to it.

15.10 Certificates

Any certification or determination by the Facility Agent or any Lender of a rate or amount under any Financing Document is, in the absence of manifest error, conclusive evidence of the matter to which it relates.

16. PAYMENTS

16.1 By Obligors

All payments to be made by an Obligor under this Agreement:

16.1.1 for the account of any of the Lenders shall be made available to the Facility Agent (unless a contrary indication appears in a Financing Document) for value on the due date at the time and in such funds specified by the Facility Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment to such account as the Facility Agent may have notified to the Obligors' Agent for the account of the Facility Agent who shall, subject to Clause 16.3 (*Clawback and pre-funding*), before the close of business on the date of receipt, remit to each Lender its portion of the payment so made by remitting it to such account of that Lender which that Lender may have previously notified to the Facility Agent; and

16.1.2 to the Facility Agent shall be made to such account as it may specify by notice to the Obligors' Agent.

16.2 By the Lenders

All amounts to be advanced by the Lenders to a Borrower under this Agreement shall be remitted (unless a contrary indication appears in a Financing Document) for value on the due date at the time and in such funds specified by the Facility Agent as being customary at the time for settlement of transactions in the relevant currency in the place for payment to such account as the Facility Agent may have notified to the Lenders for the account of the Facility Agent who shall, subject to Clause 16.3 (*Clawback and pre-funding*), make available to that Borrower the amounts so remitted on the same day by payment to the account and bank which are specified in the relevant Request. If the Facility Agent makes available to a Borrower any amount which has not been made unconditionally available to the Facility Agent that Borrower shall forthwith on notice from the Facility Agent repay such amount to the Facility Agent together with interest on such amount until its repayment at a rate determined by the Facility Agent to reflect its cost of funds.

16.3 Clawback and pre-funding

16.3.1 Where a sum is to be paid to the Facility Agent under the Financing Documents for another Party, the Facility Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.

16.3.2 Unless sub-clause 16.3.3 below applies, if the Facility Agent pays an amount to another Party and it proves to be the case that the Facility Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Facility Agent shall on demand refund the same to the Facility Agent together with interest on that amount from the date of

payment to the date of receipt by the Facility Agent, calculated by the Facility Agent to reflect its cost of funds.

- 16.3.3 If the Facility Agent has notified the Lenders that it is willing to make available amounts for the account of a Borrower before receiving funds from the Lenders then if and to the extent that the Facility Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to a Borrower:
- (a) the Facility Agent shall notify the Parent of that Lender's identity and the Borrower to whom that sum was made available shall on demand refund it to the Facility Agent; and
 - (b) the Lender by whom those funds should have been made available or, if that Lender fails to do so, the Borrower to whom that sum was made available, shall on demand pay to the Facility Agent the amount (as certified by the Facility Agent) which will indemnify the Facility Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender.

16.4 Impaired Agent

- 16.4.1 If, at any time, an Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Financing Documents to such Agent in accordance with sub-clause 16.1.1 of Clause 16.1 (*By Obligors*) or in accordance with Clause 16.2 (*By the Lenders*) may instead either:
- (a) pay that amount direct to the required recipient; or
 - (b) if in its absolute discretion it considers that it is not reasonably practicable to pay that amount direct to the required recipient(s), pay that amount to an interest-bearing account held with an Acceptable Bank and in relation to which no Insolvency Event has occurred and is continuing, in the name of the Obligor or the Lender making the payment (the "**Paying Party**") and designated as a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Financing Documents (the "**Recipient Party**" or "**Recipient Parties**"). In each case such payments must be made on the due date for payment under the Financing Documents.
- 16.4.2 All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the beneficiaries of that trust account *pro rata* to their respective entitlements.
- 16.4.3 A Party which has made a payment in accordance with this Clause 16.4 (*Impaired Agent*) shall be discharged of the relevant payment obligation under the Financing Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.
- 16.4.4 Promptly upon the appointment of a successor Agent in accordance with Clause 19.13 (*Replacement of the Facility Agent*), each Paying Party shall (other than to the extent that that Party has given an instruction pursuant to paragraph 16.4.5 below) give all requisite instructions to the bank with whom the trust account is held to transfer the

amount (together with any accrued interest) to the successor Agent for distribution to the Recipient Party or Parties in accordance with sub-clause 16.1.1 of Clause 16.1 (*By Obligors*) or in accordance with Clause 16.2 (*By the Lenders*), as appropriate.

- 16.4.5 A Paying Party shall, promptly upon request by a Recipient Party and to the extent:
- (a) that it has not given an instruction pursuant to paragraph 16.4.4 above; and
 - (b) that it has been provided with the necessary information by that Recipient Party,
- give all requisite instructions to the bank with whom the trust account is held to transfer the relevant amount (together with any accrued interest) to that Recipient Party.

16.5 Withholdings

Subject to Clause 16.6 (*U.S. taxes*) and sub-clause 16.7.4 of Clause 16.7 (*UK taxes*), all payments by any Obligor under this Agreement whether in respect of principal, interest, fees or any other item, shall be made in full without any Tax Deduction unless such Tax Deduction is required by law, in which event such Obligor shall:

- 16.5.1 ensure that the Tax Deduction does not exceed the minimum amount legally required (having regard to the details of the Lender concerned provided to that Obligor by such Lender through the Facility Agent);
- 16.5.2 forthwith pay to the Facility Agent for the account of each Lender such additional amount so that the net amount received by that Lender will equal the full amount which would have been received by it had no such Tax Deduction been required;
- 16.5.3 pay or remit to the relevant taxation or other authorities within the period for payment or remittance permitted by applicable law the full amount of the Tax Deduction (including, but without prejudice to the generality of the foregoing, the full amount of any Tax Deduction from any additional amount paid or remitted pursuant to this Clause 16.5 (*Withholdings*)); and
- 16.5.4 furnish to the Facility Agent on behalf of the Lender concerned, within the period for payment or remittance permitted by the relevant law, either an official receipt of the relevant taxation authorities involved in respect of all Tax Deductions or if such receipts are not issued by the taxation authorities concerned on payment or remittance to them of Tax Deductions, a certificate of deduction or equivalent evidence of the relevant Tax Deduction.

The obligation on each Obligor to pay or remit an additional amount to a Lender under sub-clause 16.5.2 of this Clause 16.5 (*Withholdings*) shall not apply to the extent that the Tax Deduction is:

- 16.5.5 deducted solely as a result of a participation under Clause 24.9 (*Sub-Participations*); or
- 16.5.6 Tax which would have been compensated for by an increased payment under such sub-clause but was not so compensated for because the Lender concerned failed to comply with any obligations or requirements of sub-clause 16.6.1 of Clause 16.6 (*U.S. taxes*) or sub-clauses 16.7.4, 16.7.5 and 16.7.6 of Clause 16.7 (*UK taxes*).

16.6 U.S. taxes

16.6.1 Notwithstanding anything to the contrary in this Clause 16 (*Payments*), with respect to Tax Deductions which are imposed or levied by or on behalf of the United States of America or any authority thereof or therein having power to tax, any Obligor which is a U.S. Subsidiary (or any Guarantor of such an Obligor) shall only be under an obligation to gross up any amounts payable or paid by that Obligor hereunder to a Lender that is not a United States Person (or payable or paid by the Facility Agent to such Lender) if:

- (a) such Lender as soon as practicable after a U.S. Subsidiary becomes an Obligor hereunder, but in any event prior to any payment by the Obligor concerned, delivers to that Obligor:
 - (i) two accurate and complete original signed copies of Internal Revenue Service Form W-8ECI or any successor thereto (including, without limitation, any substitute form which constitutes, or which includes as part or all thereof, any revised such form) ("**Form W-8ECI**") certifying that the payments made pursuant to the Financing Documents are effectively connected with the conduct by such Lender of a trade or business in the United States of America; or
 - (ii) two accurate and complete original signed copies of Internal Revenue Service Form W-8BEN or any successor thereto (including, without limitation, any substitute form which constitutes, or which includes as part or all thereof, any revised such form) ("**Form W-8BEN**") claiming complete exemption from withholding with respect to all payments to be made to such Lender under the Financing Documents under an applicable double tax treaty concluded by the United States of America (such Forms W-8BEN to be provided by the Facility Agent to the Lenders on signature of this Agreement); or
 - (iii) such other applicable form prescribed by the Internal Revenue Service certifying as to such Lender's entitlement to exemption from U.S. withholding tax with respect to all payments to be made by such Lender under the Financing Documents,

in each case, indicating that such Lender is on the date of this Agreement (or, in the case of any Lender becoming a Party after the date of this Agreement, on the date it becomes a Party) entitled to receive payments of principal, interest and fees under this Agreement free from any deduction and withholding of U.S. income tax;

- (b) promptly upon a change in facts requiring a change or re-issuance in the most recent Form W-8ECI or Form W-8BEN or other applicable form previously delivered by such persons or upon the reasonable request of the Borrower and if the delivery of the same be lawful, such Lender delivers to the Obligor concerned two accurate and complete original signed copies of Form W-8ECI or Form W-8BEN or other applicable form in replacement for the forms previously delivered by such Lender; and

- (c) if any forms or documents other than or in addition to the forms referred to above are required or such forms referred to above shall cease to be required in order for any Obligor which is a U.S. Subsidiary or any Guarantor of such an Obligor to make payments of interest under this Agreement without any deduction or withholding on account of U.S. income tax, such Lender as soon as practicable delivers to the Obligor concerned or any Guarantor of such an Obligor or the relevant tax authority such forms or other similar document notified by any Obligor which is a U.S. Subsidiary or any Guarantor of such an Obligor to such Lender which such Lender can reasonably submit to any relevant tax authority so as to avoid such deduction or withholding to the extent that it is lawful for such Lender to do so.

This sub-clause 16.6.1 shall not apply where such obligation to gross up arises as a result of the introduction of or any change in law or regulation or in the official interpretation, administration or application thereof of any relevant tax authority or the amendment, withdrawal, suspension, cancellation or termination of any applicable tax treaty with respect to any Lender, in any such case, after the date of this Agreement. Further, no Lender will be considered to have failed to meet its obligations under this sub-clause 16.6.1 solely by reason of any withholding that arises under FATCA with respect to payments to that Lender.

- 16.6.2 Each Lender which is a United States Person shall deliver (through the Facility Agent) to each Obligor which is a U.S. Subsidiary as soon as practicable after a U.S. Subsidiary becomes an Obligor hereunder, but in any event prior to any payment by the Obligor concerned, a statement signed by an authorised signatory of such Lender to the effect that it is a United States Person and, if necessary in order to avoid United States backup withholding, a duly completed copy of Internal Revenue Service Form W-9 (or any successor thereto) establishing that such Lender is not subject to United States backup withholding.
- 16.6.3 The Facility Agent shall have no responsibility or liability for and no obligation to check the accuracy or appropriateness of any form, information or statement delivered by any Lender pursuant to this Clause 16.6 (*U.S. taxes*).

16.7 UK taxes

- 16.7.1 If a Lender is not or has ceased to be a UK Qualifying Lender otherwise than as a result of any introduction of or change in or in the interpretation, administration or application of any relevant law or UK Treaty or any published practice or concession of any relevant taxing authority after the date it became a Lender under this Agreement, then an Obligor shall not be liable to pay to such Lender any additional amount under sub-clause 16.5.2 of Clause 16.5 (*Withholdings*) for a Tax Deduction imposed by the United Kingdom from a payment of interest on an Advance in excess of the amount that Obligor would have been obliged to pay if that Lender had been a UK Qualifying Lender.
- 16.7.2 Each Lender confirms to the Parent on the date of this Agreement that if an Advance was made as at the date of this Agreement it would be a UK Qualifying Lender.
- 16.7.3 Each New Lender or Increase Lender shall indicate, in the documentation which it executes on becoming such a Lender, and for the benefit of the Facility Agent and without liability to any Obligor, which of the following categories it falls in:

- (a) not a UK Qualifying Lender; or
- (b) a UK Qualifying Lender (other than a UK Treaty Lender); or
- (c) a UK Treaty Lender.

If such a Lender fails to indicate its status in accordance with this sub-clause 16.7.3 then that Lender shall be treated for the purposes of this Agreement (including by each Obligor) (but only in respect of the relevant Commitments) as if it is not a UK Qualifying Lender until such time as it notifies the Facility Agent which category applies (and the Facility Agent, upon receipt of such notification, shall inform the Parent). For the avoidance of doubt, the documentation which a New Lender or Increase Lender executes on becoming such a Lender shall not be invalidated by any failure of a Lender to comply with this sub-clause 16.7.3.

16.7.4 An Obligor will not, on withholding or deducting an amount for or on account of United Kingdom tax, be required to pay any additional amount to a Lender under this Clause 16 (*Payments*) in respect of such withholding or deduction where:

- (a) the Lender is a UK Treaty Lender and the Obligor making the payment is able to demonstrate that no deduction or withholding for or on account of United Kingdom tax would have been required to have been made in respect of such withholding or deduction if the Lender had complied with its obligations under sub-clauses 16.7.5 or 16.7.6 below (as applicable); or
- (b) the relevant Lender is a UK Qualifying Lender solely by virtue of paragraph (b) of the definition of UK Qualifying Lender and:
 - (i) an officer of HM Revenue & Customs has given (and not revoked) a direction (a **Direction**) under section 931 of the ITA which relates to the payment and that Lender has received from the Obligor making the payment or from the Parent a certified copy of that Direction; and
 - (ii) the payment could have been made to the Lender without any deduction or withholding for or on account of United Kingdom tax if that Direction had not been made; or
- (c) the relevant Increase Lender or New Lender is a UK Qualifying Lender solely by virtue of paragraph (b) of the definition of UK Qualifying Lender and:
 - (i) the relevant Lender has not given a Tax Confirmation to the Parent; and
 - (ii) the payment could have been made to the Lender without any deduction or withholding for or on account of United Kingdom tax if the Lender had given a Tax Confirmation to the Parent, on the basis that the Tax Confirmation would have enabled the relevant Obligor to have formed a reasonable belief that the payment was an "excepted payment" for the purpose of section 930 of the ITA.

16.7.5 (a) Subject to paragraph (b) below, a UK Treaty Lender and each Obligor which makes a payment to which that UK Treaty Lender is entitled shall co-operate in completing any procedural formalities necessary for that Obligor to obtain

authorisation to make that payment without a deduction or withholding for or on account of United Kingdom tax.

(b)

(i) A UK Treaty Lender which becomes or is a Party on the date of this Agreement that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence opposite its name in Schedule 1 (*Lenders and Commitments*); and

(ii) a New Lender or Increase Lender that is a UK Treaty Lender that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence in the Transfer Certificate or Increase Confirmation which it executes,

and, having done so, that Lender shall be under no obligation pursuant to paragraph (a) above.

16.7.6 If a Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with paragraph (b) of sub-clause 16.7.5 above and:

(a) a Borrower making a payment to that Lender has not made a Borrower DTTP Filing in respect of that Lender; or

(b) a Borrower making a payment to that Lender has made a Borrower DTTP Filing in respect of that Lender but:

(i) that Borrower DTTP Filing has been rejected by HM Revenue & Customs; or

(ii) HM Revenue & Customs has not given the Borrower authority to make payments to that Lender without any deduction or withholding for or on account of United Kingdom tax within 60 days of the date of the Borrower DTTP Filing,

and in each case, the Borrower has notified that Lender in writing, that Lender and the Borrower shall co-operate in completing any additional procedural formalities necessary for that Borrower to obtain authorisation to make that payment without a deduction or withholding for or on account of United Kingdom tax.

16.7.7 If a Lender has not confirmed its scheme reference number and jurisdiction of tax residence in accordance with paragraph (b) of sub-clause 16.7.5 above, no Obligor shall make a Borrower DTTP Filing or file any other form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's Commitment(s) or its participation in any Advance unless the Lender otherwise agrees.

16.7.8 A Borrower shall, promptly on making a Borrower DTTP Filing, deliver a copy of that Borrower DTTP Filing to the Facility Agent for delivery to the relevant Lender.

16.7.9 A UK Non-Bank Lender shall promptly notify the Parent and the Facility Agent if there is any change in the position from that set out in the Tax Confirmation.

16.8 Tax Credits

If any Obligor pays any additional amount (a "**Tax Payment**") under Clause 16.5 (*Withholdings*) and any Lender determines in its absolute discretion that it has effectively obtained and retained a refund of Tax or credit against Tax on its overall net income by reason of that Tax Payment (a "**Tax Credit**") and that Lender determines in its absolute discretion that it can identify such Tax Credit as being attributable to such Tax Payment, then that Lender shall reimburse to the relevant Obligor such amount as it shall determine to be the proportion of such Tax Credit as will leave that Lender, after that reimbursement, in the same after tax position as it would have been in if that Tax Payment had not been required to be made. Each Lender shall have absolute discretion as to whether to claim any Tax Credit and, if it does so claim, the extent, order and manner in which it does so. No Lender shall be obliged to disclose any information regarding its tax affairs or computations to any Obligor.

16.9 Date

If any payment under this Agreement would otherwise be due on a day which is not a Business Day, it shall be due on the next succeeding Business Day or, if that Business Day falls in the following calendar month of the year, on the preceding Business Day.

16.10 Tax indemnity

16.10.1 The Parent shall (within three Business Days of demand by the Facility Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Financing Document.

16.10.2 Sub-clause 16.10.1 above shall not apply:

- (a) with respect to any Tax assessed on a Finance Party:
 - (i) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or
 - (ii) under the law of the jurisdiction in which that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party; or

- (b) to the extent a loss, liability or cost:
 - (i) is compensated for by an increased payment under Clause 16.5 (*Withholdings*); or

- (ii) would have been compensated for by an increased payment under Clause 16.5 (*Withholdings*) but was not so compensated solely because one of the exclusions to Clause 16.5 (*Withholdings*) applied; or
- (iii) relates to a FATCA Deduction required to be made by a Party.

16.10.3 A Protected Party making, or intending to make a claim under sub-clause 16.10.1 above shall promptly notify the Facility Agent of the event which will give, or has given, rise to the claim, following which the Facility Agent shall notify the Parent.

16.10.4 A Protected Party shall, on receiving a payment from an Obligor under this Clause 16.10 (*Tax indemnity*), notify the Facility Agent.

16.11 FATCA information

16.11.1 Subject to sub-clause 16.11.3 below, each Party shall, within ten Business Days of a reasonable request by another Party:

- (a) confirm to that other Party whether it is:
 - (i) a FATCA Exempt Party; or
 - (ii) not a FATCA Exempt Party; and
- (b) supply to that other Party such forms, documentation and the information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and
- (c) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.

16.11.2 If a Party confirms to another Party pursuant to paragraph (a) of sub-clause 16.11.1 above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

16.11.3 Sub-clause 16.11.1 above shall not oblige any Finance Party to do anything, and paragraph (c) of sub-clause 16.11.1 above shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:

- (a) any law or regulation;
- (b) any fiduciary duty; or
- (c) any duty of confidentiality.

16.11.4 If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraphs (a) or (b) of sub-clause 16.11.1 above (including, for the avoidance of doubt, where sub-clause 16.11.3 above applies), then such Party shall be treated for the purposes of the Financing Documents (and payments under them) as if it is not a FATCA Exempt

Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

16.11.5 If a Borrower is a U.S. Tax Obligor or the Facility Agent reasonably believes that its obligations under FATCA or any other applicable law or regulation require it, each Lender shall, within ten Business Days of:

- (a) where a Borrower is a U.S. Tax Obligor and the relevant Lender is a Lender as at the date of this Agreement, the date of this Agreement;
- (b) where a Borrower is a U.S. Tax Obligor on a Transfer Date or Increase Date and the relevant Lender is a New Lender or an Increase Lender, the relevant Transfer Date or Increase Date;
- (c) the date a new U.S. Tax Obligor accedes as a Borrower; or
- (d) where a Borrower is not a U.S. Tax Obligor, the date of a request from the Facility Agent,

supply to the Facility Agent:

- (i) a withholding certificate on Form W-8, Form W-9 or any other relevant form; or
- (ii) any withholding statement or other document, authorisation or waiver as the Facility Agent may require to certify or establish the status of such Lender under FATCA or that other law or regulation.

16.11.6 The Facility Agent shall provide any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to sub-clause 16.11.5 above to the relevant Borrower.

16.11.7 If any withholding certificate, withholding statement, document, authorisation or waiver provided to the Facility Agent by a Lender pursuant to sub-clause 16.11.5 above is or becomes materially inaccurate or incomplete, that Lender shall promptly update it and provide such updated withholding certificate, withholding statement, document, authorisation or waiver to the Facility Agent unless it is unlawful for the Lender to do so (in which case the Lender shall promptly notify the Facility Agent). The Facility Agent shall provide any such updated withholding certificate, withholding statement, document, authorisation or waiver to the relevant Borrower.

16.11.8 The Facility Agent may rely on any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to sub-clauses 16.11.5 or 16.11.7 above without further verification. The Facility Agent shall not be liable for any action taken by it under or in connection with sub-clauses 16.11.5, 16.11.6 or 16.11.7 above.

16.12 FATCA Deduction

16.12.1 Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA

Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

- 16.12.2 Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Party to whom it is making the payment and, in addition, shall notify the Parent and the Facility Agent and the Facility Agent shall notify the other Finance Parties.

16.13 **Default Interest**

- 16.13.1 Subject to sub-clause 16.13.2 of this Clause 16.13 (*Default Interest*), if an Obligor fails to pay any amount in accordance with any Financing Document, the relevant Obligor shall pay interest on that amount from the time of default up to the time of actual payment (as well after as before judgment) at the rate per annum which is 1% per annum higher than the rate which would have been payable if the defaulted amount constituted an Advance in the currency of the defaulted amount for successive Interest Periods, each of a duration selected by the Facility Agent (acting reasonably).
- 16.13.2 If an amount unpaid in accordance with any Financing Document in respect of the Facilities, is of principal of a Term Rate Advance due on a day during, but not the last day of, an Interest Period relating thereto, the period selected by the Facility Agent under sub-clause 16.13.1 of this Clause 16.13 (*Default Interest*) shall equal the unexpired portion of the Interest Period and there shall be substituted for the rate specified in sub-clause 16.13.1 of this Clause 16.13 (*Default Interest*) the rate of 1% per annum above the rate calculated in accordance with Clause 10.3 (*Rate of Interest for Revolving Facility – Term Rate Advances*) or Clause 7.5 (*Interest*) and applicable to the unpaid amount immediately before it fell due.
- 16.13.3 Interest under this Clause 16.13 (*Default Interest*) shall accrue daily on the basis of a year of 360 days (or 365 days in the case of sterling, Hong Kong Dollars, Canadian Dollars and Singapore Dollars or such other period applied generally in the Relevant Market in relation to such calculations for the relevant currency) from and including the first day to the last day of each period for which a rate of interest is determined as aforesaid and shall be due and payable by the relevant Borrower at the end of each such period. So long as the default continues, the rate referred to in sub-clause 16.13.1 of this Clause 16.13 (*Default Interest*) shall be calculated on a similar basis at the end of each period selected by the Facility Agent and notified to the Lenders and interest payable under this sub-clause 16.13.3 which is unpaid at the end of each such period shall thereafter itself bear interest at the rates provided in this sub-clause 16.13.3.

16.14 **Currency indemnity**

- 16.14.1 If any sum due from an Obligor under the Financing Documents (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:
- (a) making or filing a claim or proof against that Obligor;
 - (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

that Obligor shall as an independent obligation, within three Business Days of demand, indemnify each Finance Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

16.14.2 Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Financing Documents in a currency or currency unit other than that in which it is expressed to be payable.

16.15 Change of currency

16.15.1 Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:

- (a) any reference in the Financing Documents to, and any obligations arising under the Financing Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Facility Agent (with the consent of the Parent, not to be unreasonably withheld or delayed); and
- (b) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Facility Agent (acting reasonably).

16.15.2 If a change in any currency of a country occurs, this Agreement will, to the extent the Facility Agent (acting reasonably and after consultation with the Parent) specifies to be necessary, be amended to comply with the generally accepted conventions and market practice in the Relevant Market and otherwise to reflect the change in currency.

17. DEFAULT

17.1 Events of Default

If (whether or not caused by any reason outside the control of the Obligors):

17.1.1 any Obligor does not pay on the due date (or, in the case of amounts other than principal, within three Business Days thereafter) any amount payable by it under any of the Financing Documents at the place and in the currency expressed to be payable (unless such failure results solely from a technical problem in relation to the transfer of funds for which such Obligor is not responsible and which is remedied within five days of the due date); or

17.1.2 any Obligor fails to comply in any material respect with any other provision of any of the Financing Documents and, other than in respect of a failure to comply with Clause 14.5 (*Compliance certificates*), if such default is capable of prompt remedy within 30 days after any Borrower or any Guarantor shall have given notice of such default pursuant to Clause 14.4 (*Notification of Default*) (or, if earlier, the date on which the

Facility Agent shall have given notice to the Obligors' Agent of such default) such Obligor shall have failed to cure such default within such period; or

- 17.1.3 any representation, warranty or written statement made or deemed to be repeated in, or in connection with, this Agreement or in any other Financing Document or in any certificate delivered by or on behalf of any Borrower or any Guarantor in writing under any of the Financing Documents is incorrect in any material respect when made or deemed to be repeated, or, in respect of those specified in Clause 13.2 (*After Signing*), would be if repeated at any time; or
- 17.1.4
- (a) any other present or future Borrowings of a principal amount exceeding in the aggregate \$50,000,000 (or its equivalent) of any member of the Group shall:
 - (i) become due and payable as a result of a default; or
 - (ii) become capable of being declared due and payable prior to the due date thereof as a result of a default; or
 - (iii) not be paid on the due date thereof (or, if a grace period was originally provided for in the document evidencing or constituting such Borrowings, within any applicable grace period therefor); or
 - (b) any Security Interest over any assets of any member of the Group and securing a principal amount exceeding \$50,000,000 (or its equivalent) shall:
 - (i) be enforced; or
 - (ii) become enforceable as a result of a default; or
- 17.1.5 any Obligor or any Material Subsidiary is unable or admits inability to pay its debts as they fall due, or any Obligor or any Material Subsidiary suspends making payments (whether of principal or interest) with respect to all or a material part or a particular class of its debts or announces an intention to do so; or
- 17.1.6 any action is taken to appoint a receiver, monitor, trustee or trustee in bankruptcy to any Obligor or any Material Subsidiary, an application for an administration order in relation to any Obligor or any Material Subsidiary is presented to the court by any such company or its directors or the supervisor of a voluntary arrangement relating to any Obligor or any Material Subsidiary or such an order is made on the application of a creditor of any Obligor or any Material Subsidiary, or any Obligor, any Material Subsidiary, any of their respective directors, or any holder of a qualifying floating charge over the assets of the business of such Obligor or Material Subsidiary files with the court a notice of intention to appoint or notice of appointment of an administrator in relation to any Obligor or any Material Subsidiary, or any meeting of any Obligor or any Material Subsidiary is convened by the relevant company's directors for the purpose of considering any resolution to present an application for such an order or to file such notice of intention or notice of appointment or any such resolution is passed at any meeting of any Obligor or any Material Subsidiary; or
- 17.1.7 any kind of composition, scheme or plan of arrangement, compromise or arrangement involving any Obligor or any Material Subsidiary and its creditors generally (or any

class of them) is proposed by the company concerned as a result of financial difficulties; or

- 17.1.8 any administrative or other receiver or any manager, monitor, trustee or trustee in bankruptcy is appointed in respect of any Obligor or any Material Subsidiary or all or a substantial part of any Obligor's or any Material Subsidiary's property, or the directors of any Obligor or any Material Subsidiary request any person to appoint such a receiver, administrative receiver, manager, monitor, trustee or trustee in bankruptcy or any kind of attachment (except prejudgment attachment), sequestration, distress or execution against any Obligor or any Material Subsidiary or all or a substantial part of any Obligor's or Material Subsidiary's property is levied or sued out and not discharged within 30 days; or
- 17.1.9 any meeting of any Obligor or any Material Subsidiary is convened by the relevant company's directors for the purpose of considering any resolution for (or to petition for) its winding up, dissolution or liquidation or for the appointment of a receiver, monitor, trustee or trustee in bankruptcy to any Obligor or Material Subsidiary or any Obligor or any Material Subsidiary passes such a resolution, or any Obligor or any Material Subsidiary or any other person (except its creditor) presents any petition for the winding up, dissolution or liquidation of any Obligor or any Material Subsidiary or for the appointment of a receiver, monitor, trustee or trustee in bankruptcy to any Obligor or Material Subsidiary (save for a petition which is vexatious or frivolous and which is discharged or stayed within 14 days) or an order for the winding up, dissolution or liquidation of, or the appointment of a receiver, monitor, trustee or trustee in bankruptcy to, any Obligor or Material Subsidiary is made on the petition of any of its creditors unless, in each case, it is a voluntary solvent winding-up, amalgamation, reconstruction or reorganisation or part of a voluntary scheme of arrangement; or
- 17.1.10 there occurs in relation to any Obligor or any Material Subsidiary in any country or territory in which it carries on business or to the jurisdiction of whose courts it or any of its property is subject any event which reasonably appears to the Majority Lenders to correspond in that country or territory with any of those mentioned in sub-clauses 17.1.5 to 17.1.9 of this Clause 17.1 (*Events of Default*) or any Obligor or any Material Subsidiary otherwise becomes subject, in any such country or territory, to any law relating to insolvency, reorganisation, arrangement, bankruptcy, winding-up or liquidation; or
- 17.1.11 any Obligor or any Material Subsidiary ceases, or threatens to cease, to carry on all or a substantial part of its business except consequent upon a disposal, merger or acquisition not otherwise prohibited under this Agreement; or
- 17.1.12 any authorisation, approval, consent, licence, exemption, filing, registration or notarisation or other requirement necessary to enable any Obligor to comply with its obligations under any of the Financing Documents to which it is a party in any material respect is revoked or withheld or does not remain in full force and effect or is materially and adversely modified; or
- 17.1.13 at any time it is unlawful for any Obligor to perform any of its material obligations under any Financing Document to which it is a party; or

- 17.1.14 any litigation, arbitration or administrative proceeding or claim in which there is a reasonable possibility of an adverse decision which has had or would be reasonably likely by itself or together with any other such proceedings or claims either to have a material adverse effect on the business, assets or consolidated financial condition of the Group as a whole or which would be reasonably likely materially and adversely to affect the ability of the Obligors taken as a whole to observe or perform their obligations under any Financing Documents and which affect any Obligor or the Group as a whole is in progress or pending or threatened; or
- 17.1.15 (a) any Obligor shall commence any case, proceeding or other action in the United States (i) under any existing or future law relating to bankruptcy, insolvency, reorganisation or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or (ii) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its assets; or (b) there shall be commenced against any Obligor any case, proceeding or other action in the United States of a nature referred to in paragraph (a) of this sub-clause 17.1.15 which (i) results in the entry of an order for relief or any such adjudication or appointment or (ii) remains undismissed, undischarged or unbonded for a period of 90 days; or (c) there shall be commenced against any Obligor any case, proceeding or other action in the United States seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order in the United States for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal within 90 days from the entry thereof; or (d) any Obligor shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in (a), (b) or (c) of this sub-clause 17.1.15; or (e) any Obligor which is incorporated in the United States shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due or shall make a general assignment for the benefit of its creditors; or
- 17.1.16 any Obligor repudiates a Financing Document or evidences an intention to repudiate a Financing Document,

then, at once or at any time thereafter, the Facility Agent may, and upon the request of the Majority Lenders shall, by notice to the Obligors' Agent, declare the Total Outstandings together with accrued interest and all other amounts accrued or outstanding under the Financing Documents to be immediately due and payable whereupon:

- (a) all Advances and all other sums outstanding under the Facilities shall become so due and payable together with accrued interest thereon and any other amounts then payable under this Agreement or the Facilities; and
- (b) no further Utilisations of the Facilities shall be permitted.

Notwithstanding the foregoing, if an Event of Default specified in (a), (b), (d) or (e) of sub-clause 17.1.15 occurs with respect to an Obligor in a U.S. jurisdiction or in a U.S. court of competent jurisdiction, such Obligor shall cease to be entitled to utilise the Commitments otherwise available to it and the Outstandings (or in the case of a Guarantor, the Guaranteed Amounts) owed by such Obligor shall become immediately due and payable, without any action by the Facility Agent or the Lenders and without any presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived, anything contained herein or in any Financing Documents to the contrary notwithstanding.

17.2 Notice

If the Facility Agent is notified under this Agreement of the occurrence of an Event of Default it shall promptly inform each of the Lenders. If any Lender becomes aware of the occurrence of an Event of Default it shall promptly inform the Facility Agent.

17.3 No Event of Default

17.3.1 No Event of Default will occur under sub-clause 17.1.2 (Events of Default) of this Agreement by reason of an Obligor's failure to comply with any Sustainability Provision.

17.3.2 No Event of Default will occur under sub-clause 17.1.3 (Events of Default) to the extent that the representation or statement relates to, or the document consists of, Sustainability Information.

18. INDEMNITY

18.1 Break Costs

18.1.1 Subject to sub-clause 18.1.2 below, the Parent shall, within three Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs (if any) attributable to all or any part of an Advance or Unpaid Sum being paid by a Borrower on a day other than the last day of an Interest Period for that Advance or Unpaid Sum.

18.1.2 Sub-clause 18.1.1 above shall not apply in respect of any Compounded Rate Advance or related Unpaid Sum.

18.1.3 Each Lender shall, as soon as reasonably practicable after a demand by the Facility Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in respect of which they become, or may become, payable.

18.2 Other indemnities

18.2.1 The Parent shall (or shall procure that an Obligor will), within three Business Days of demand, indemnify each Finance Party against any cost, loss or liability incurred by that Finance Party as a result of:

- (a) the occurrence of any Event of Default;
- (b) a failure by an Obligor to pay any amount due under a Financing Document on its due date, including without limitation, any cost, loss or liability arising as a result of Clause 23.2 (*Pro rata Sharing*);
- (c) funding, or making arrangements to fund, its participation in an Advance requested by a Borrower in a Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Finance Party alone); or
- (d) an Advance (or part of an Advance) not being prepaid in accordance with a notice of prepayment given by a Borrower.

18.2.2 The Parent shall promptly indemnify each Finance Party, each Affiliate of a Finance Party, each officer, director and employee of a Finance Party (each, an "**Indemnified Party**") from and against any and all claims, damages, losses, liabilities, costs and expenses (including, without limitation, fees and disbursements of legal counsel), joint or several, that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or relating to any investigation, litigation or proceeding or the preparation of any defence with respect thereto, arising out of or in connection with or relating to the Financing Documents or the transactions contemplated by the Financing Documents, whether or not such investigation, litigation or proceeding is brought by a member of the Group, any shareholder or creditor of any member of the Group, an Indemnified Party or any other person, except to the extent that such claim, damage, loss, liability, cost or expense is caused by such Indemnified Party's gross negligence or wilful misconduct. Any third party referred to in this sub-clause 18.2.2 may rely on this sub-clause 18.2.2 subject to sub-clause 1.3.6 of Clause 1.3 (*Construction*) and the provisions of the Third Parties Act.

18.3 **Indemnity to the Facility Agent**

The Parent shall promptly indemnify the Facility Agent against any cost, loss or liability incurred by the Facility Agent (acting reasonably) as a result of:

- 18.3.1 investigating any event which it reasonably believes is an Event of Default or a Potential Event of Default;
- 18.3.2 acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or
- 18.3.3 instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as expressly permitted under this Agreement.

18.4 **Indemnity to the Sustainability Coordinator**

The Parent shall promptly indemnify the Sustainability Coordinator against:

- 18.4.1 any cost, loss or liability incurred by the Sustainability Coordinator (acting reasonably) as a result of acting or relying on any notice, request, instruction or communication which it reasonably believes to be genuine, correct and appropriately authorised; and
- 18.4.2 any cost, loss or liability incurred by the Sustainability Coordinator (otherwise than by reason of the Sustainability Coordinator's gross negligence or wilful misconduct) in acting as Sustainability Coordinator in relation to the Revolving Facility;

18.5 **Waiver of Defences**

Each Obligor agrees that no delay, extension of time, renewal, compromise, waiver, indulgence, release of security or rights or any other matter or thing shall in any way prejudice the Lenders' or the Facility Agent's rights or powers hereunder. No Obligor shall by virtue of any payment made by it pursuant to this Clause 18 (*Indemnity*) claim in competition with the Facility Agent or any Lender any right of subrogation, contribution or indemnity against any member of the Group so long as any amount is or is capable of becoming outstanding hereunder.

19. **GUARANTEE AND INDEMNITY**

19.1 **Guarantee**

Each Guarantor unconditionally and irrevocably guarantees, as a continuing obligation, the proper and punctual payment by each of the Obligors of the Guaranteed Amounts and unconditionally and irrevocably undertakes, as a continuing obligation, with each Finance Party that, if for any reason any Obligor does not make such payment, each Guarantor shall pay the Guaranteed Amounts upon first written demand by the Facility Agent.

19.2 **Principal Debtor**

Each Guarantor shall be deemed to be liable for the Guaranteed Amounts as a sole or principal debtor.

19.3 **Discharge**

The liabilities and obligations of each of the Guarantors under this Agreement shall remain in force notwithstanding any act, omission, neglect, event or matter whatsoever, except the proper and valid payment of all the Guaranteed Amounts and, subject to Clause 19.4 (*Preference*), an absolute discharge or release of any of the Guarantors signed by the Facility Agent on behalf of the Lenders; and without prejudice to its generality, the foregoing shall apply in relation to anything which would have discharged any Guarantor (wholly or in part) or which would have afforded such Guarantor any legal or equitable defence, and in relation to any winding up or dissolution of, or any change in constitution or corporate identity or loss of corporate identity by, any of the Obligors or any other person.

19.4 **Preference**

Any such discharge or release as is referred to in Clause 19.3 (*Discharge*), and any composition or arrangement which any of the Guarantors may effect with the Finance Parties, shall be deemed to be made subject to the condition that it will be void if any payment or security which any Finance Party may previously have received or may thereafter receive from any person in respect of the Guaranteed Amounts is set aside under any applicable law or proves to have been for any reason invalid and the liabilities and obligations of each Guarantor under this Clause 19 (*Guarantee and Indemnity*) will continue or be reinstated as if such discharge or release had not occurred.

19.5 **No Impairment**

Without prejudice to the generality of Clauses 19.2 (*Principal Debtor*) and 19.3 (*Discharge*) none of the liabilities or obligations of any of the Guarantors under this Agreement shall be impaired by, and each Guarantor hereby irrevocably waives any defences it may now or hereafter have in any way relating to, the Finance Parties (or any of them):

19.5.1 agreeing with any Obligor any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of a Financing Document or any other document or security including without limitation any change in the purpose of, any extension of, or any increase in, any facility or the addition of any new facility under any Financing Document or other document (other than a variation of this Clause 19.5 (*No Impairment*)) and any such variation shall, whatever its nature, be binding upon such Guarantor in all

circumstances, notwithstanding that it may increase or otherwise affect the liability of such Guarantor **provided however that** if any such variation is made without the prior written consent of such Guarantor or the Obligors' Agent on behalf of such Guarantor, which has the effect of increasing the amount of the Facilities or the Margin, the amount of such Guarantor's liability under this Clause 19.5 (*No Impairment*) shall be limited to the amount for which they would have been liable had such variation not been made;

- 19.5.2 releasing or granting any time or any indulgence whatsoever to any Obligor or such Guarantor and, in particular, waiving any of the pre-conditions for Advances under this Agreement or any contravention by any Obligor of this Agreement, or entering into any transaction or arrangements whatsoever with or in relation to any Obligor, and/or any third party;
- 19.5.3 taking, perfecting, accepting, varying, dealing with, enforcing, abstaining from enforcing, surrendering or releasing any security for the Guaranteed Amounts in such manner as it or they think fit, or claiming, proving for, accepting or transferring any payment in respect of the Guaranteed Amounts in any composition by or winding up of, any Obligor and/or any third party or abstaining from so claiming, proving, accepting or transferring.

19.6 **Demands**

Demands under this Clause 19.6 (*Demands*) may be made from time to time, and the liabilities and obligations of each Guarantor under this Agreement may be enforced, irrespective of:

- 19.6.1 whether any demands, steps or proceedings are being or have been made or taken against any of the Obligors and/or any third party; or
- 19.6.2 whether or in what order any security to which any Finance Party may be entitled in respect of the Guaranteed Amounts is enforced.

Each Guarantor waives diligence, presentment, protest, demand for payment and notice of default to or upon any Obligor.

19.7 **Suspense Account**

Until all amounts which may be or become payable by the Obligors hereunder or under any of the Financing Documents or in connection herewith or therewith have been irrevocably paid and discharged in full, each Finance Party (or any trustee or agent on its behalf) may:

- 19.7.1 refrain from applying or enforcing any other security, moneys or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of such amounts or apply and enforce the same in such manner and order as it sees fit (whether against such amounts or otherwise) and none of the Guarantors shall be entitled to the benefit of the same; and
- 19.7.2 hold in a suspense account (subject to the accrual of interest thereon at market rates for the account of any Guarantor) any moneys received from any Guarantor or on account of that Guarantor's liability hereunder.

19.8 Subordination

So long as any of the Guarantors has any liability under this Agreement and except as provided in Clause 19.9 (*Deferral of Subrogation, Contribution, Reimbursement, Exoneration and Indemnity*):

- 19.8.1 no Guarantor shall take or accept any Security Interest from any Obligor or, in relation to the Guaranteed Amounts, from any third party, without first obtaining the Facility Agent's written consent;
- 19.8.2 after the occurrence of an Event of Default, each such Guarantor shall not, without first obtaining the Facility Agent's written consent, seek to recover, whether directly or by set off, lien, counterclaim or otherwise, nor accept any moneys or other property, nor exercise any rights in respect of, any sum which may be or become due to any such Guarantor on any account by any Obligor or, in relation to the Guaranteed Amounts, from any third party, nor claim, prove for or accept any payment in any composition by, or any winding up of, any Obligor or, in relation to the Guaranteed Amounts, any third party;
- 19.8.3 if, notwithstanding the foregoing, any such Guarantor holds or receives any such security, moneys or property, it shall forthwith pay or transfer the same to the Facility Agent.

19.9 Deferral of Subrogation, Contribution, Reimbursement, Exoneration and Indemnity

Each Guarantor agrees that it will not exercise any rights that it may now have or hereafter acquire against any Obligor or any other person that arise from the existence, payment, performance or enforcement of the Guaranteed Amounts or by reason of any amount being payable, or liability arising, under this Clause 19.9 (*Deferral of Subrogation, Contribution, Reimbursement, Exoneration and Indemnity*), including without limitation any right of subrogation, contribution, reimbursement, exoneration, indemnity, set-off, to claim or prove as a creditor of any Obligor in competition with any Finance Party or to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under Clause 19.1 (*Guarantee*) (or any similar right) prior to the later of the cash payment in full of the Guaranteed Amounts and all other amounts payable under this Clause 19 (*Guarantee and Indemnity*) and the Final Maturity Date. If any amount shall be paid to any such Guarantor in violation of the preceding sentence, such amount shall be held in trust for the benefit of the Finance Parties and shall forthwith be paid to the Facility Agent to be credited and applied to the Guaranteed Amounts and all other amounts payable under this Clause 19 (*Guarantee and Indemnity*), whether or not due, in accordance with the terms of the Financing Documents, or be held as collateral security for any Guaranteed Amounts or other amounts payable under this Clause 19 (*Guarantee and Indemnity*) and thereafter arising. If (a) any such Guarantor shall make payment of all or any part of the Guaranteed Amounts, (b) all of the Guaranteed Amounts and all other amounts payable under this Clause 19 (*Guarantee and Indemnity*) shall be paid in full in cash and (c) the Final Maturity Date shall have occurred, the Facility Agent will, at such Guarantor's request and expense, execute and deliver to such Guarantor appropriate documents, without recourse and without representation or warranty, necessary to evidence the transfer by subrogation to that Guarantor of an interest in the Guaranteed Amounts resulting from such payment by such Guarantor.

19.10 Release of Guarantor's right of contribution

If any Guarantor (a "**Retiring Guarantor**") ceases to be a Guarantor in accordance with the terms of the Financing Documents for the purpose of any sale or other disposal of that Retiring Guarantor then on the date such Retiring Guarantor ceases to be a Guarantor:

19.10.1 that Retiring Guarantor is released by each other Guarantor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Guarantor arising by reason of the performance by any other Guarantor of its obligations under the Financing Documents; and

19.10.2 each other Guarantor waives any rights it may have by reason of the performance of its obligations under the Financing Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under any Financing Document or of any other security taken pursuant to, or in connection with, any Financing Document where such rights or security are granted by or in relation to the assets of the Retiring Guarantor.

19.11 Indemnity

As a separate, additional and continuing obligation, each Guarantor unconditionally and irrevocably undertakes with the Finance Parties (and each of them) that, should the Guaranteed Amounts not be recoverable from any Guarantor under this Clause 19 (*Guarantee and Indemnity*) for any reason whatsoever (including, but without prejudice to the generality of the foregoing, by reason of any other provision of this Agreement being or becoming void, unenforceable or otherwise invalid under any applicable law) then, notwithstanding that it may have been known to that Finance Party, each Guarantor shall, as a sole, original and independent obligation, upon first written demand by the Facility Agent under Clause 19.1 (*Guarantee*), make payment of the Guaranteed Amounts by way of a full indemnity in such currency and otherwise in such manner as is provided for in this Agreement and shall indemnify the Finance Parties (and each of them) against all losses, claims, costs, charges and expenses to which it may be subject or which they may incur under or in connection with this Agreement.

19.12 U.S. Guarantee Limitation – Fraudulent Conveyance

Any term or provision of this Clause 19 (*Guarantee and Indemnity*) or any other term in this Agreement or any Financing Document notwithstanding, the maximum aggregate amount of the obligations for which any Guarantor shall be liable under this Agreement shall in no event exceed an amount equal to the largest amount that would not render such Guarantor's obligations under this Agreement subject to avoidance under applicable United States federal or state fraudulent conveyance laws.

19.13 Guarantee Limitation - Deemed Dividends

Any term or provision of this Clause 19 (*Guarantee and Indemnity*) or any other term in this Agreement or any Financing Document notwithstanding:

19.13.1 no member of the Group will have any obligation or liability, directly or indirectly, as guarantor or otherwise under this Agreement or any Financing Document with respect to any obligation or liability arising under any Financing Document of any U.S. Borrower (the "**U.S. Obligations**"); and

19.13.2 not more than 65 per cent. of the stock or other equity interests (measured by the total combined voting power of the issued and outstanding voting stock or other equity interests) of, and none of the assets or property of, any member of the Group may be pledged directly or indirectly as security for any U.S. Obligations,

in each case to the extent such obligation, liability or pledge would cause or result in any "deemed dividend" to any U.S. Obligor pursuant to Section 956 of the Revenue Code; **provided that** this Clause 19.13 (*Guarantee Limitation – Deemed Dividends*) shall not limit or reduce any obligation or liability of any Borrower acting in its capacity as such.

19.14 **Waiver of Jersey customary law rights**

Without prejudice to any provision of this Agreement, each Obligor irrevocably and unconditionally waives such right as it may have or claim under Jersey law:

19.14.1 whether by virtue of the *droit de discussion* or otherwise to require that recourse be had by the Finance Parties to the assets of any other Obligor or any other person before any claim is enforced against that Obligor in respect of the obligations assumed by it under any Financing Documents; and

19.14.2 whether by virtue of the *droit de division* or otherwise to require that any liability under any Financing Document be divided or apportioned with any other Obligor or any other person or reduced in any manner whatsoever.

20. **THE AGENTS AND THE SUSTAINABILITY COORDINATOR**

20.1 **Appointment of the Agents**

20.1.1 Each Lender appoints the Facility Agent to act as its agent under and in connection with the Financing Documents; and

20.1.2 each Swingline Lender appoints the Swingline Agent to act as its agent under and in relation to the Swingline Facility,

and in each case authorises that Agent on its behalf to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to it under or in connection with the Financing Documents together with any other incidental rights, powers, authorities and discretions.

20.2 **Instructions**

20.2.1 The Agents shall:

- (a) unless a contrary indication appears in a Financing Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Agent in accordance with any instructions given to it by:
 - (i) all Lenders if the relevant Financing Document stipulates the matter is an all Lender decision; and
 - (ii) in all other cases, the Majority Lenders; and

(b) not be liable for any act (or omission) if they act (or refrain from acting) in accordance with paragraph (a) above.

20.2.2 The Agents shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if the relevant Financing Document stipulates the matter is a decision for any other Lender or group of Lenders, from that Lender or group of Lenders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion. An Agent may refrain from acting unless and until it receives any such instructions or clarification that it has requested.

20.2.3 Save in the case of decisions stipulated to be a matter for any other Lender or group of Lenders under the relevant Financing Document and unless a contrary indication appears in a Financing Document, any instructions given to an Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties.

20.2.4 Each Agent may refrain from acting in accordance with any instructions of any Lender or group of Lenders until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Financing Documents and which may include payment in advance) for any cost, loss or liability which it may incur in complying with those instructions.

20.2.5 In the absence of instructions, an Agent may act (or refrain from acting) as it considers to be in the best interest of the Lenders.

20.2.6 An Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender's consent) in any legal or arbitration proceedings relating to any Financing Document.

20.3 Duties of an Agent

20.3.1 The Agent's duties under the Financing Documents are solely mechanical and administrative in nature.

20.3.2 Subject to sub-clause 20.3.3 below, an Agent shall promptly forward to a Party the original or a copy of any document which is delivered to that Agent for that Party by any other Party.

20.3.3 Without prejudice to Clause 24.7 (*Copy of Transfer Certificate or Increase Confirmation to Parent*), sub-clause 20.3.2 above shall not apply to any Transfer Certificate or Increase Confirmation.

20.3.4 Except where a Financing Document specifically provides otherwise, the Facility Agent is not obliged to review or check the adequacy, accuracy of completeness of any document it forwards to another Party.

20.3.5 If an Agent receives notice from a Party referring to this Agreement, describing an Event of Default or Potential Event of Default and stating that the circumstance described is an Event of Default or Potential Event of Default, it shall promptly notify the Lenders.

20.3.6 An Agent shall promptly notify the Lenders of any Event of Default arising under sub-clause 17.1.1 of Clause 17.1 (*Events of Default*).

- 20.3.7 Each Agent shall provide to the Parent within five Business Days of a request by the Parent (but no more frequently than once per calendar month), a list (which may be in electronic form) setting out the names of the Lenders as at the date of that request, their respective Commitments, the address (and the department or officer, if any, for whose attention any communication is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Financing Documents, the electronic mail address and/or any other information required to enable the sending and receipt of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Financing Documents may be made by that means and the account details of each Lender for any payment to be distributed by an Agent to that Lender under the Financing Documents.
- 20.3.8 An Agent shall have only those duties, obligations and responsibilities expressly specified in the Financing Documents to which it is expressed to be a party (and no others shall be implied).

20.4 No fiduciary duties

- 20.4.1 Nothing in any Financing Document constitutes an Agent or the Sustainability Coordinator as a trustee or fiduciary of any other person.
- 20.4.2 Neither an Agent nor the Sustainability Coordinator shall be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.

20.5 Business with the Group

An Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Group.

20.6 Rights and discretions

20.6.1 An Agent may:

- (a) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised; and
- (b) assume that:
 - (i) any instructions received by it from the Majority Lenders, any Lenders or any group of Lenders are duly given in accordance with the terms of the Financing Documents; and
 - (ii) unless it has received notice of revocation, that those instructions have not been revoked; and
- (c) rely on a certificate from any person:
 - (i) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
 - (ii) to the effect that such person approves of any particular dealing, transaction, step, action or thing,

as sufficient evidence that that is the case and, in the case of sub-paragraph (i) above, may assume the truth and accuracy of that certificate.

- 20.6.2 An Agent may assume (unless it has received notice to the contrary in its capacity as Agent for the Lenders) that:
- (a) no Event of Default has occurred (unless it has actual knowledge of an Event of Default arising under sub-clause 17.1.1 of Clause 17.1 (*Events of Default*));
 - (b) any right, power, authority or discretion vested in any Party or any group of Lenders has not been exercised; and
 - (c) any notice or request made by the Parent (other than a Request) is made on behalf of and with the consent and knowledge of all the Obligors.
- 20.6.3 An Agent may engage and pay for the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts.
- 20.6.4 Without prejudice to the generality of sub-clause 20.6.3 above or sub-clause 20.6.5 below, an Agent may at any time engage and pay for the services of any lawyers to act as independent counsel to such Agent (and so separate from any lawyers instructed by the Lenders) if such Agent in its reasonable opinion deems this to be necessary.
- 20.6.5 An Agent may rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by such Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.
- 20.6.6 An Agent may act in relation to the Financing Documents through its officers, employees and agents.
- 20.6.7 Unless a Financing Document expressly provides otherwise, an Agent may disclose to any other Party any information it reasonably believes it has received as an agent under this Agreement.
- 20.6.8 Without prejudice to the generality of sub-clause 20.6.6 above, the Facility Agent may disclose the identity of a Defaulting Lender to the other Finance Parties and the Parent and shall disclose the same upon the written request of the Parent or the Majority Lenders.
- 20.6.9 Notwithstanding any other provision of any Financing Document to the contrary, an Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- 20.6.10 Notwithstanding any provision of any Financing Document to the contrary, an Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

20.7 **Responsibility for documentation**

20.7.1 Neither an Agent nor the Sustainability Coordinator is responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by that Agent, the Sustainability Coordinator, any Obligor or any other person given in or in connection with any Financing Document or the transactions contemplated in the Financing Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Financing Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Financing Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Financing Document; or
- (c) any determination as to whether any information provided or to be provided to any Finance Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

20.7.2 Neither an Agent nor the Sustainability Coordinator is responsible or liable for the adequacy, accuracy or completeness of any Sustainability Information (whether oral or written) supplied by the Parent, any member of the Group, an External Reviewer or any other person in or in connection with any verification reports and/or any Sustainability Provisions contemplated in this Agreement or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with the Revolving Facility.

20.8 **No duty to monitor**

An Agent shall not be bound to enquire:

- 20.8.1 whether or not any default has occurred;
- 20.8.2 as to the performance, default or any breach by any Party of its obligations under any Financing Document;
- 20.8.3 whether any other event specified in any Financing Document has occurred;
- 20.8.4 whether or not any Declassification Event, Sustainability Breach, Sustainability Amendment Event or a Sustainability Certificate Inaccuracy has occurred; or
- 20.8.5 as to the performance, default or any breach by any Obligor of its obligations under any Sustainability Provision.

20.9 **Exclusion of liability**

20.9.1 Without limiting sub-clause 20.9.2 of this Clause 20.9 (*Exclusion of liability*), (and without prejudice to any other provision of any Financing Document excluding or limiting the liability of an Agent), an Agent will not be liable for:

- (a) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever arising as a result of taking or not taking any action under or in connection with any Financing Document, unless directly caused by its gross negligence or wilful misconduct;
- (b) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Financing Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Financing Document, other than by reason of its gross negligence or wilful misconduct; or
- (c) without prejudice to the generality of paragraphs (a) and (b) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever (but not including any claim based on the fraud of an Agent) arising as a result of:
 - (i) any act, event or circumstance not reasonably within its control; or
 - (ii) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

20.9.2 No Party (other than an Agent) may take any proceedings against any officer, employee or agent of an Agent in respect of any claim it might have against that Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Financing Document and any officer, employee or agent of that Agent may rely on this sub-clause 20.9.2 subject to sub-clause 1.3.6 of Clause 1.3 (*Construction*) and the provisions of the Third Parties Act.

20.9.3 An Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Financing Documents to be paid by that Agent if that Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by that Agent for that purpose.

20.9.4 Nothing in this Agreement shall oblige either Agent to carry out:

- (a) any "know your customer" or other checks in relation to any person; or
- (b) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Lender or for any Affiliate of any Lender,

on behalf of any Lender and each Lender confirms to each Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by such Agent.

- 20.9.5 Without prejudice to any provision of any Financing Document excluding or limiting an Agent's liability, any liability of an Agent arising under or in connection with any Financing Document shall be limited to the amount of actual loss which has been suffered (as determined by reference to the date of default of an Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to an Agent at any time which increase the amount of that loss. In no event shall an Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not an Agent has been advised of the possibility of such loss or damages.
- 20.9.6 Neither an Agent nor the Sustainability Coordinator is acting in an advisory capacity to any person in respect of the SLLP nor will an Agent or the Sustainability Coordinator be obliged to verify whether the Revolving Facility will comply with the SLLP on behalf of any of the Finance Parties and each Finance Party is solely responsible at all times for making its own independent appraisal of, and analysis in relation to, each KPI, each SPT, the Sustainability Information and any other sustainability-linked provision of this Agreement.
- 20.9.7 The Sustainability Coordinator will not be liable for any action taken or not taken by it under or in connection with any Financing Document in such capacity, unless directly caused by its gross negligence or wilful misconduct.
- 20.9.8 No Party may take any proceedings against any officer, employee or agent of the Sustainability Coordinator in respect of any claim it might have against the Sustainability Coordinator or in respect of any act or omission of any kind by that officer, employee or agent in connection with the Revolving Facility.

20.10 Lenders' indemnity to the Agents

- 20.10.1 Each Lender shall (in proportion to its share of the Revolving Facility Total Commitments or, if the Revolving Facility Total Commitments are then zero, to its share of the Revolving Facility Total Commitments immediately prior to their reduction to zero) indemnify the Facility Agent, within three Business Days of demand, against any cost, loss or liability incurred by the Facility Agent (otherwise than by reason of the Facility Agent's gross negligence or wilful misconduct) in acting as Facility Agent under the Financing Documents (unless the Facility Agent has been reimbursed by an Obligor pursuant to a Financing Document).
- 20.10.2 Each Swingline Lender shall (in proportion to its share of the Total Swingline Commitments or, if the Total Swingline Commitments are then zero, to its share of the Total Swingline Commitments immediately prior to their reduction to zero) indemnify the Swingline Agent, within three Business Days of demand, against any cost, loss or liability incurred by the Swingline Agent (otherwise than by reason of the Swingline Agent's gross negligence or wilful misconduct) in acting as Swingline Agent under the Financing Documents (unless the Swingline Agent has been reimbursed by an Obligor pursuant to a Financing Document).

20.11 Deduction from amounts payable by the Agents

If any Party owes an amount to either Agent under the Financing Documents the relevant Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which that Agent would otherwise be obliged to make under the Financing Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Financing Documents that Party shall be regarded as having received any amount so deducted.

20.12 Resignation of an Agent

- 20.12.1 An Agent may resign and appoint one of its Affiliates (acting through an office in a jurisdiction such that there are no adverse tax implications in respect of payments to be made to or by such successor Agent, and in the case of the Swingline Agent, in the same time zone as the resigning Swingline Agent) as successor by giving notice to the Lenders (or, in the case of the Swingline Agent, the Swingline Lenders) and the Parent.
- 20.12.2 Alternatively an Agent may resign by giving 30 days' notice to the Lenders (or, in the case of the Swingline Agent, the Swingline Lenders) and the Parent, in which case the Majority Lenders (or, in the case of the Swingline Agent, the Majority Swingline Lenders) may, with the consent of the Parent (not to be unreasonably withheld or delayed) appoint a successor Agent.
- 20.12.3 If the Majority Lenders (or, in the case of the Swingline Agent, the Majority Swingline Lenders) have not appointed a successor Agent in accordance with sub-clause 20.12.2 of this Clause 20.12 (*Resignation of an Agent*) within 30 days after notice of resignation was given, that retiring Agent may, with the consent of the Parent (not to be unreasonably withheld or delayed) appoint a successor Agent (acting through an office in a jurisdiction such that there are no adverse tax implications in respect of payments to be made to or by such successor Agent and, in the case of the Swingline Agent, in the same time zone as the resigning Swingline Agent).
- 20.12.4 The resigning Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Financing Documents. The Parent shall, within three Business Days of demand, reimburse the resigning Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- 20.12.5 An Agent's resignation notice shall only take effect upon the appointment of a successor.
- 20.12.6 Upon the appointment of a successor, the resigning Agent shall be discharged from any further obligation arising from its role as Agent in respect of the Financing Documents (other than its obligations under sub-clause 20.12.4 above) but shall remain entitled to the benefit of Clause 20.10 (*Lender's indemnity to the Agents*) and this Clause 20 (*The Agents and the Sustainability Coordinator*) (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date. Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

20.12.7 An Agent shall resign in accordance with sub-clause 20.12.2 above (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Agent pursuant to sub-clause 20.12.3 above) if on or after the date which is three months before the earliest FATCA Application Date relating to any payment to an Agent under the Financing Documents, either:

- (a) an Agent fails to respond to a request under Clause 16.11 (*FATCA information*) and the Parent or a Lender reasonably believes that such Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;
- (b) the information supplied by an Agent pursuant to Clause 16.11 (*FATCA information*) indicates that such Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or
- (c) an Agent notifies the Parent and the Lenders that such Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

and (in each case) the Parent or a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if such Agent were a FATCA Exempt Party, and the Parent or that Lender, by notice to such Agent, requires it to resign.

20.13 Replacement of the Agent

20.13.1 After consultation with the Parent, the Majority Lenders (or, in the case of the Swingline Agent, the Majority Swingline Lenders) may, by giving 30 days' notice to the relevant Agent (or, at any time an Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders (or, in the case of the Swingline Agent, the Majority Swingline Lenders)) replace such Agent by appointing a successor Agent (acting through an office in a jurisdiction such that there are no adverse tax implications in respect of payments to be made to or by such successor Agent and, in the case of the Swingline Agent, in the same time zone as the Swingline Agent being replaced).

20.13.2 The retiring Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders or, in the case of the Swingline Agent, the Swingline Lenders) make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Financing Documents.

20.13.3 The appointment of the successor Agent shall take effect on the date specified in the notice from the Majority Lenders (or, in the case of the Swingline Agent, the Majority Swingline Lenders) to the retiring Agent. As from this date, the retiring Agent shall be discharged from any further obligation in respect of the Financing Documents but shall remain entitled to the benefit of this Clause 20 (*The Agents and the Sustainability Coordinator*) (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date).

20.13.4 Any successor Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

20.14 Agent Confidentiality

20.14.1 In acting as Agent for the Finance Parties (or, in the case of the Swingline Agent, the Swingline Lenders) an Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.

20.14.2 If information is received by another division or department of an Agent, it may be treated as confidential to that division or department and that Agent shall not be deemed to have notice of it.

20.15 Relationship with the Lenders

20.15.1 Subject to Clause 24.8 (*Pro rata interest settlement*), an Agent may treat the person shown in its records as Lender or, in the case of the Swingline Agent, the Swingline Lenders at the opening of business (in the place of the Agent's principal office as notified to the Finance Parties from time to time) as the Lender acting through its Facility Office:

- (a) entitled to or liable for any payment due under any Financing Document on that day; and
- (b) entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Financing Document made or delivered on that day,

unless it has received not less than five Business Days prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

20.15.2 Any Lender may by notice to the Agents appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Financing Documents. Such notice shall contain the address and, if so specified, e-mail address and/or any other information required to enable the sending and receipt of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, e-mail address (if so specified), department and officer by that Lender for the purposes of Clause 27.9 (*Addresses*) and the Agents shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

20.16 Credit appraisal by the Lenders

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Financing Document, each Lender confirms to the Agents that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Financing Document including but not limited to:

20.16.1 the financial condition, status and nature of each member of the Group;

- 20.16.2 the legality, validity, effectiveness, adequacy or enforceability of any Financing Document and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Financing Document;
- 20.16.3 whether that Lender has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Financing Document, the transactions contemplated by the Financing Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Financing Document; and
- 20.16.4 the adequacy, accuracy and/or completeness of any information provided by an Agent, any Party or by any other person under or in connection with any Financing Document, the transactions contemplated by the Financing Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Financing Document.

20.17 Role of the Mandated Lead Arrangers and Mandated Lead Arrangers and Bookrunners

Except as specifically provided in the Financing Documents, the Mandated Lead Arrangers and the Mandated Lead Arrangers and Bookrunners have no obligations of any kind to any other Party under or in connection with any Financing Document.

20.18 Amounts paid in error

- (a) If the Facility Agent pays an amount to another Party and the Facility Agent notifies that Party that such payment was an Erroneous Payment then the Party to whom that amount was paid by the Facility Agent shall, promptly, and in any event within three Business Days of demand, refund the same to the Facility Agent together with interest on that amount from the date of payment to the date of receipt by the Facility Agent, calculated by the Facility Agent to reflect its cost of funds.
- (b) Neither:
 - (i) the obligations of any Party to the Facility Agent; nor
 - (ii) the remedies of the Facility Agent,(whether arising under this Clause 20.18 or otherwise) which relate to an Erroneous Payment will be affected by any act, omission, matter or thing (including, without limitation, any obligation pursuant to which an Erroneous Payment is made) which, but for this paragraph (b), would reduce, release, preclude or prejudice any such obligation or remedy (whether or not known by the Facility Agent or any other Party).
- (c) All payments to be made by a Party to the Facility Agent (whether made pursuant to this Clause 20.18 or otherwise) which relate to an Erroneous Payment shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.
- (d) In this Agreement, "**Erroneous Payment**" means a payment of an amount by the Facility Agent to another Party which the Facility Agent determines (acting reasonably) was made in error.

21. **CONDUCT OF BUSINESS BY THE FINANCE PARTIES**

No provision of this Agreement will:

- 21.1.1 interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- 21.1.2 oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- 21.1.3 oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of tax.

22. **FEES AND EXPENSES**

22.1 **Upfront Fees**

The Parent shall (or shall procure that an Obligor shall) pay the upfront fees to the persons specified, in the amount and at the times agreed, in a Fee Letter.

22.2 **Agency fee**

The Parent shall (or shall procure that an Obligor shall) pay, to each of the Facility Agent and the Swingline Agent (for its own account) an agency fee in the amount and at the times agreed in a Fee Letter.

22.3 **Transaction expenses**

The Parent shall promptly on demand, and having been provided with reasonable evidence of such, pay each Agent and the Sustainability Coordinator the amount of all costs and expenses (including legal fees) reasonably and properly incurred by it in connection with the negotiation, preparation, printing, execution and syndication of:

- 22.3.1 this Agreement and any other documents referred to in this Agreement; and
- 22.3.2 any other Financing Documents executed after the date of this Agreement.

22.4 **Amendment costs**

If (a) an Obligor requests an amendment, waiver or consent, (b) an amendment is required pursuant to Clause 16.15 (*Change of currency*) or (c) an amendment is required pursuant to Clause 27.5 (Sustainability Amendments), the Parent shall, within three Business Days of demand, and having been provided with reasonable evidence of such, reimburse the Facility Agent for the amount of all costs and expenses (including legal fees) reasonably and properly incurred by the Facility Agent in responding to, evaluating, negotiating or complying with that request or requirement.

22.5 **Enforcement costs**

The Parent shall, within three Business Days of demand, and having been provided with reasonable evidence of such, pay to each Finance Party the amount of all costs and expenses (including legal fees) incurred by that Finance Party in connection with the enforcement of, or the preservation of any rights under, any Financing Document.

22.6 Stamp Duty

The Obligors, within three Business Days of demand, shall pay any stamp, documentary and other similar duties and Taxes to which the Financing Documents (other than an assignment or transfer of a Lender's rights or obligations hereunder not requested by an Obligor (except, for the avoidance of doubt, where such assignment or transfer is made pursuant to Clause 15.8 (*Mitigation*)) may be subject or give rise in any relevant jurisdiction and shall fully indemnify each Finance Party from and against any losses, liabilities or costs which any of them may incur as a result of any delay or omission by the Borrowers to pay any such duties or Taxes.

22.7 Value Added Tax

22.7.1 All amounts expressed to be payable under a Financing Document by any Party to a Finance Party which (in whole or in part) constitute the consideration for any supply for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that supply and, accordingly, subject to sub-clause 22.7.2 below, if VAT is or becomes chargeable on any supply made by any Finance Party to any Party under a Financing Document and such Finance Party is required to account to the relevant tax authority for the VAT, that Party must pay to such Finance Party (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of the VAT (and such Finance Party must promptly provide an appropriate VAT invoice to that Party).

22.7.2 If VAT is or becomes chargeable on any supply made by any Finance Party (the "**Supplier**") to any other Finance Party (the "**Recipient**") under a Financing Document, and any Party other than the Recipient (the "**Relevant Party**") is required by the terms of any Financing Document to pay an amount equal to the consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration):

- (a) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of the VAT. The Recipient must (where this sub-paragraph (a) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and
- (b) (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.

22.7.3 Where a Financing Document requires any Party to reimburse or indemnify a Finance Party for any cost or expense, that Party shall reimburse or indemnify (as the case may be) such Finance Party for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Finance Party reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

- 22.7.4 Any reference in this Clause 22.7 (*Value Added Tax*) to any Party shall, at any time when such Party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the representative member of such group at such time (the term "representative member" to have the same meaning as in the Value Added Tax Act 1994).
- 22.7.5 In relation to any supply made by a Finance Party to any Party under a Financing Document, if reasonably requested by such Finance Party, that Party must promptly provide such Finance Party with details of that Party's VAT registration and such other information as is reasonably requested in connection with such Finance Party's VAT reporting requirements in relation to such supply.

22.8 **Reference rate transition costs**

The Parent shall within three Business Days of demand, pay to each Finance Party the amount of all costs and expenses (including legal fees) reasonably incurred by the Facility Agent in responding to, evaluating, negotiating or complying with any amendment or waiver requested or made pursuant to clause 26.4.4 or with respect to a Compounded Rate Supplement.

23. **SET-OFF AND PRO RATA SHARING**

23.1 **Set-off**

Following an Event of Default which is continuing and has not been waived, any Lender may at the same time as providing notice to the relevant Obligor combine, consolidate or merge all or any of a Borrower's or a Guarantor's accounts with, and liabilities to, that Lender and may set off or transfer any sum standing to the credit of any such accounts in or towards satisfaction of any of that Borrower's or any of that Guarantor's, as the case may be, liabilities to that Lender under the Financing Documents, and may do so notwithstanding that the balances on such accounts and the liabilities may not be expressed in the same currency and each Lender is hereby authorised to effect any necessary conversions at the Lender's own rate of exchange then prevailing.

23.2 **Pro rata Sharing**

- 23.2.1 If a Lender receives or recovers any amount (other than from the Facility Agent or the Swingline Agent) in respect of sums due from a Borrower or a Guarantor under the Financing Documents (whether by set-off or otherwise) it shall promptly notify the Facility Agent of such amount and the manner of its receipt or recovery.
- 23.2.2 Following receipt of notice under sub-clause 23.2.1 of this Clause 23.2 (*Pro rata Sharing*) the Facility Agent shall, as soon as practicable, having regard to the circumstances, consult with the Lenders to establish the aggregate amount of sums received or recovered by the Lenders and what payments are necessary amongst the Lenders for such aggregate amount to be divided amongst each Lender in the proportion to which each Lender's Outstandings bear to the Total Outstandings.
- 23.2.3 The Lenders shall promptly make such payments to each other, through the Facility Agent, as the Facility Agent shall direct to effect the divisions referred to in sub-clause 23.2.2 of this Clause 23.2 (*Pro rata Sharing*).

- 23.2.4 If a Lender makes a payment or payments pursuant to sub-clause 23.2.3 of this Clause 23.2 (*Pro rata Sharing*), any payment previously received by that Lender as described in sub-clause 23.2.1 of this Clause 23.2 (*Pro rata Sharing*) shall, subject to sub-clause 23.2.5 of this Clause 23.2 (*Pro rata Sharing*), be deemed to have been made by the relevant Borrower or the relevant Guarantor, as the case may be, on the understanding that it was received by that Lender as agent for the Lenders and that the payments described in sub-clause 23.2.3 of this Clause 23.2 (*Pro rata Sharing*), would be made and the liabilities of the relevant Borrower or the relevant Guarantor, as the case may be, to each of the Lenders shall accordingly be determined on the basis that such payment or payments pursuant to sub-clause 23.2.3 of this Clause 23.2 (*Pro rata Sharing*) would be made.
- 23.2.5 If a Lender makes a payment or payments pursuant to sub-clause 23.2.3 of this Clause 23.2 (*Pro rata Sharing*), sub-clause 23.2.4 of this Clause 23.2 (*Pro rata Sharing*) shall not apply if, as a result, the indebtedness of the relevant Borrower or the relevant Guarantor to the Lender has been extinguished, discharged or satisfied by the amount received or recovered (for example, because of set-off). In this event, for the purpose only of determining the liabilities of the relevant Borrower or the relevant Guarantor, as the case may be, to the Lenders (other than the Lender making the said payment or payments) and the liabilities of the Lenders to each other, the said payment or payments by the Lender shall be deemed to have been made on behalf of the relevant Borrower or the relevant Guarantor, as the case may be, in respect of its obligations under the Financing Documents and to the extent the Facilities are thereby discharged the relevant Borrower or the relevant Guarantor, as the case may be, shall fully indemnify the Lender for such payment or payments.
- 23.2.6 Any moneys payable by the relevant Borrower or the relevant Guarantor under sub-clause 23.2.5 of this Clause 23.2 (*Pro rata Sharing*) by way of indemnity shall be payable from the date the Lender makes the payment or payments under sub-clause 23.2.3 of this Clause 23.2 (*Pro rata Sharing*), shall carry interest from such date and for such purpose and all other purposes of this Agreement be treated in the same way as other amounts payable under this Agreement as though such moneys were payable in respect of the Outstandings of the Lender which has the benefit of the indemnity contained in sub-clause 23.2.5 of this Clause 23.2 (*Pro rata Sharing*) (whether or not the indebtedness attributable to such participation has been extinguished, discharged or satisfied in whole or in part).
- 23.2.7 Every payment and adjustment made pursuant to this Clause 23.2 (*Pro rata Sharing*) shall be subject to the condition that if any receipt or recovery as referred to in sub-clause 23.2.1 of this Clause 23.2 (*Pro rata Sharing*) made by a Lender (or any part thereof) subsequently has to be repaid by the relevant Lender (the "**Sharing Lender**") to the relevant Borrower or the relevant Guarantor, the Facility Agent (if it shall then hold the same) and each of the Lenders which has received any part thereof shall repay the relevant amount received (or the relevant part, as the case may be) to the Sharing Lender together with such amount (if any) as is necessary to reimburse to the Sharing Lender the appropriate proportion of any interest (in respect of the period during which the Facility Agent or (as the case may be) such Lender held such amount (or part thereof)) it shall have been obliged to pay when repaying such amount as aforesaid and the relevant adjustments pursuant to the preceding sub-clauses of this Clause 23.2 (*Pro rata Sharing*) shall be to that extent cancelled.

23.2.8 All payments made by an Obligor under the Financing Documents shall be calculated and made without (and free and clear of any deduction for) set-off or counterclaim.

23.3 **Litigation**

If any Lender shall commence an action or proceeding in any court to enforce its rights and, as a result thereof or in connection therewith, shall receive any amount which would otherwise require such Lender to make a payment to another Lender pursuant to this Clause 23.3 (*Litigation*) the relevant Lender shall not be required to make any such payment to (a) a Lender that has the legal right to, but does not (after notification to that Lender by the Lender instituting legal proceedings), join such action or proceeding or commence and diligently prosecute a separate action or proceeding to enforce its rights in the same or another court or (b) the Lender(s) which shall have joined the same action or proceeding or shall have commenced and prosecuted a separate action or proceeding to enforce their rights in the same or in another court if, by reason of the negligence or wilful default of such Lender(s), such Lender(s) shall obtain a sum which is proportionately smaller (including a nil receipt) than that received by the Lender otherwise required to make a payment pursuant to this Clause 23.3 (*Litigation*).

23.4 **Notification**

Each Lender shall promptly give notice to the Facility Agent of:

23.4.1 the institution by such Lender of any legal action or proceedings hereunder or in connection herewith prior to such institution; and

23.4.2 the receipt or recovery by such Lender of any amount due and payable to such Lender hereunder and received or recovered by it otherwise than through the Facility Agent.

Upon receipt of any such notice the Facility Agent will as soon as practicable thereafter notify all the other Lenders.

24. **BENEFIT OF AGREEMENT**

24.1 **Assignments and transfers by Obligors**

Except as otherwise provided in Clause 3.9 (*Substitution of Borrowers*), no Obligor may assign or transfer all or any part of its rights or obligations under the Financing Documents without the prior written consent of all the Lenders.

24.2 **Assignments and transfers by the Lenders**

Subject to this Clause 24 (*Benefit of Agreement*), a Lender (the "**Existing Lender**") may:

24.2.1 assign any of its rights; or

24.2.2 transfer by novation any of its rights and obligations,

to another bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets (the "**New Lender**").

24.3 Conditions of assignment or transfer

- 24.3.1 The prior written consent of the Parent is required for any assignment or transfer by a Lender of all or part of its rights or obligations under any of the Facilities, unless the assignment or transfer is to another Lender or an Affiliate of any Lender.
- 24.3.2 The consent of the Parent to an assignment or transfer must not be unreasonably withheld or delayed. The Parent will be deemed to have given its consent five Business Days after the Lender has requested it unless consent is expressly refused by the Parent within that time.
- 24.3.3 The consent of the Parent to an assignment or transfer is not required when an Event of Default has occurred and is continuing.
- 24.3.4 Any such transfer may be in whole or in part of the Existing Lender's relevant Commitment but, if in part, in a minimum amount of \$5,000,000 (unless the Obligors' Agent otherwise agrees in its absolute discretion or the whole of such Existing Lender's Commitment is transferred).
- 24.3.5 An assignment will only be effective on receipt by the Facility Agent of written confirmation from the New Lender (in form and substance satisfactory to the Facility Agent) that the New Lender will assume the same obligations to the other Lenders as it would have been under if it had been an Existing Lender and performance by the Facility Agent of all "know your customer" or other checks relating to any person that it is required to carry out in relation to such assignment to a New Lender, the completion of which the Facility Agent shall promptly notify to the Existing Lender and the New Lender.
- 24.3.6 A transfer will only be effective if the procedure set out in Clause 24.6 (*Procedure for transfer*) is complied with.
- 24.3.7 If:
- (a) a Lender assigns or transfers any of its rights or obligations under the Financing Documents or changes its Facility Office; and
 - (b) as a result of circumstances existing at the date the assignment, transfer or change occurs, an Obligor would be obliged to make a payment to the New Lender or Lender acting through its new Facility Office under Clause 15.2 (*Increased Costs*), Clause 16.5 (*Withholdings*) or Clause 16.10 (*Tax indemnity*),

then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred **provided that** this sub-clause 24.3.7 shall not prevent an Obligor from being required to pay an increased amount under Clause 16.5 (*Withholdings*) to a Lender which is a UK Qualifying Lender if the relevant withholding is in respect of Tax imposed by the United Kingdom.

- 24.3.8 Each New Lender, by executing the relevant Transfer Certificate, confirms, for the avoidance of doubt, that the Facility Agent has authority to execute on its behalf any

amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the transfer becomes effective in accordance with this Agreement and that it is bound by that decision to the same extent as the Existing Lender would have been had it remained a Lender.

24.4 **Assignment or transfer fee**

The New Lender shall, on the date upon which an assignment or transfer takes effect, pay to the Facility Agent (for its own account) a fee of \$3,000.

24.5 **Limitation of responsibility of Existing Lenders**

24.5.1 Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:

- (a) the legality, validity, effectiveness, adequacy or enforceability of the Financing Documents or any other documents;
- (b) the financial condition of any Obligor;
- (c) the performance and observance by any Obligor of its obligations under the Financing Documents or any other documents; or
- (d) the accuracy of any statements (whether written or oral) made in or in connection with any Financing Documents or any other document,

and any representations or warranties implied by law are excluded.

24.5.2 Each New Lender confirms to the Existing Lender and the other Lenders that it:

- (a) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender in connection with any Financing Documents; and
- (b) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Financing Documents or any Commitment is in force.

24.5.3 Nothing in any Financing Documents obliges an Existing Lender to:

- (a) accept a re-assignment or re-transfer from a New Lender of any of the rights and obligations assigned or transferred under this Clause 24 (*Benefit of Agreement*); or
- (b) support any losses directly or indirectly incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under the Financing Documents or otherwise.

24.6 Procedure for transfer

- 24.6.1 Subject to the conditions set out in Clause 24.3 (*Conditions of assignment or transfer*) a transfer is effected in accordance with sub-clause 24.6.3 of this Clause 24.6 (*Procedure for transfer*) when the Facility Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender. The Facility Agent shall, subject to sub-clause 24.6.2 below of this Clause 24.6 (*Procedure for transfer*), as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Transfer Certificate.
- 24.6.2 The Facility Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender once it is satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to the transfer to such Lender.
- 24.6.3 Subject to Clause 24.8 (*Pro rata interest settlement*), on the Transfer Date:
- (a) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Financing Documents each of the Obligors and the Existing Lender shall be released from further obligations towards one another under the Financing Documents and their respective rights against one another shall be cancelled (being the "**Discharged Rights and Obligations**");
 - (b) each of the Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Obligor and the New Lender have assumed and/or acquired the same in place of that Borrower and the Existing Lender;
 - (c) the Facility Agent, the New Lender and other Lenders shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Lender been a Lender on the date of this Agreement with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Facility Agent and the Existing Lender shall each be released from further obligations to each other under this Agreement; and
 - (d) the New Lender shall become a Party as a "Lender".

24.7 Copy of Transfer Certificate or Increase Confirmation to Parent

The Facility Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate or an Increase Confirmation, send to the Parent a copy of that Transfer Certificate or Increase Confirmation.

24.8 Pro rata interest settlement

24.8.1 In respect of any transfer pursuant to Clause 24.6 (*Procedure for transfer*) or any assignment pursuant to Clause 24.3 (*Conditions of assignment or transfer*) the Transfer Date of which, in each case, is not on the last day of an Interest Period):

- (a) any interest or fees in respect of the relevant participation which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Existing Lender up to but excluding the Transfer Date ("**Accrued Amounts**") and shall become due and payable to the Existing Lender (without further interest accruing on them) on the last day of the current Interest Period (or, if the Interest Period is longer than six months, on the next of the dates which falls at six monthly intervals after the first day of that Interest Period); and
- (b) the rights assigned or transferred by the Existing Lender will not include the right to the Accrued Amounts, so that, for the avoidance of doubt:
 - (i) when the Accrued Amounts become payable, those Accrued Amounts will be payable to the Existing Lender; and
 - (ii) the amount payable to the New Lender on that date will be the amount which would, but for the application of this Clause 24.8 (*Pro rata interest settlement*), have been payable to it on that date, but after deduction of the Accrued Amounts.

24.8.2 In this Clause 24.8 (*Pro rata interest settlement*) references to "Interest Period" shall be construed to include a reference to any other period for accrual of fees.

24.8.3 An Existing Lender which retains the right to the Accrued Amounts pursuant to this Clause 24.8 but which does not have a Commitment shall be deemed not to be a Lender for the purposes of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve any request for a consent, waiver, amendment or other vote of Lenders under the Financing Documents.

24.9 Sub-Participations

No Lender shall be required to notify any other Party of a sub-participation of its rights and interests hereunder **provided that** nothing in this Clause 24.9 (*Sub-Participations*) gives any sub-participant any rights against any Borrower or Guarantor. No Borrower shall be liable to pay any additional amounts under Clause 15.2 (*Increased Costs*) or sub-clause 16.5.2 of Clause 16.5 (*Withholdings*) arising as a direct consequence of any such sub-participation.

24.10 Security interest over Lenders' rights

In addition to the other rights provided to Lenders under this Clause 24 (*Benefit of Agreement*), each Lender may without consulting with or obtaining consent from any Obligor at any time charge, assign or otherwise create a security interest in or over (whether by way of collateral or otherwise) all or any of its rights under any Financing Document to secure obligations of that Lender including, without limitation:

24.10.1 any charge, assignment or other security interest to secure obligations to a federal reserve or central bank; and

24.10.2 any charge, assignment or other security interest granted to any holders (or trustee or representatives of holders) of obligations owed, or securities issued, by that Lender as a security interest for those obligations or securities,

except that no such charge, assignment or security interest shall:

24.10.3 release a Lender from any of its obligations under the Financing Documents or substitute the beneficiary of the relevant charge, assignment or security interest for the Lender as a Party to any of the Financing Documents; or

24.10.4 require any payments to be made by an Obligor or grant to any person any more extensive rights than those required to be made or granted to the relevant Lender under the Financing Documents.

24.11 **The Register**

The Facility Agent, acting solely for this purpose as an agent of the Obligors, shall maintain at one of its offices a copy of each assignment agreement and Transfer Certificate delivered to it and a register (the "**Register**") for the recordation of the names and addresses of each Lender and the commitments of and obligations owing to each Lender. The entries in the Register shall be conclusive in the absence of manifest error and each Obligor, the Facility Agent and each Lender may treat each person whose name is recorded in the Register as a Lender notwithstanding any notice to the contrary. The Register shall be available for inspection by each Obligor at any reasonable time and from time to time upon reasonable prior notice. No assignment shall be effective unless it is recorded in the Register.

25. **CONFIDENTIALITY**

25.1 **Confidential Information**

Each Finance Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 25.2 (*Disclosure of Confidential Information*) and Clause 25.3 (*Disclosure to numbering service providers*), and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

25.2 **Disclosure of Confidential Information**

Any Finance Party may disclose:

25.2.1 to any of its Affiliates and Related Funds and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives such Confidential Information as that Finance Party shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this sub-clause 25.2.1 is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;

25.2.2 to any person:

- (a) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Financing Documents or which succeeds (or which may potentially succeed) it as an Agent and, in each case, to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
- (b) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Financing Documents and/or one or more Obligors and to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
- (c) appointed by any Finance Party or by a person to whom paragraphs (a) or (b) of sub-clause 25.2.2 above applies to receive communications, notices, information or documents delivered pursuant to the Financing Documents on its behalf (including, without limitation, any person appointed under sub-clause 20.15.2 of Clause 20.15 (*Relationship with the Lenders*));
- (d) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in paragraphs (a) or (b) of sub-clause 25.2.2 above;
- (e) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
- (f) to whom or for whose benefit that Finance Party charges, assigns or otherwise creates a Security Interest (or may do so) pursuant to Clause 24.10 (*Security interest over Lenders' rights*);
- (g) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
- (h) who is a Party; or
- (i) with the consent of the Parent;

in each case, such Confidential Information as that Finance Party shall consider appropriate if:

- (i) in relation to paragraphs (a) or (b) and (c) of sub-clause 25.2.2 above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;

- (ii) in relation to paragraph (d) of sub-clause 25.2.2 above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information;
 - (iii) in relation to paragraphs (e), (f) and (g) of sub-clause 25.2.2 above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of that Finance Party, it is not practicable so to do in the circumstances;
- 25.2.3 to any person appointed by that Finance Party or by a person to whom paragraphs (a) or (b) of sub-clause 25.2.2 above applies to provide administration or settlement services in respect of one or more of the Financing Documents including without limitation, in relation to the trading of participations in respect of the Financing Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this sub-clause 25.2.3 if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the Loan Market Association Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Parent and the relevant Finance Party;
- 25.2.4 to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Financing Documents and/or the Obligors if the rating agency to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information; and
- 25.2.5 notwithstanding any of the provisions of the Financing Documents, the Obligors and the Finance Parties hereby agree that each Party and each employee, representative or other agent of each Party may disclose to any and all persons, without limitation of any kind, the "**tax structure**" and "**tax treatment**" (in each case within the meaning of the U.S. Treasury Regulation Section 1.6011-4) of the Facilities and any materials of any kind (including opinions or other tax analyses) that are provided to any of the foregoing relating to such tax structure and tax treatment.

25.3 **Disclosure to numbering service providers**

- 25.3.1 Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facilities and/or one or more Obligors the following information:
- (a) names of Obligors;
 - (b) country of domicile of Obligors;

- (c) place of incorporation of Obligors;
- (d) the date of this Agreement;
- (e) Clause 27.14 (*Choice of Law*);
- (f) the names of the Agents;
- (g) date of each amendment and restatement of this Agreement;
- (h) amount of Revolving Facility Total Commitments;
- (i) currencies of the Facilities;
- (j) type of Facilities;
- (k) ranking of Facilities;
- (l) Final Maturity Date for Facilities;
- (m) changes to any of the information previously supplied pursuant to subparagraphs (a) to (l) above; and
- (n) such other information agreed between such Finance Party and the Parent,

to enable such numbering service provider to provide its usual syndicated loan numbering identification services.

25.3.2 The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facilities and/or one or more Obligors by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.

25.3.3 Each Obligor represents at the date of this Agreement that none of the information set out in paragraphs (a) to (l) of sub-clause 25.3.1 above is, nor will at any time be, unpublished price-sensitive information.

25.3.4 An Agent shall notify the Parent and the other Finance Parties of:

- (a) the name of any numbering service provider appointed by that Agent in respect of this Agreement, the Facilities and/or one or more Obligors; and
- (b) the number or, as the case may be, numbers assigned to this Agreement, the Facilities and/or one or more Obligors by such numbering service provider.

25.4 **Entire agreement**

This Clause 25 (*Confidentiality*) constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Financing Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

25.5 **Inside information**

Each of the Finance Parties acknowledges that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

25.6 **Notification of disclosure**

Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Parent:

- 25.6.1 of the circumstances of any disclosure of Confidential Information made pursuant to paragraph (e) of sub-clause 25.2.2 of Clause 25.2 (*Disclosure of Confidential Information*) except where such disclosure is made to any of the persons referred to in that sub-clause during the ordinary course of its supervisory or regulatory function; and
- 25.6.2 upon becoming aware that Confidential Information has been disclosed in breach of this Clause 25 (*Confidentiality*).

25.7 **Continuing obligations**

The obligations in this Clause 25 (*Confidentiality*) are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of twelve months from the earlier of:

- 25.7.1 the date on which all amounts payable by the Obligors under or in connection with the Financing Documents have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and
- 25.7.2 the date on which such Finance Party otherwise ceases to be a Finance Party.

26. **CONFIDENTIALITY OF FUNDING RATES**

26.1 **Confidentiality and disclosure**

- 26.1.1 The Facility Agent and each Obligor agree to keep each Funding Rate confidential and not to disclose it to anyone, save to the extent permitted by sub-clause 26.1.2 and 26.1.3 below.
- 26.1.2 The Facility Agent may disclose:
 - (a) any Funding Rate to the relevant Borrower pursuant to Clause 10.7 (*Facility Agent's Certificate*); and
 - (b) any Funding Rate to any person appointed by it to provide administration services in respect of one or more of the Financing Documents to the extent necessary to enable such service provider to provide those services if the service provider to whom that information is to be given has entered into a Confidentiality Undertaking.

26.1.3 The Facility Agent may disclose any Funding Rate, and each Obligor may disclose any Funding Rate, to:

- (a) any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors and partners if any person to whom that Funding Rate is to be given pursuant to this paragraph (a) is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of that Funding Rate or is otherwise bound by requirements of confidentiality in relation to it;
- (b) any person to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation if the person to whom that Funding Rate is to be given is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Facility Agent or the relevant Obligor, as the case may be, it is not practicable to do so in the circumstances;
- (c) any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes if the person to whom that Funding Rate is to be given is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Facility Agent or the relevant Obligor, as the case may be, it is not practicable to do so in the circumstances; and
- (d) any person with the consent of the relevant Lender, as the case may be.

26.2 Other obligations

26.2.1 The Facility Agent and each Obligor acknowledge that each Funding Rate is or may be price-sensitive information and that its use may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and the Facility Agent and each Obligor undertake not to use any Funding Rate for any unlawful purpose.

26.2.2 The Facility Agent and each Obligor agree (to the extent permitted by law and regulation) to inform the relevant Lender, as the case may be:

- (a) of the circumstances of any disclosure made pursuant to sub-clause 26.1.3(b) above except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- (b) upon becoming aware that any information has been disclosed in breach of this Clause 26 (*Confidentiality of Funding Rates*).

27. FURTHER PROVISIONS

27.1 Evidence of Indebtedness

In any proceedings relating to this Agreement:

27.1.1 a statement as to any amount due to the Lenders under this Agreement which is certified as being correct by an officer of the Facility Agent; and

27.1.2 a statement as to any amount due to a Lender under this Agreement which is certified as being correct by an officer of the Lender,

shall, unless otherwise provided in this Agreement, be *prima facie* evidence that such amount is in fact due and payable.

27.2 Application of Moneys

If any sum paid or recovered in respect of the liabilities of a Borrower under this Agreement is less than the amount then due, the Facility Agent may apply that sum to principal, interest, fees or any other amount due under this Agreement in such proportions and order and generally in such manner as the Majority Lenders shall determine.

27.3 Rights Cumulative: Waivers

The rights and remedies provided in this Agreement are cumulative, may be exercised as often as is considered appropriate by the relevant Party and are not exclusive of any rights or remedies provided by law. The respective rights of the Facility Agent and the Lenders in relation to the Facilities (whether arising under this Agreement or under the general law) shall not be capable of being waived or varied otherwise than by an express waiver or variation in writing; and in particular any failure to exercise or any delay in exercising any of such rights shall not operate as a waiver or variation of that or any other such right; any defective or partial exercise of any of such rights shall not preclude any other or further exercise of that or any other such right; and no act or course of conduct or negotiation on their part or on their behalf shall in any way preclude them from exercising any such right or constitute a suspension or any variation of any such right.

27.4 Amendments

27.4.1 The Facility Agent may (except where any other authority is required for the same by the express provisions of the Financing Documents) grant waivers or consents or vary the terms of the Financing Documents if authorised by the Majority Lenders and the Obligors' Agent. Any such waiver, consent or variation so authorised and effected by the Facility Agent shall be binding on all the Lenders and the Facility Agent shall be under no liability whatsoever in respect of any such waiver, consent or variation. Subject to subclauses 27.4.5 and 27.4.6 below (and except where specifically permitted elsewhere in this Agreement), this Clause 27.4 (*Amendments*) shall not authorise:

- (a) any change in the rate at which interest is payable or the method by which interest is calculated under this Agreement;

- (b) any extension of the date for, or alteration in the amount or currency of, any payment of principal, interest, fee, commission or any other amount payable under the Financing Documents;
- (c) any extension of the Final Drawing Date or the Final Maturity Date;
- (d) any increase in any Lender's Commitment;
- (e) any variation of (a) the definitions of Majority Lenders or Majority Swingline Lenders or (b) Clauses 12.8.4 (*Redrawing*), 15.1 (*Illegality*), 23.2 (*Pro rata Sharing*), 24.1 (*Assignments and transfers by Obligors*) to 24.8 (*Pro rata interest settlement*), this Clause 27.4 (*Amendments*), Clause 27.14 (*Choice of Law*) or Clause 27.15 (*Submission to jurisdiction*); or
- (f) any release of any Guarantor, any change in the nature or scope of the guarantee and indemnity granted under Clause 19 (*Guarantee and Indemnity*) or any variation or amendment to Clause 14.16 (*Limitation on Borrowings of Subsidiaries*),

except with the prior consent of all the Lenders.

27.4.2 Clause 24.8.3 shall apply to this Clause 27.

27.4.3 Any amendment permitted by this Clause 27.4 may only be made in writing.

27.4.4 An amendment or waiver which relates to the rights or obligations of an Agent (in their capacity as such) may not be affected without the consent of that Agent.

27.4.5 If a Published Rate Replacement Event has occurred in relation to any Published Rate for a currency which can be selected for an Advance, any amendment or waiver which relates to:

- (a) providing for the use of a Replacement Reference Rate in relation to that currency in place of that Published Rate; and
- (b)
 - (i) aligning any provision of any Financing Document to the use of that Replacement Reference Rate;
 - (ii) enabling that Replacement Reference Rate to be used for the calculation of interest under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Reference Rate to be used for the purposes of this Agreement);
 - (iii) implementing market conventions applicable to that Replacement Reference Rate;
 - (iv) providing for appropriate fallback provisions for that Replacement Reference Rate; or

- (v) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Reference Rate (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),

may be made with the consent of the Facility Agent (acting on the instructions of the Majority Lenders) and the Obligors' Agent.

27.4.6 An amendment or waiver that relates to, or has the effect of, aligning the means of calculation of interest on a Compounded Rate Advance in any currency under this Agreement to any recommendation of a Relevant Nominating Body which:

- (a) relates to the use of the RFR for that currency on a compounded basis in the international or any relevant domestic syndicated loan markets; and
- (b) is issued on or after the date of this Agreement,

may be made with the consent of the Facility Agent (acting on the instructions of the Majority Lenders) and the Obligors' Agent.

27.4.7 In this Clause 27.4:

- (a) **"Published Rate"** means an RFR or EURIBOR.
- (b) **"Published Rate Replacement Event"** means, in relation to a Published Rate:
 - (i) the methodology, formula or other means of determining that Published Rate has, in the opinion of the Majority Lenders, and the Obligors' Agent materially changed; or
 - (ii)
 - (A)
 - (1) the administrator of that Published Rate or its supervisor publicly announces that such administrator is insolvent; or
 - (2) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Published Rate is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide that Published Rate;

- (B) the administrator of that Published Rate publicly announces that it has ceased or will cease, to provide that Published Rate

- permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Published Rate;
- (C) the supervisor of the administrator of that Published Rate publicly announces that such Published Rate has been or will be permanently or indefinitely discontinued;
 - (D) the administrator of that Published Rate or its supervisor announces that that Published Rate may no longer be used; or
- (iii) in the case of the Screen Rate for any Quoted Tenor, the supervisor of the administrator of that Screen Rate makes a public announcement or publishes information stating that that Screen Rate for that Quoted Tenor is no longer, or as of a specified future date will no longer be, representative of the underlying market or the economic reality that it is intended to measure and that representativeness will not be restored (as determined by such supervisor);
 - (iv) the administrator of that Published Rate (or the administrator of an interest rate which is a constituent element of that Published Rate) determines that that Published Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and either:
 - (A) the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Majority Lenders and the Obligors' Agent) temporary; or
 - (B) that Published Rate is calculated in accordance with any such policy or arrangement for a period no less than 10 Business Days; or
 - (v) in the opinion of the Majority Lenders and the Obligors' Agent, that Published Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement.
- (c) "**Quoted Tenor**" means, in relation to the Screen Rate for euro, any period for which the Screen Rate is customarily published.
 - (d) "**Relevant Nominating Body**" means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.
 - (e) "**Replacement Reference Rate**" means a reference rate which is:
 - (i) formally designated, nominated or recommended as the replacement for a Published Rate by:
 - (A) the administrator of that Published Rate (provided that the market or economic reality that such reference rate measures is the same as that measured by that Published Rate); or

(B) any Relevant Nominating Body,

and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the "Replacement Reference Rate" will be the replacement under paragraph (ii) above;

- (ii) in the opinion of the Majority Lenders and the Obligors' Agent, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to a Published Rate; or
- (iii) in the opinion of the Majority Lenders and the Obligors' Agent, an appropriate successor to a Published Rate.

27.5 Sustainability Amendments

27.5.1 The Parent shall, as soon as reasonably practicable (and in any event within (i) 40 Business Days following the occurrence of a Sustainability Amendment Event described in paragraph (c) of the definition of "Sustainability Amendment Event" or (ii) 20 Business Days following the occurrence of any other Sustainability Amendment Event):

- (a) provide details to the Facility Agent of the effect such Sustainability Amendment Event could reasonably be expected to have on any KPI, SPT and/or the Sustainability Information; and
- (b) if relevant, propose amendments to any calculation methodology, KPI, SPT and/or to any related terms of this Agreement, to eliminate, accommodate or otherwise take into account the effect of the relevant Sustainability Amendment Event on the terms of this Agreement.

27.5.2 If a Sustainability Amendment Event has occurred, the Parent and the Facility Agent (acting on the instructions of the Majority Lenders) shall enter into negotiations in good faith with a view to agreeing any amendments to this Agreement as are necessary for the purposes of eliminating, accommodating or otherwise taking into account the effect of the relevant Sustainability Amendment Event on the terms of this Agreement.

27.5.3 Any amendment to this Agreement referred to in sub-clause 27.5.2 above may be made with the consent of the Facility Agent (acting on the instructions of the Majority Lenders) and the Parent.

27.5.4 Any amendment permitted by this Clause 27.5 may only be made in writing.

27.6 Disenfranchisement of Defaulting Lenders

27.6.1 For so long as a Defaulting Lender has any Available Commitment, in ascertaining the Majority Lenders or whether any given percentage (including, for the avoidance of doubt, unanimity) of the Revolving Facility Total Commitments has been obtained to approve any request for a consent, waiver, amendment or other vote under the Financing Documents, that Defaulting Lender's Commitments will be reduced by the amount of its Available Commitments.

27.6.2 For the purposes of this Clause 27.5 (*Disenfranchisement of Defaulting Lenders*), the Facility Agent may assume that the following Lenders are Defaulting Lenders:

- (a) any Lender which has notified the Facility Agent that it has become a Defaulting Lender;
- (b) any Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a), (b) or (c) of the definition of "**Defaulting Lender**" has occurred,

unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Facility Agent) or the Facility Agent is otherwise aware that the Lender has ceased to be a Defaulting Lender.

27.7 Replacement of a Defaulting Lender

27.7.1 The Parent may, at any time a Lender has become and continues to be a Defaulting Lender, by giving ten Business Days' prior written notice to the Facility Agent and such Lender:

- (a) replace such Lender by requiring such Lender to (and to the extent permitted by law such Lender shall) transfer pursuant to Clause 24 (*Benefit of Agreement*) all (and not part only) of its rights and obligations under this Agreement;
- (b) require such Lender to (and to the extent permitted by law such Lender shall) transfer pursuant to Clause 24 (*Benefit of Agreement*) all (and not part only) of the undrawn Revolving Facility Commitment and Swingline Commitment of the Lender,

to a Lender or other bank, financial institution, trust, fund or other entity (a "**Replacement Lender**") selected by the Parent, and which (unless the Facility Agent is an Impaired Agent) is acceptable to the Facility Agent (acting reasonably) and which confirms its willingness to assume and does assume all the obligations or all the relevant obligations of the transferring Lender (including the assumption of the transferring Lender's participations or unfunded participations (as the case may be) on the same basis as the transferring Lender) for a purchase price in cash payable at the time of transfer equal to the outstanding principal amount of such Lender's participation in the outstanding Advances and all accrued interest (to the extent that the Facility Agent has not given a notification under Clause 24.8 (*Pro rata interest settlement*)), Break Costs and other amounts payable in relation thereto under the Financing Documents.

27.7.2 Any transfer of rights and obligations of a Defaulting Lender pursuant to this Clause 27.7 (*Replacement of a Defaulting Lender*) shall be subject to the following conditions:

- (a) the Parent shall have no right to replace the Facility Agent;
- (b) neither the Facility Agent nor the Defaulting Lender shall have any obligation to the Parent to find a Replacement Lender;
- (c) the transfer must take place no later than ten days after the notice referred to in sub-clause 27.7.1 above;

- (d) in no event shall the Defaulting Lender be required to pay or surrender to the Replacement Lender any of the fees received by the Defaulting Lender pursuant to the Financing Documents;
- (e) the Defaulting Lender shall only be obliged to transfer its rights and obligations pursuant to sub-clause 27.7.1 above once it is satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to that transfer to the Replacement Lender; and
- (f) the Defaulting Lender shall not be obliged to transfer its rights and obligations pursuant to sub-clause 27.7.1 above to the extent that the transfer would result in that Lender (or its Affiliate) failing to meet the requirement set out in Clause 7.7 (*Conditions of assignment or transfer*).

27.8 Notices

- 27.8.1 Except as otherwise stated herein, any communication to be made hereunder shall be made in writing and may be made letter or, to the extent that the relevant Party has specified such address pursuant to sub-clauses 27.9.1, 27.9.2 or 27.9.3 of Clause 27.9 (*Addresses*) below, by e-mail, and in the case of the notification of rates of interest by the Facility Agent pursuant to Clause 10.7 (*Facility Agent's Certificate*) and the distribution of any information by an Agent pursuant to Clause 20.3 (*Duties of an Agent*), the relevant Agent may refer any Obligor or the Lenders (whichever is appropriate) by letter, or if so specified, e-mail to a website and to the location of the relevant information on such website in discharge of such notification or delivery obligation **provided that**:
- (a) such notification or delivery obligation shall not be discharged by the relevant Agent referring a Lender or Obligor to a website if such Lender or Obligor has previously provided written notice to the Agents that it does not wish to receive notices via a website; and
 - (b) in relation to the notification of rates of interest pursuant to Clause 10.7 (*Facility Agent's Certificate*), if any Party notifies the Facility Agent that it is unable to access such website the Facility Agent will promptly notify that Party of the relevant interest rate using an alternative method of communication permitted under this Clause 27.8 (*Notices*).
- 27.8.2 Any communication or document by means of letter which becomes effective in accordance with the sub-clause above after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the following Business Day.
- 27.8.3 Any electronic communication made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the relevant Agent only if it is addressed in such a manner as the relevant Agent shall specify for this purpose.
- 27.8.4 Any electronic communication which becomes effective, in accordance with sub-clause 27.8.3 above, after 5:00 p.m. in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of

this Agreement shall be deemed only to become effective on the following Business Day.

27.9 Addresses

Any such notice or other communications shall be deemed to be duly given or made when delivered (in the case of personal delivery or letter) and when despatched (in the case of e-mail, if so specified) to such Party addressed to it at its address, or, if so specified, its e-mail address or where reference in such communication is to a website, when the delivery of such letter, or as the case may be, e-mail referring the addressee to such website is effective:

- 27.9.1 in the case of a Lender, as specified in Schedule 1 (*Lenders and Commitments*) or at such other address and/or e-mail address as such Lender may notify to the Facility Agent in writing from time to time;
- 27.9.2 in the case of an Obligor, as such Obligor may specify in writing to the Obligors' Agent and the Facility Agent from time to time;
- 27.9.3 in the case of the Obligors' Agent, the Swingline Agent or the Facility Agent as follows, or as such Party may specify to all the other Parties hereto in writing from time to time:

The Obligors' Agent

WPP PLC
22 Grenville Street
St Helier
Jersey
JE4 8PX

With a copy to:
Sea Containers House,
18 Upper Ground,
London, United Kingdom, SE1 9GL

Attention: Group Chief Counsel

The Facility Agent

Citibank Europe plc, UK Branch
Citigroup Centre
16th Floor, 33 Canada Square
Canary Wharf
London E14 5LB

Attention: EMEA Loans Agency / Alain Laviolette

The Swingline Agent

Citibank, N.A.
1 Penns Way
OPS II, Floor 2
New Castle, DE 19720

Attn: Agency Operations
Phone: (302) 894-6010
Borrower notifications/inquiries: AgencyABTFSupport@citi.com

27.10 Communication when Agent is Impaired Agent

If an Agent is an Impaired Agent the Parties may, instead of communicating with each other through such Agent, communicate with each other directly and (while such Agent is an Impaired Agent) all the provisions of the Financing Documents which require communications to be made or notices to be given to or by the relevant Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Agent has been appointed.

27.11 English Language

All notices or communications under or in connection with this Agreement shall be in the English language or, if in any other language, accompanied by a translation into English. In the event of any conflict between the English text and the text in any other language, the English text shall prevail.

27.12 Invalidity of any Provision

If any of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

27.13 Counterparts

This Agreement may be executed in any number of counterparts, and such execution shall have the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

27.14 Choice of Law

This Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by, and shall be construed in accordance with, the laws of England.

27.15 Submission to jurisdiction

27.15.1

- (a) For the benefit of the Finance Parties, all the parties agree that the courts of England are to have jurisdiction to settle any disputes which may arise in connection with the legal relationships established by this Agreement (including, without limitation, claims for set-off or counterclaim) or otherwise arising in connection with this Agreement or any non-contractual obligation arising out of or in connection with this Agreement.
- (b) Without prejudice to paragraph (a) of sub-clause 27.15.1 above, each of the Obligors irrevocably submits to the jurisdiction of any state or federal court of the State of New York.

- (c) The Obligors irrevocably waive any objections on the ground of venue or *forum non conveniens* or any similar grounds.
- (d) The Obligors irrevocably consent to service of process by mail or in any other manner permitted by the relevant law.

27.15.2 The Obligors shall at all times maintain an agent for service of process in England and in New York (which, in the case of New York, may operate out of offices in Delaware). Such agent shall be, in the case of England, WPP Jubilee at its address at Sea Containers House, 18 Upper Ground, London, England SE1 9GL and, in the case of New York, WPP Group U.S. Finance LLC c/o Corporate Creations Network Inc., 1521 Concord Pike, Suite 201, Wilmington, DE 19803, USA and any writ, judgment or other notice of legal process shall be sufficiently served on the Obligors if delivered to such agent at its address for the time being. The Obligors undertake not to revoke the authority of the above agents and if, for any reason, any such agent no longer serves as agent of the Obligors to receive service of process, the Obligors shall promptly appoint another such agent and advise the Facility Agent thereof. WPP Jubilee hereby accepts its appointment as agent for service of process in England and agrees to accept service of any writ, judgment or other notice of legal process on behalf of the Obligors in England.

27.16 Waiver of Jury Trial

EACH OF THE PARTIES HERETO WAIVES TRIAL BY JURY IN ANY JUDICIAL PROCEEDING INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER (WHETHER SOUNDING IN TORT, CONTRACT OR OTHERWISE) IN ANY WAY ARISING OUT OF, RELATED, OR CONNECTED WITH ANY OF THE FINANCING DOCUMENTS OR THE RELATIONSHIP ESTABLISHED HEREUNDER AND WHETHER ARISING OR ASSERTED BEFORE OR AFTER THE DATE HEREOF OR BEFORE OR AFTER THE PAYMENT, OBSERVANCE AND PERFORMANCE IN FULL OF SUCH PARTY'S OBLIGATIONS HEREUNDER.

27.17 USA Patriot Act

Each Lender hereby notifies each Obligor that pursuant to the requirements of the USA Patriot Act, such Lender is required to obtain, verify and record information that identifies such Obligor, which information includes the name and address of such Obligor and other information that will allow such Lender to identify such Obligor in accordance with the USA Patriot Act.

Signed by the authorised representatives of the Parties.

**SCHEDULE 1
LENDERS AND COMMITMENTS**

**PART I
THE REVOLVING FACILITY LENDERS**

Name of Lender	Commitment (in U.S. Dollars)	Treaty Passport scheme reference number	Jurisdiction of tax residence(if applicable)
Citibank, N.A., London Branch	188,333,334.00	N/A	N/A
Bank of America, N.A., London Branch	188,333,334.00	N/A	N/A
Barclays Bank PLC	188,333,334.00	N/A	N/A
BNP Paribas London Branch	188,333,334.00	N/A	N/A
Commerzbank AG, London Branch	188,333,333.00	N/A	N/A
Goldman Sachs Bank USA	188,333,333.00	13/G/351779/DTTP	USA
HSBC Bank Plc	188,333,333.00	N/A	N/A
ING Bank N.V., London Branch	188,333,333.00	N/A	N/A
JPMorgan Chase Bank, N.A., London Branch	188,333,333.00	N/A	N/A
National Westminster Bank PLC	188,333,333.00	N/A	N/A
Sumitomo Mitsui Banking Corporation	188,333,333.00	43/S/274647/DTTP	Japan
Wells Fargo Bank, N.A., London Branch	188,333,333.00	N/A	N/A
Danske Bank A/S, London Branch	80,000,000.00	N/A	N/A
Intesa Sanpaolo S.P.A., London Branch	80,000,000.00	N/A	N/A
Standard Chartered Bank (Singapore) Limited	80,000,000.00	67/S/376792/DTTP	Singapore
Total	2,500,000,000		

PART II
THE SWINGLINE LENDERS

Name of Swingline Lender	Swingline Commitment (in U.S. Dollars)	Treaty Passport scheme reference number	Jurisdiction of tax residence (if applicable)
Citibank, N.A.	125,000,000.00	13/C/62301/DTTP	USA
Bank of America, N.A.	125,000,000.00	13/B/7418/DTTP	USA
Barclays Bank PLC	125,000,000.00	N/A	N/A
BNP Paribas London Branch	125,000,000.00	N/A	N/A
Commerzbank AG, London Branch	125,000,000.00	N/A	N/A
Goldman Sachs Bank USA	125,000,000.00	13/G/351779/DTTP	USA
HSBC Bank Plc	125,000,000.00	N/A	N/A
ING Bank N.V., London Branch	125,000,000.00	N/A	N/A
JPMorgan Chase Bank, N.A.	125,000,000.00	13/M/0268710/DTTP	USA
National Westminster Bank PLC	125,000,000.00	N/A	N/A
Sumitomo Mitsui Banking Corporation	125,000,000.00	43/S/274647/DTTP	Japan
Wells Fargo Bank, N.A., London Branch	125,000,000.00	N/A	N/A
Total	1,500,000,000		

**SCHEDULE 2
REQUESTS**

PART I

REQUEST IN RESPECT OF ADVANCES (OTHER THAN SWINGLINE ADVANCES)

To: [*the Facility Agent] Date: [*], 20 [*]

Dear Sirs,

**\$2,500,000,000 Revolving Facility Agreement
dated [●] 2024 (as amended and restated from time to time) (the "Agreement")**

Drawing Number: [*]

1. We refer to Clause 5 (*Utilisation of the Revolving Facility*) of the Agreement. Terms defined in the Agreement have the same meanings in this Request.
2. We wish to borrow Revolving Facility Advances with the following specifications:
 - (a) Borrower: [*]
 - (b) Drawing Date: [*] 20[*]
 - (c) Currency: [*]
 - (d) Amount: [*]
 - (e) Interest Period: [*]
 - (f) Payment Instructions: [*]
3. We confirm that [the matters represented and warranted by each Borrower and each Guarantor set out in Clause 13.2 (*After Signing*) of the Agreement are true and accurate on the date of this Request as if made with reference to the facts and circumstances now prevailing and that no Event of Default or Potential Event of Default has occurred and is continuing or would result from the Revolving Facility Advance]/[no Event of Default has occurred and is continuing or would result from the Revolving Facility Advance]**.
4. [This Advance is to be made in [whole]/[part] for the purpose of refinancing [*identify maturing Advance*]/[The proceeds of this Advance should be credited to [account]].

** The confirmation in Option 1 is required for all Revolving Facility Advances other than a rollover utilisation (as defined in Clause 4.3 (*Conditions to each Utilisation of the Facilities*)). Option 2 is required for rollover utilisations.

Yours faithfully,

[*Authorised Signatory*]
for and on behalf of
[*Obligors' Agent*]

PART II
SWINGLINE ADVANCE REQUEST

From: [*Borrower*] as Borrower (as defined in the Agreement (as defined below))

To: The Swingline Agent (as defined in the Agreement (as defined below))

Dated:

Dear Sirs

WPP PLC - \$2,500,000,000 Revolving Facility Agreement
dated [●] 2024 (the "Agreement")

1. We wish to borrow a Swingline Advance on the following terms:

Proposed Drawing Date: [•] (or, if that is not a New York Business Day, the next New York Business Day)

Facility to be utilised: Swingline Facility

Amount: \$[•] or, if less, the Available Swingline Facility

Interest Period: [•]

2. We confirm that each condition specified in Clause 6.4 (*Swingline Lenders' participation*) of the Agreement is satisfied on the date of this Request.

3. The proceeds of this Swingline Advance should be credited to [account].

4. This Request is irrevocable.

Yours faithfully

.....
authorised signatory for
[*Borrower*]

**SCHEDULE 3
CERTIFICATE**

[Letterhead of Borrower or Guarantor]

To: [*the Facility Agent]

**WPP PLC - \$2,500,000,000 Revolving Facility Agreement
dated [●] 2024 (the "Agreement")**

I [*name], the [Secretary/Officer/Director] of [*name of Borrower/Guarantor] of [*address] (the "Company")

HEREBY CERTIFY that:

1. attached hereto marked "A" are true and correct copies of the constitutional documents of the Company, including [the memorandum of association, articles of association and the certificate of incorporation/articles of incorporation]/[by-laws and certificate of good standing/certificate of status/certificate of compliance] of the Company;
2. attached hereto marked "B" is a true and correct copy of [resolutions duly passed] at [a meeting of the Board of Directors] of the Company duly convened and held on [•] 20[*]:
 - (a) approving the Financing Documents to be entered into between, amongst others, the Company and Citibank Europe plc, UK Branch as facility agent and authorising their signature, delivery and performance; and
 - (b) authorising a specified person or persons to, on the Company's behalf, sign and/or despatch all documents and notices (including, if relevant, any Request) to be signed and/or despatched by it under or in connection with the Financing Documents to which it is a party,

and such resolutions have not been amended, modified or revoked and are in full force and effect;

3. [attached hereto marked ["C1" and "C2"] are true and correct copies of the acceptance by [each of] the agent in [England and New York] of their [respective] appointments as agent of the Company for the purpose of accepting service of process;]
4. [attached hereto marked ["D"] is a true and correct copy of a resolution signed by all the holders of the issued shares of the Company, approving the terms of, and the transactions contemplated by, the Financing Documents to which the Company is a party;]/[*in respect of an Additional Guarantor*] attached hereto marked ["D"] is a true and correct copy of a resolution signed by all the holders of the issued shares of the Company, approving the terms of, and the transactions contemplated by, the Financing Documents to which the Company is a party;]
5. [attached hereto marked ["E"] is a true and correct copy of a solvency certificate of the Company;]
6. each copy document relating to the Company specified in [Clause 4.1 (*Conditions to the Facilities*)]/[Clause 4.2 (*Conditions for Additional and Substitute Obligors*)] of the Agreement is correct, complete and in full force and effect as at a date no earlier than the date

of the [Agreement]/[Accession Notice (as defined in the Agreement) delivered by the Company pursuant to Clause 3.7 (*Accession of Additional Obligors*) of the Agreement]/[Novation Agreement (as defined in the Agreement) delivered by the Company pursuant to Clause 3.9 (*Substitution of Borrower*)]; and

7. utilisation in full of or guaranteeing, as appropriate, the Facilities (as defined in the Agreement) in accordance with its terms would not cause any borrowing and/or guarantee limit on the Company to be exceeded.

The following signatures are the true signatures of the persons who have been authorised to sign the [Financing Documents]/[Accession Notice]/[Novation Agreement] referred to in paragraph 6 above and to give notices and communications, including (in the case of [an additional] Borrower) notices of drawing, under or in connection with the Agreement.

Name	Position	Signature
[•]	[•]	
[•]	[•]*	
[•]	[•]	

Signed:
[Secretary]

**SCHEDULE 4
FORM OF ACCESSION NOTICE**

To: [the Facility Agent]

**WPP PLC - \$2,500,000,000 Revolving Facility Agreement
dated [●] 2024 (as amended and restated from time to time) (the "Agreement")**

1. We refer to the Agreement. Terms defined in the Agreement shall bear the same meaning herein.
2. We hereby give you notice that we wish [proposed additional Borrower/Guarantor] of [address], a company incorporated in [*] to become a [Borrower]/[Guarantor] under the terms of the Agreement.
3. We hereby confirm that [proposed additional Borrower is a wholly-owned Subsidiary]/[proposed additional Guarantor is a Subsidiary].
4. As contemplated by the provisions of the Agreement we, [[*proposed additional Borrower*], shall accordingly become entitled to make Requests under the Agreement in accordance with the terms and conditions thereof and undertake with each Finance Party and the Parent to be bound by the terms and conditions of the Agreement insofar as such terms and conditions apply to an additional Borrower]/[[*proposed additional Guarantor*], undertake with each Finance Party and the Parent to be bound by the terms and conditions of the Agreement insofar as such terms and conditions apply to an additional Guarantor].
5. We, [proposed additional Borrower/Guarantor], confirm that at [] the representations set out in paragraph [*] of Clause 13.2 (*After Signing*) of the Agreement would be true (to the extent that such representations can relate to any [additional Borrower]/[additional Guarantor]) if repeated by reference to ourselves instead of the Parent and [each Borrower]/[each Guarantor] and we, as the Obligors' Agent, confirm that, at [•] the representations set out in Clause 13.2 (*After Signing*) of the Agreement are true and no Event of Default or Potential Event of Default has occurred and is continuing.
6. The Obligors' Agent (as agent for itself and for each of the Borrowers and the Guarantors) confirms that Clause 19 (*Guarantee and Indemnity*) of the Agreement shall apply to the obligations of the [additional Borrower]/[additional Guarantor] under the Agreement.
7. We enclose in respect of [proposed additional Borrower/Guarantor] the certificate set out in Schedule 3 (*Certificate*) of the Agreement.
8. This accession notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

Yours faithfully

for and on behalf of
[additional Borrower]/[additional Guarantor*]

for and on behalf of
[Obligors' Agent]

[*Executed as a DEED in the
case of an additional Guarantor]

**SCHEDULE 5
NOTICE OF PROPOSED SUBSTITUTION**

To: [the Facility Agent]

**WPP PLC - \$2,500,000,000 Revolving Facility Agreement
dated [●] 2024 (the "Agreement")**

Attention:

[Date]

Pursuant to Clause 3.9 (*Substitution of Borrowers*) of the Agreement, we hereby give you notice of the following proposed substitution of a Borrower in relation to the Advances mentioned below:

1. Existing Borrower: [*]
2. Proposed Substitute Borrower: [*]
3. Proposed date for substitution: [*]
4. Drawing Date or date of utilisation of relevant Advance: [*]
5. Utilisation of Advances: [*]
6. Currency of Advance: []

Yours faithfully,

[Authorised Signatory]
For and on behalf of
[Obligors' Agent]

* must be at least fourteen days after the date upon which the Facility Agent will receive this Notice.

**SCHEDULE 6
FORM OF NOVATION AGREEMENT**

A NOVATION AGREEMENT dated []

BETWEEN:

- (1) [] (the "**Original Borrower**");
- (2) [] (the "**Substitute Borrower**");
- (3) WPP plc on behalf of itself and each other Borrower and Guarantor (as such capitalised terms are defined in the Agreement referred to below) (the "**Obligors' Agent**");
- (4) [] as facility agent (the "**Facility Agent**") on behalf of itself and the Lenders (as defined in the Agreement referred to below);

is supplemental to the revolving facility agreement dated [●] entered into between amongst others, WPP PLC as parent and Citibank Europe plc, UK Branch as facility agent (the "**Agreement**").

IT IS AGREED:

1. NOVATION

In consideration of a payment made by the Original Borrower to the Substitute Borrower and the release of the Original Borrower from its obligations and liabilities (actual or contingent) specified in the Schedule hereto under the Agreement and with effect on and from [] (the "**Effective Date**") the Substitute Borrower hereby undertakes to observe and perform all the obligations and liabilities (actual or contingent) of the Original Borrower under the Agreement in respect of the Advances specified in the Schedule (including any such obligations or liabilities as may have accrued or become due in respect thereof prior to the Effective Date).

2. INTEGRATION

This Novation Agreement shall be read as one with the Agreement so that any reference therein to "**this Agreement**", "**hereunder**" and similar shall include and be deemed to include this Novation Agreement.

3. REPRESENTATIONS AND WARRANTIES

The Substitute Borrower represents and warrants to each Finance Party on [●] in the terms of the representations and warranties contained in Clause 13.2 (*After Signing*) of the Agreement (with reference to the facts and circumstances subsisting as at such date).

4. CONTINUING LIABILITY

The Obligors' Agent on behalf of itself and each other Obligor acknowledges and confirms that its obligations under Clause 19 (*Guarantee and Indemnity*) of the Agreement apply to the obligations and liabilities assumed by the Substitute Borrower hereunder.

5. **GOVERNING LAW**

This Novation Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

SCHEDULE

[

]

IN WITNESS whereof the parties hereto have caused this Novation Agreement to be duly executed on the date first written above.

For and on behalf of
[The Original Borrower]

For and on behalf of
[The Substitute Borrower]

For and on behalf of each Guarantor,
each Borrower and the Obligors' Agent

For and on behalf of the Facility Agent
for and on behalf of each
Finance Party

SCHEDULE 7
FORM OF TRANSFER CERTIFICATE

To: [*the Facility Agent]

Transfer Certificate

WPP PLC - \$2,500,000,000 Revolving Facility Agreement
dated [●] 2024 (the "Agreement")

Terms defined in the Agreement have the same meanings herein.

1. [Existing Lender] (the "**Existing Lender**") (a) confirms that to the extent that details appear in the Schedule hereto against, as the case may be, the heading "**Existing Lender's Commitment**" and/or "Existing Lender's Participation", such details accurately summarise, as the case may be, its commitment and/or participation in the Facilit[y/ies] and (b) requests [New Lender] (the "**New Lender**") to accept and procure the transfer to the New Lender of the portion specified in the Schedule of, as the case may be, its commitment and/or participation in the Facilit[y/ies] by counter-signing and delivering this Transfer Certificate to the Facility Agent at its address for the service of notices specified in the Agreement.
2. The New Lender hereby requests the Facility Agent to accept this Transfer Certificate as being delivered to the Facility Agent pursuant to and for the purposes of Clause 24.6 (*Procedure for transfer*) of the Agreement so as to take effect in accordance with the terms thereof on [*date of transfer*].
3. The New Lender confirms that it has received a copy of the Agreement together with such other documents and information as it has required in connection with this transaction and that it has not relied and will not hereafter rely on the Existing Lender to check or enquire on its behalf into the execution, validity, enforceability, effectiveness, adequacy, accuracy or completeness of any such documents or information and further agrees that it has not relied and will not rely on the Existing Lender to assess or keep under review on its behalf the financial condition, credit worthiness, affairs, status or nature of the Borrowers or of any other Party to the Agreement.
4. The New Lender hereby undertakes with the Existing Lender and each of the other parties to the Agreement that it will perform in accordance with their terms all those obligations which by the terms of the Agreement will be assumed by it after delivery of this Transfer Certificate to the Facility Agent and satisfaction of the conditions (if any) subject to which this Transfer Certificate is expressed to take effect.
5. The Existing Lender makes no representation or warranty and assumes no responsibility with respect to the execution, validity, enforceability, effectiveness or adequacy of the Agreement or any document relating thereto and assumes no responsibility for the financial condition of any Obligor or any other Party to the Agreement or for the performance and observance by any Obligor or any other such party of any of its obligations under the Agreement or any document relating thereto and any and all such conditions and warranties, whether express or implied by law or otherwise, are hereby excluded.
6. The Existing Lender hereby gives notice to the New Lender (and the New Lender hereby acknowledges and agrees with the Existing Lender) that the Existing Lender is under no obligation to purchase (or in any other manner to assume, undertake or discharge any

obligation or liability in relation to) the portion transferred and referred to in the Schedule at any time after this Transfer Certificate shall have taken effect.

7. Following the date upon which this Transfer Certificate shall have taken effect, without limiting the provisions hereof, each of the New Lender and the Existing Lender hereby acknowledges and confirms to the other that in relation to the portion transferred and referred to in the Schedule variations, amendments or alterations to any of the terms of any of the Agreement and the Financing Documents arising in connection with any renegotiation or rescheduling of the obligations hereunder shall apply to and be binding on the New Lender alone.
8. This Transfer Certificate, any non-contractual obligations arising out of or in connection with it, and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with English law.
9. This Transfer Certificate is accepted as a Transfer Certificate for the purposes of the Agreement by the Facility Agent and the Transfer Date is confirmed as [•].
10. The New Lender confirms, for the benefit of the Facility Agent and without liability to any Obligor, that it is:
 - (a) [a UK Qualifying Lender (other than a UK Treaty Lender);]
 - (b) [a UK Treaty Lender;]
 - (c) [not a UK Qualifying Lender].¹
11. [The New Lender confirms that the person beneficially entitled to interest payable to that Lender in respect of an Advance under a Financing Document is either:
 - (a) a company resident in the United Kingdom for United Kingdom tax purposes;
 - (b) a partnership each member of which is:
 - (i) a company so resident in the United Kingdom; or
 - (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or
 - (c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company.]²

¹ Delete as applicable. Each New Lender is required to confirm which of these three categories it falls within.

² Include if New Lender comes within paragraph (b) of the definition of UK Qualifying Lender in Clause 1.1 (*Definitions*).

12. [The New Lender confirms that it holds a passport under the HMRC DT Treaty Passport scheme (reference number []) and is tax resident in []³, so that interest payable to it by borrowers is generally subject to full exemption from UK withholding tax, and requests that the Parent notify:
- (a) each Borrower which is a Party as a Borrower as at the Transfer Date; and
 - (b) each Borrower which becomes an Additional Obligor after the Transfer Date,
- that it wishes that scheme to apply to the Agreement.]⁴

³ Insert jurisdiction of tax residence.

⁴ Include if New Lender holds a passport under the HMRC DT Treaty Passport scheme and wishes that scheme to apply to the Agreement.

THE SCHEDULE

Existing Lender's Commitment

Portion Transferred

Existing Lender's Participation

Amount

Term

Portion Transferred

[Existing Lender]

[New Lender]

Address:

By:

By:

Date:

Date:

[Authorised Signatory]
For and on behalf of
Facility Agent

SCHEDULE 8
FORM OF INCREASE CONFIRMATION

WPP PLC - \$2,500,000,000 Revolving Facility Agreement dated [●] 2024 (the "Agreement")

To: [•] as Facility Agent and [•] as Parent, for and on behalf of each Obligor

From: [the *Increase Lender*] (the "**Increase Lender**")

Dated:

We refer to the Agreement. This is an Increase Confirmation. Terms defined in the Agreement have the same meaning in this Increase Confirmation unless given a different meaning in this Increase Confirmation.

1. We refer to Clause 2.2 (*Increase*) of the Agreement.
2. The Increase Lender agrees to assume and will assume all of the obligations corresponding to the Commitment specified in the Schedule (the "**Relevant Commitment**") as if it was a Lender on the date of this Agreement under the Agreement in respect of the Relevant Commitment.
3. The proposed date on which the increase in relation to the Increase Lender and the Relevant Commitment is to take effect (the "**Increase Date**") is [•].
4. On the Increase Date, the Increase Lender becomes party to the Financing Documents as a Lender.
5. The Facility Office and address and attention details for notices to the Increase Lender for the purposes of Clause 27.9 (*Addresses*) of the Agreement are set out in the Schedule.
6. The Increase Lender expressly acknowledges the limitations on the Lenders' obligations referred to in sub-paragraph 2.2.6 of Clause 2.2 (*Increase*) of the Agreement.
7. This Increase Confirmation may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Increase Confirmation.
8. This Increase Confirmation, and any non-contractual obligations arising out of or in connection with it, are governed by English law.
9. This Increase Confirmation has been entered into on the date stated at the beginning of this Increase Confirmation.
10. The Increase Lender confirms, for the benefit of the Facility Agent and without liability to any Obligor, that it is:
 - (a) [a UK Qualifying Lender (other than a UK Treaty Lender);]
 - (b) [a UK Treaty Lender;]

- (c) [not a UK Qualifying Lender].⁵
11. [The Increase Lender confirms that the person beneficially entitled to interest payable to that Lender in respect of an Advance under a Financing Document is either:
- (a) a company resident in the United Kingdom for United Kingdom tax purposes;
 - (b) a partnership each member of which is:
 - (i) a company so resident in the United Kingdom; or
 - (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or
 - (c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company.]⁶
12. [The Increase Lender confirms that it holds a passport under the HMRC DT Treaty Passport scheme (reference number []) and is tax resident in []⁷, so that interest payable to it by borrowers is generally subject to full exemption from UK withholding tax, and requests that the Parent notify:
- (a) each Borrower which is a Party as a Borrower as at the Increase Date; and
 - (b) each Borrower which becomes an Additional Obligor after the Increase Date,
- that it wishes that scheme to apply to the Agreement.]⁸
13. This Increase Confirmation may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Increase Confirmation.
14. This Increase Confirmation and any non-contractual obligations arising out of or in connection with it are governed by English Law.
15. This Increase Confirmation has been entered into on the date stated at the beginning of this Increase Confirmation.

⁵ Delete as applicable. Each Increase Lender is required to confirm which of these three categories it falls within.

⁶ Include if Increase Lender comes within paragraph (b) of the definition of UK Qualifying Lender in Clause 1.1 (*Definitions*).

⁷ Insert jurisdiction of tax residence.

⁸ Include if Increase Lender holds a passport under the HMRC DT Treaty Passport scheme and wishes that scheme to apply to the Agreement.

THE SCHEDULE

Relevant Commitment/rights and obligations to be assumed by the Increase Lender

[insert relevant details]

[Facility office address and attention details for notices and account details for payments]

[Increase Lender]

By:

This Increase Confirmation is accepted as an Increase Confirmation for the purposes of the Agreement by the Facility Agent and the Increase Date is confirmed as [].

Facility Agent

By:

**SCHEDULE 9
FORM OF RESIGNATION LETTER**

WPP PLC - \$2,500,000,000 Revolving Facility Agreement dated [●] 2024 (the "Agreement")

To: [] as Facility Agent

From: [*Parent*] and [*resigning Borrower*]

Dated:

Dear Sirs

1. We refer to the Agreement. This is a Resignation Letter. Terms defined in the Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.
2. Pursuant to Clause 3.8 (*Removal of Borrowers*) of the Agreement, we request that [*resigning Borrower*] be released from its obligations as a Borrower under the Agreement.
3. We confirm that:
 - (a) No Event of Default or Potential Event of Default is continuing or would result from the acceptance of this request; and
 - (b) such Borrower is under no actual or contingent obligations as a Borrower under any Financing Document.
4. This Resignation Letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

[Parent]

[resigning Borrower]

By:

By:

Agreed and acknowledged by:

Citibank Europe plc, UK Branch

as Facility Agent

By:

Date:

SCHEDULE 10

COMPOUNDED RATE TERMS

PART 1

DOLLARS

CURRENCY:

Dollars.

Cost of funds as a fallback

Cost of funds will not apply as a fallback.

Definitions

Additional Business Days:

An RFR Banking Day.

Break Costs:

Not applicable.

Central Bank Rate:

- (a) The short-term interest rate target set by the US Federal Open Market Committee as published by the Federal Reserve Bank of New York from time to time; or
- (b) if that target is not a single figure, the arithmetic mean of:
 - (i) the upper bound of the short-term interest rate target range set by the US Federal Open Market Committee and published by the Federal Reserve Bank of New York; and
 - (ii) the lower bound of that target range.

Central Bank Rate Adjustment:

In relation to the Central Bank Rate prevailing at close of business on any RFR Banking Day, the mean (calculated by the Facility Agent, or by any other Finance Party which agrees to do so in place of the Facility Agent) of the Central Bank Rate Spreads for the five most immediately preceding RFR Banking Days for which the RFR was available, excluding the days with the highest (or, if there is more than one highest spread, only one of those highest spreads) and lowest (or, if there is more than one lowest spread, only one of those lowest spreads) spreads to the Central Bank Rate.

Central Bank Rate Spread:

In relation to any RFR Banking Day, the difference (expressed as a percentage rate per annum) calculated by the Facility Agent (or by any other Finance Party which agreed to do so in place of the Facility Agent) between:

- (a) the RFR for that RFR Banking Day; and
- (b) the Central Bank Rate prevailing at the close of business on that RFR Banking Day.

Credit Adjustment Spread:

The credit adjustment spread specified below for a tenor of the same length as the relevant Interest Period of the relevant Compounded Rate Advance, or (if a corresponding tenor is not specified) the next highest tenor or, in any case, such other credit adjustment spread as may be agreed between the Facility Agent (acting on the instructions of all of the Lenders) and the Parent.

Tenor	Applicable Credit Adjustment Spread (%)
1 Month	0.11448
2 Months	0.18456
3 Months	0.26161
6 Months	0.42826

Daily Rate:

The "**Daily Rate**" for any RFR Banking Day is:

- (a) the RFR for that RFR Banking Day;
- (b) if the RFR for that Banking Day is not available, the Historic RFR for that Banking Day;
- (c) if paragraph (b) above applies but the Historic RFR for that RFR Banking Day is not available, the percentage rate per annum which is the aggregate of:
 - (i) the Central Bank Rate for that RFR Banking Day; and
 - (ii) the applicable Central Bank Rate Adjustment; or
- (d) if paragraph (c) above applies but the Central Bank Rate for that RFR Banking Day is not available, the percentage rate per annum which is the aggregate of:
 - (i) the most recent Central Bank Rate for a day which is no more than five RFR Banking Days before that RFR Banking Day; and
 - (ii) the applicable Central Bank Rate Adjustment,

rounded, in either case, to four decimal places and if, in either case, the aggregate of that rate and the applicable Credit Adjustment Spread is less than zero, the Daily Rate shall be deemed to be such a rate that the aggregate of the Daily Rate and the applicable Credit Adjustment Spread is zero.

Lookback Period:	Five RFR Banking Days.
Market Disruption:	Not applicable.
Relevant Market:	The market for overnight cash borrowing collateralised by US Government securities.
RFR:	The secured overnight financing rate (SOFR) administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate) published by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).
RFR Banking Day:	Any day other than: <ul style="list-style-type: none">(a) a Saturday or Sunday; and(b) a day on which the Securities Industry and Financial Markets Association (or any successor organisation) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in US Government securities.

PART 2

STERLING

CURRENCY: Sterling.

Cost of funds as a fallback

Cost of funds will not apply as a fallback.

Definitions

Additional Business Days: An RFR Banking Day.

Break Costs: Not applicable.

Central Bank Rate: The Bank of England's Bank Rate as published by the Bank of England from time to time.

Central Bank Rate Adjustment: In relation to the Central Bank Rate prevailing at close of business on any RFR Banking Day, the mean (calculated by the Facility Agent, or by any other Finance Party which agrees to do so in place of the Facility Agent) of the Central Bank Rate Spreads for the five most immediately preceding RFR Banking Days for which the RFR was available, excluding the days with the highest (or, if there is more than one highest spread, only one of those highest spreads) and lowest (or, if there is more than one lowest spread, only one of those lowest spreads) spreads to the Central Bank Rate.

Central Bank Rate Spread: In relation to any RFR Banking Day, the difference (expressed as a percentage rate per annum) calculated by the Facility Agent (or by any other Finance Party which agreed to do so in place of the Facility Agent) between:

- (a) the RFR for that RFR Banking Day; and
- (b) the Central Bank Rate prevailing at the close of business on that RFR Banking Day.

Credit Adjustment Spread: The credit adjustment spread specified below for GBP for a tenor of the same length as the relevant Interest Period of the relevant Compounded Rate Advance, or (if a corresponding tenor is not specified) the next highest tenor or, in any case, such other credit adjustment spread as may be agreed between the Facility Agent (acting on the instructions of all of the Lenders) and the Parent.

Tenor	Applicable Credit Adjustment Spread (%)
1 Month	0.0326
2 Months	0.0633

3 Months	0.1193
6 Months	0.2766

Daily Rate:

The "**Daily Rate**" for any RFR Banking Day is:

- (a) the RFR for that RFR Banking Day;
- (b) if the RFR for that RFR Banking Day is not available, the Historic RFR for that RFR Banking Day;
- (c) if paragraph (b) above applies but the Historic RFR for that RFR Banking Day is not available, the percentage rate per annum which is the aggregate of:
 - (i) the Central Bank Rate for that RFR Banking Day; and
 - (ii) the applicable Central Bank Rate Adjustment; or
- (d) if paragraph (c) above applies but the Central Bank Rate for that RFR Banking Day is not available, the percentage rate per annum which is the aggregate of:
 - (i) the most recent Central Bank Rate for a day which is no more than five RFR Banking Days before that RFR Banking Day; and
 - (ii) the applicable Central Bank Rate Adjustment,

rounded, in either case, to four decimal places and if, in either case, the aggregate of that rate and the applicable Credit Adjustment Spread is less than zero, the Daily Rate shall be deemed to be such a rate that the aggregate of the Daily Rate and the applicable Credit Adjustment Spread is zero.

Lookback Period:

Five RFR Banking Days.

Market Disruption:

Not applicable.

Relevant Market:

The sterling wholesale market.

RFR:

The SONIA (sterling overnight index average) reference rate displayed on the relevant screen of any authorised distributor of that reference rate.

RFR Banking Day:

A day (other than a Saturday or Sunday) on which banks are open for general business in London.

PART 3

SWISS FRANCS

CURRENCY: Swiss francs.

Cost of funds as a fallback

Cost of funds will not apply as a fallback.

Definitions

Additional Business Days: An RFR Banking Day.

Break Costs: Not applicable.

Central Bank Rate: The policy rate of the Swiss National Bank as published by the Swiss National Bank from time to time.

Central Bank Rate Adjustment: In relation to the Central Bank Rate prevailing at close of business on any RFR Banking Day, the mean (calculated by the Facility Agent, or by any other Finance Party which agrees to do so in place of the Facility Agent) of the Central Bank Rate Spreads for the five most immediately preceding RFR Banking Days for which the RFR was available, excluding the days with the highest (or, if there is more than one highest spread, only one of those highest spreads) and lowest (or, if there is more than one lowest spread, only one of those lowest spreads) spreads to the Central Bank Rate.

Central Bank Rate Spread: In relation to any RFR Banking Day, the difference (expressed as a percentage rate per annum) calculated by the Facility Agent (or by any other Finance Party which agreed to do so in place of the Facility Agent) between:

- (a) the RFR for that RFR Banking Day; and
- (b) the Central Bank Rate prevailing at the close of business on that RFR Banking Day.

Credit Adjustment Spread: The credit adjustment spread specified below for a tenor of the same length as the relevant Interest Period of the relevant Compounded Rate Advance or (if a corresponding tenor is not specified) the next highest tenor or, in any case, such other credit adjustment spread as may be agreed between the Facility Agent (acting on the instructions of all of the Lenders) and the Parent.

Tenor	Applicable Credit Adjustment Spread (%)
1 Month	-0.0571
2 Months	-0.0231

3 Months	0.0031
6 Months	0.0741

Daily Rate:

The "**Daily Rate**" for any RFR Banking Day is:

- (a) the RFR for that RFR Banking Day;
- (b) if the RFR for that RFR Banking Day is not available, the Historic RFR for that RFR Banking Day;
- (c) if paragraph (b) above applies but the Historic RFR for that RFR Banking Day is not available, the percentage rate per annum which is the aggregate of:
 - (i) the Central Bank Rate for that RFR Banking Day; and
 - (ii) the applicable Central Bank Rate Adjustment; or
- (d) if paragraph (c) above applies but the Central Bank Rate for that RFR Banking Day is not available, the percentage rate per annum which is the aggregate of:
 - (i) the most recent Central Bank Rate for a day which is no more than five RFR Banking Days before that RFR Banking Day; and
 - (ii) the applicable Central Bank Rate Adjustment,

rounded, in either case, to four decimal places and if, in either case, the aggregate of that rate and the applicable Credit Adjustment Spread is less than zero, the Daily Rate shall be deemed to be such a rate that the aggregate of the Daily Rate and the applicable Credit Adjustment Spread is zero.

Lookback Period:

Five RFR Banking Days.

Market Disruption:

Not applicable.

Relevant Market:

The Swiss francs overnight repo market.

RFR:

The SARON (Swiss Average Rate Overnight) reference rate administered by SIX (or any other person which takes over the administration of that rate) as at the close of trading on the SIX Swiss Exchange on the relevant day published by SIX (or any other person which takes over the publication of that rate).

RFR Banking Day:

A day (other than a Saturday or Sunday) on which banks are open for the settlement of payments and foreign exchange transactions in Zurich.

PART 4

JAPANESE YEN

CURRENCY: Japanese yen.

Cost of funds as a fallback

Cost of funds will apply as a fallback.

Definitions

Additional Business Days: An RFR Banking Day.

Break Costs: Not applicable.

Credit Adjustment Spread: The credit adjustment spread specified below for a tenor of the same length as the relevant Interest Period of the relevant Compounded Rate Advance, or (if a corresponding tenor is not specified) the next highest tenor or, in any case, such other credit adjustment spread as may be agreed between the Facility Agent (acting on the instructions of all of the Lenders) and the Parent.

Tenor	Applicable Credit Adjustment Spread (%)
1 Month	-0.02923
2 Months	-0.00449
3 Months	0.00835
6 Months	0.05809

Daily Rate: The "**Daily Rate**" for any RFR Banking Day is:

- (a) the RFR for that RFR Banking Day; or
- (b) if the RFR for that RFR Banking Day is not available, the Historic RFR for that RFR Banking Day,

rounded, in either case, to four decimal places and if, in either case, the aggregate of that rate and the applicable Credit Adjustment Spread is less than zero, the Daily Rate shall be deemed to be such a rate that the aggregate of the Daily Rate and the applicable Credit Adjustment Spread is zero.

Lookback Period: Five RFR Banking Days.

Market Disruption: Not applicable.

Relevant Market: The Japanese yen uncollateralised overnight call market.

RFR:

The Tokyo Overnight Average Rate (TONA) provided by the Bank of Japan as administrator of the benchmark, or any successor administrator.

RFR Banking Day:

A day (other than a Saturday or Sunday) on which commercial banks are open for general business in Tokyo, Japan.

PART 5

EURO – COMPOUNDED RATE ADVANCES

CURRENCY: Euro.

Cost of funds as a fallback

Cost of funds will not apply as a fallback.

Definitions

Additional Business Days: An RFR Banking Day.

Break Costs: Not applicable.

Central Bank Rate: The rate for the marginal lending facility of the European Central Bank, as published by the European Central Bank from time to time.

Central Bank Rate Adjustment: In relation to the Central Bank Rate prevailing at close of business on any RFR Banking Day, the mean (calculated by the Facility Agent, or by any other Finance Party which agrees to do so in place of the Facility Agent) of the Central Bank Rate Spreads for the five most immediately preceding RFR Banking Days for which the RFR was available, excluding the days with the highest (or, if there is more than one highest spread, only one of those highest spreads) and lowest (or, if there is more than one lowest spread, only one of those lowest spreads) spreads to the Central Bank Rate.

Central Bank Rate Spread: In relation to any RFR Banking Day, the difference (expressed as a percentage rate per annum) calculated by the Facility Agent (or by any other Finance Party which agreed to do so in place of the Facility Agent) between:

- (a) the RFR for that RFR Banking Day; and
- (b) the Central Bank Rate prevailing at the close of business on that RFR Banking Day.

Credit Adjustment Spread: A spread adjustment selected by the Facility Agent (acting on behalf of all the Lenders), in each case, acting reasonably, after giving due consideration to (i) any replacement rate and/or spread adjustment or method for determining such replacement rate or spread adjustment, that is identified as such by any relevant regulatory supervisor and/or (ii) any evolving or then-prevailing market convention for determining a rate of interest and spread adjustment as a replacement to any current base rate as applicable, for credit facilities that are denominated in the relevant currency at such time, with such spread adjustment being notified to, and approved by, the Parent (acting reasonably).

Daily Rate:

The "**Daily Rate**" for any RFR Banking Day is:

- (a) the RFR for that RFR Banking Day;
- (b) if the RFR for that RFR Banking Day is not available, the Historic RFR for that RFR Banking Day;
- (c) if paragraph (b) above applies but the Historic RFR for that RFR Banking Day is not available, the percentage rate per annum which is the aggregate of:
 - (i) the Central Bank Rate for that RFR Banking Day; and
 - (ii) the applicable Central Bank Rate Adjustment; or
- (d) if paragraph (c) above applies but the Central Bank Rate for that RFR Banking Day is not available, the percentage rate per annum which is the aggregate of:
 - (i) the most recent Central Bank Rate for a day which is no more than five RFR Banking Days before that RFR Banking Day; and
 - (ii) the applicable Central Bank Rate Adjustment,

rounded, in either case, to four decimal places and if, in either case, the aggregate of that rate and the applicable Credit Adjustment Spread is less than zero, the Daily Rate shall be deemed to be such a rate that the aggregate of the Daily Rate and the applicable Credit Adjustment Spread is zero.

Lookback Period:

Five RFR Banking Days.

Market Disruption:

Not applicable.

Relevant Market:

The euro wholesale market.

Reporting Day:

The day which is the Lookback Period prior to the last day of the Interest Period or, if that day is not a Business Day, the immediately following Business Day.

RFR:

The euro short term rate (€STR) administered by the European Central Bank (or any other person which takes over the administration of that rate) published by the European Central Bank (or any other person which takes over publication of that rate).

RFR Banking Day:

A day (other than a Saturday or Sunday) which is a TARGET Day.

SCHEDULE 11

DAILY NON-CUMULATIVE COMPOUNDED RFR RATE

The "**Daily Non-Cumulative Compounded RFR Rate**" for any RFR Banking Day "**i**" during an Interest Period for a Compounded Rate Advance is the percentage rate per annum (without rounding, to the extent reasonably practicable for the Finance Party performing the calculation, taking into account the capabilities of any software used for that purpose) calculated as set out below:

$$(UCCDR_i - UCCDR_{i-1}) \times \frac{dcc}{n_i}$$

where:

"**UCCDR_i**" means the Unannualised Cumulative Compounded Daily Rate for that RFR Banking Day "**i**";

"**UCCDR_{i-1}**" means, in relation to that RFR Banking Day "**i**", the Unannualised Cumulative Compounded Daily Rate for the immediately preceding RFR Banking Day (if any) during that Interest Period;

"**dcc**" means 360 or, in any case where market practice in the Relevant Market is to use a different number for quoting the number of days in a year, that number;

"**n_i**" means the number of calendar days from, and including, that RFR Banking Day "**i**" up to, but excluding, the following RFR Banking Day; and

the "**Unannualised Cumulative Compounded Daily Rate**" for any RFR Banking Day (the "**Cumulated RFR Banking Day**") during that Interest Period is the result of the below calculation (without rounding, to the extent reasonably practicable for the Finance Party performing the calculation, taking into account the capabilities of any software used for that purpose):

$$ACCDR \times \frac{tn_i}{dcc}$$

where:

"**ACCDR**" means the Annualised Cumulative Compounded Daily Rate for that Cumulated RFR Banking Day;

"**tn_i**" means the number of calendar days from, and including, the first day of the Cumulation Period to, but excluding, the RFR Banking Day which immediately follows the last day of the Cumulation Period;

"**Cumulation Period**" means the period from, and including, the first RFR Banking Day of that Interest Period to, and including, that Cumulated RFR Banking Day;

"**dcc**" has the meaning given to that term above; and

the "**Annualised Cumulative Compounded Daily Rate**" for that Cumulated RFR Banking Day is the percentage rate per annum (rounded to four decimal places) calculated as set out below:

$$\left[\prod_{i=1}^{d_0} \left(1 + \frac{\text{DailyRate}_{i-LP} \times n_i}{dcc} \right) - 1 \right] \times \frac{dcc}{tn_i}$$

where:

"**d₀**" means the number of RFR Banking Days in the Cumulation Period;

"**Cumulation Period**" has the meaning given to that term above;

"**i**" means a series of whole numbers from one to d_0 , each representing the relevant RFR Banking Day in chronological order in the Cumulation Period;

"**DailyRate_{i-LP}**" means, for any RFR Banking Day "**i**" in the Cumulation Period, the Daily Rate for the RFR Banking Day which is the applicable Lookback Period prior to that RFR Banking Day "**i**";

"**ni**" means, for any RFR Banking Day "**i**" in the Cumulation Period, the number of calendar days from, and including, that RFR Banking Day "**i**" up to, but excluding, the following RFR Banking Day;

"**dcc**" has the meaning given to that term above; and

"**tn_i**" has the meaning given to that term above.

SCHEDULE 12

FORM OF SUSTAINABILITY CERTIFICATE

To: [Facility Agent]

From: [Parent]

Date: [•]

Dear Sirs,

[•] (the "Agreement")

1. We refer to the Agreement. This is a Sustainability Certificate. Terms defined in the Agreement shall have the same meaning when used in this Sustainability Certificate unless given a different meaning in this Sustainability Certificate.
2. This Sustainability Certificate is delivered with respect to the Sustainability Performance Period ending [•] (the "**Relevant Sustainability Performance Period**").
3. We confirm that the results for the SPT for each KPI for the Relevant Sustainability Performance Period as verified in the relevant verification report is as follows:

<i>KPI</i>	<i>SPT</i> ⁹	<i>Performance</i> ¹⁰	<i>SPT met?</i>
			[Yes]/[No]
			[Yes]/[No]
			[Yes]/[No]
			[Yes]/[No]

4. As shown above, [•] were met and [•] were not met. Accordingly:
 - (a) [the applicable Sustainability Margin Adjustment is an [increase]/[decrease] to the Margin of [•] per cent. per annum]/[there is no Sustainability Margin Adjustment]; and
 - (b) the Margin following the Sustainability Margin Adjustment is [•] per cent. per annum.[Set out relevant calculations in reasonable detail]
5. We confirm that the Sustainability Report and [the]/[each] Verification Report relating to the Relevant Sustainability Performance Period and attached hereto is a correct and complete copy of the original and has not been amended or superseded as at the date of this Sustainability Certificate.

[Parent]

By: [X]

⁹ Set out the applicable SPTs for the Relevant Sustainability Performance Period for each KPI.

¹⁰ Set out the actual performance for each KPI for the Relevant Sustainability Performance Period.

Title: [Company Secretary]/[Director of Group Treasury]/[Executive Director]

By: [X]

Title: [Company Secretary]/[Director of Group Treasury]/[Executive Director]

SCHEDULE 13

FORM OF SUSTAINABILITY SUPPLEMENT

To: [●] as Facility Agent

From: WPP PLC as Parent

_____ 2024

WPP PLC - \$2,500,000,000 Revolving Facility Agreement dated [●] 2024 (the "Agreement")

1. We refer to the Agreement. This is a Sustainability Supplement. Terms defined in the Agreement have the same meaning in this Sustainability Supplement unless given a different meaning in this Sustainability Supplement.

2. The KPIs are as follows:

2.1 KPI [1]

[]

(i) Calculation Methodology

[]

(ii) SPTs

	Sustainability Performance Period ending []	Sustainability Performance Period ending []	Sustainability Performance Period ending []	Sustainability Performance Period ending []	Sustainability Performance Period ending []
SPTs	[>]/[≤] []	[>]/[≤] []	[>]/[≤] []	[>]/[≤] []	[>]/[≤] []

(iii) External Reviewer

[]

2.2 [Repeat as above for the number of relevant KPIs]

3. Sustainability Performance Period

3.1 [Each Sustainability Performance Period shall be [●].]

3.2 [The first Sustainability Performance Period under the Agreement shall be the financial year of the Parent ending 31 December [●].]

4. This Sustainability Supplement, and any non-contractual obligations arising out of or in connection with it, are governed by, and shall be construed in accordance with, the laws of England.

5. The provisions of clause [27.12] (Invalidity of any Provision), clause [25] (Confidentiality) and clause [27.12] (Submission to jurisdiction) of the Agreement shall be incorporated into this Sustainability Supplement *mutatis mutandis*.

6. [*Specify any other applicable terms.*]

Yours faithfully

Signed
Director
of
WPP PLC

This Sustainability Supplement is accepted by the Facility Agent (for and on behalf of the Lenders under the Agreement).

Facility Agent

.....

By:

SIGNATORIES

The Parent


WPP PLC

A handwritten signature in black ink, appearing to be 'AA', written over the text 'WPP PLC'.

By: Alexander Ashby

The Borrowers

WPP CP LLC

By: 
THOMAS GRAZIANO
VICE PRESIDENT - TAX OPERATIONS + SECRETARY

WPP FINANCE CO. LIMITED

By:

WPP CP FINANCE PLC

By:

The Borrowers

WPP CP LLC

By:

WPP FINANCE CO. LIMITED

By: 

Alexander Ashby


WPP CP FINANCE PLC

By: 


Alexander Ashby

The Guarantors


WPP PLC

By: 
Alexander Ashby

WPP JUBILEE LIMITED

By: 
Alexander Ashby

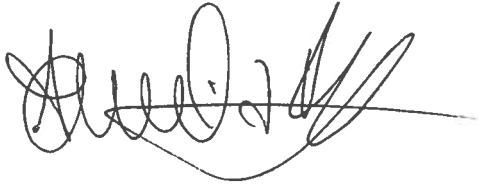
WPP 2005 LIMITED

By: 
Alexander Ashby

The Facility Agent

CITIBANK EUROPE PLC, UK BRANCH

By:

A handwritten signature in black ink, appearing to read 'Amelia Papadopoulos', written over a horizontal line.

Amelia Papadopoulos

The Swingline Agent

CITIBANK, N.A.

By: *Caryn M. Bell*

Caryn M. Bell

managing director

The Mandated Lead Arrangers and Bookrunners

CITIBANK, N.A., LONDON BRANCH

By: 


BANK OF AMERICA EUROPE DESIGNATED ACTIVITY COMPANY


By: 
ANTHONY LARVIN
DIRECTOR

BARCLAYS BANK PLC

By: 

BNP PARIBAS LONDON BRANCH

By: MICHAEL G. MOLLOY
MANAGING DIRECTOR


THOMAS HARDEN - DIRECTOR


COMMERZBANK AG, LONDON BRANCH

By:

A handwritten signature in blue ink, appearing to be 'J. B. ...' with a long horizontal stroke extending to the right.A handwritten signature in blue ink, appearing to be 'A. ...' with a long horizontal stroke extending to the right.

GOLDMAN SACHS BANK USA

By:



JOSHUA EWIS JONES
AUTHORISED SIGNATORY



HSBC BANK PLC

By: Philip Cohen, Managing Director

ING BANK N.V., LONDON BRANCH

By:



Anjila Thomas
Managing Director



Malgorzata Kolakowska
Managing Director

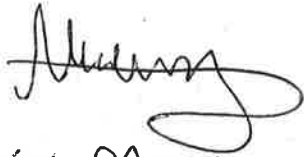
J.P. MORGAN SECURITIES PLC

By: 

Nicholas Denman
Managing Director

NATIONAL WESTMINSTER BANK PLC

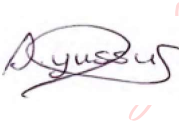
By:

A handwritten signature in black ink, appearing to read 'Alex Maltsy', written in a cursive style.

ALEX MALTSY
DIRECTOR

SUMITOMO MITSUI BANKING CORPORATION

By:

 Digitally
signed by
syussuf



Shuto Ezaki
Director

WELLS FARGO BANK, N.A., LONDON BRANCH

By:

A handwritten signature in black ink, appearing to read "D. Clarke". The signature is written in a cursive, slightly slanted style.

Daniel Clarke
Executive Director

The Mandated Lead Arrangers

DANSKE BANK A/S, LONDON BRANCH

By:



JONATHAN ATKINSON



Madelima Visser

INTESA SANPAOLO S.P.A

By:



Marco Allois
Director



Alberto Matera
Director

STANDARD CHARTERED BANK (SINGAPORE) LIMITED



Signed by:
for and on behalf of Standard Chartered Bank (Singapore) Limited
James Koh
MD, Head of International Corporates, CC Singapore

The Lenders

CITIBANK, N.A., LONDON BRANCH


By: 

CITIBANK, N.A.

(for Swingline Advances)


By: 

BANK OF AMERICA, N.A., LONDON BRANCH

By: 
ANTHONY LARVIN
DIRECTOR

BANK OF AMERICA, N.A.

(for Swingline Advances)

By: 
.....
Name: Albert Wheeler
Title: Director

BARCLAYS BANK PLC

By: 

BARCLAYS BANK PLC

(for Swingline Advances)

By: 

BNP PARIBAS LONDON BRANCH

By: MICHAEL E. MOLLOY
MANAGING DIRECTOR



BNP PARIBAS LONDON BRANCH

(for Swingline Advances)

By: MICHAEL E. MOLLOY
MANAGING DIRECTOR



THOMAS HARDEN - DIRECTOR



THOMAS HARDEN - DIRECTOR



COMMERZBANK AG, LONDON BRANCH

By:



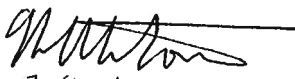
COMMERZBANK AG, LONDON BRANCH

(for Swingline Advances)

By:




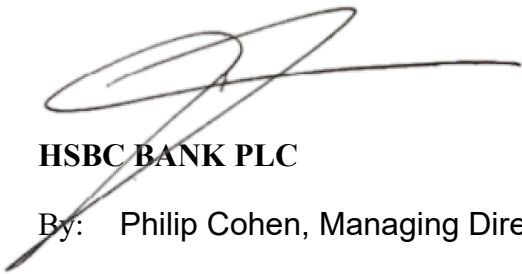
GOLDMAN SACHS BANK USA

By: 
JOSHUA ELLIS-JONES
AUTHORISED SIGNATORY

GOLDMAN SACHS BANK USA

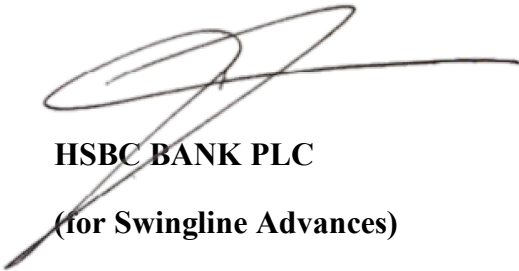
(for Swingline Advances)

By: 
JOSHUA ELLIS-JONES
AUTHORISED SIGNATORY



HSBC BANK PLC

By: Philip Cohen, Managing Director



HSBC BANK PLC

(for Swingline Advances)

By: Philip Cohen, Managing Director

ING BANK N.V., LONDON BRANCH

By:



Anjila Thomas
Managing Director



Malgorzata Kolakowska
Managing Director

ING BANK N.V., LONDON BRANCH

(for Swingline Advances)

By:




Anjila Thomas
Managing Director



Malgorzata Kolakowska
Managing Director

JPMORGAN CHASE BANK, N.A., LONDON BRANCH

By: 

Costantino Sabella
Executive Director

JPMORGAN CHASE BANK, N.A.

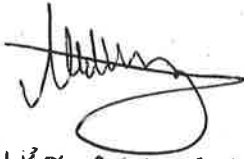
(for Swingline Advances)

By: 

Costantino Sabella
Executive Director

NATIONAL WESTMINSTER BANK PLC

By:



ALEX MALTSY
DIRECTOR

NATIONAL WESTMINSTER BANK PLC

(for Swingline Advances)

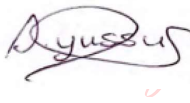
By:



ALEX MALTSY
DIRECTOR

SUMITOMO MITSUI BANKING CORPORATION

By:

 Digitally signed
by syussuf

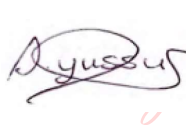


Shuto Ezaki
Director

SUMITOMO MITSUI BANKING CORPORATION

(for Swingline Advances)

By:

 Digitally
signed by
syussuf



Shuto Ezaki
Director

WELLS FARGO BANK, N.A., LONDON BRANCH

By:



Daniel Clarke
Executive Director

WELLS FARGO BANK, N.A., LONDON BRANCH

(for Swingline Advances)

By:



Daniel Clarke
Executive Director

DANSKE BANK A/S, LONDON BRANCH

By:



JONATHAN ATKINSON



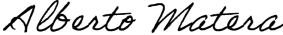
Madoliva Visca

INTESA SANPAOLO S.P.A., LONDON BRANCH

By:



Marco Allois
Director



Alberto Matera
Director

STANDARD CHARTERED BANK (SINGAPORE) LIMITED



Signed by:
for and on behalf of Standard Chartered Bank (Singapore) Limited
James Koh
MD, Head of International Corporates, CC Singapore

The Sustainability Coordinator

ING BANK N.V., LONDON BRANCH

By:



Anjila Thomas
Managing Director



Malgorzata Kolakowska
Managing Director

WPP PLC

SHARE OPTION PLAN 2015

Adopted by the board of directors of the Company on 14 April 2015
and approved by share owners in general meeting on 9 June 2015

Amended by the Compensation Committee on 5 December 2019

SQUIRE PATTON BOGGS (UK) LLP
7 Devonshire Square
London
EC2M 4YH
United Kingdom
DX 136546 Bishopsgate 2

O +44 20 7655 1000
F +44 20 7655 1001

Reference WPP.002-1586

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GLOSSARY

"Acquiring Company" means the person or persons who obtain Control or the person who acquires Shares as a result of a transaction mentioned in rule 6.1.

"ADSs" means depositary instruments representing a beneficial holding in fully paid ordinary shares in the capital of the Company.

"Basic Salary" means the person's gross salary and fees. Where it is necessary to convert the currency of a person's basic salary for the purposes of rule 1.7, it will be converted at the Company's budget rate applicable at the relevant date unless the Compensation Committee determines otherwise.

"Business" means a functional business unit of the Company operating in any of the following ways:

- (a) within a Subsidiary;
- (b) across one or more Members of the Group; or
- (c) as a sector, operating brand or operating company (as referred to in the Company's report and accounts).

"Business Day" means a day on which both the London Stock Exchange and the New York Stock Exchange are open for the transaction of business.

"Cash Value" means the value of a Share as determined by the Compensation Committee based on the price at which Shares are sold on or around the date of exercise of Options (and in the case of sales of Shares on more than one Business Day, the average of those prices).

"Company" means WPP plc, a public limited company incorporated in Jersey with registered number 111714.

"Compensation Committee" means a duly authorised committee appointed by the board of directors of the Company or, where any discretion has to be exercised under rule 6, the people who comprised the Compensation Committee immediately before the transaction by virtue of which that rule applies.

"Control" means the power of a person, or persons acting in concert, to secure, by means of holding voting rights in relation to the Company's share capital or powers conferred by any document regulating the Company, that the affairs of the Company are exercised in accordance with its or their wishes.

"Dealing Restrictions" means restrictions imposed by statute, order, regulation or Government directive, or by the Model Code or any code adopted by the Company based on the Model Code.

"Eligible Employee" means:

- (a) in respect of an Executive Option, an executive director or an employee of a Member of the Group; and

- (b) in respect of any other Option, an employee whose working time for one or more Members of the Group equals or exceeds a period determined by the Compensation Committee at the relevant Grant Date.

"Exercise Date" means the first Business Day on or after:

- (a) the third anniversary of the Grant Date, or any other date after the Grant Date that the Compensation Committee decides on the grant of an Option should be the exercise date;
- (b) cessation of the Participant's employment if either of rules 4.3 or 4.4 applies; or
- (c) the date that a transaction as described in rule 6 occurs;

whichever occurs first.

"Executive Option" means an Option granted to an individual on bespoke terms.

"Grant Date" means the date specified in the deed or other document produced in accordance with rule 1.13.

"Listing Rules" means the rules relating to admission to the Official List.

"London Stock Exchange" means London Stock Exchange plc or its successor.

"Malus and Clawback" means the malus and clawback provisions (if any) as set out in an award agreement and/or in the WPP plc Group Malus and Clawback Policy (as amended from time to time) and "Malus" and "Clawback" will have the meanings given in the award agreement and/or the WPP plc Group Malus and Clawback Policy as the case may be..

"Market Value" means the value determined by the Compensation Committee that must be at least equal to:

- (a) in the case of Shares of the same class as shares listed in the Official List, the closing mid-market price, which is half way between the closing bid and offer prices shown in the quotations for those shares in the Official List on the Business Day immediately preceding the Grant Date; or
- (b) in the case of ADSs, the closing price of an ADS on the New York Stock Exchange on the Business Day immediately preceding the Grant Date;

and in the case of an Option that is intended to qualify for any favourable tax treatment, as determined in accordance with any other formula that will enable the Option to qualify for that favourable tax treatment.

"Member of the Group" means:

- (a) the Company; or
- (b) any Subsidiary from time to time; or

- (c) any other company that is designated by the Compensation Committee as associated with the Company for some or all purposes of the Plan.

"Model Code" means the Model Code on dealings in securities set out in Listing Rule 9 Annex 1 of the Listing Rules of the United Kingdom Listing Authority issued by the Financial Conduct Authority, which govern companies whose shares are traded on the London Stock Exchange.

"Official List" means the daily list maintained by the Financial Conduct Authority for the purposes of section 74(1) of the Financial Services and Markets Act 2000 setting out the quoted prices of shares traded on the London Stock Exchange.

"Option" means a right to acquire Shares under the Plan.

"Participant" means a person holding an Option or in the event of death, the Participant's personal representatives.

"Performance Condition" means any performance condition imposed under rule 1.10.

"Performance Remuneration" means any remuneration of the Participant where the amount was calculated by reference to the performance of the Participant, a Member of the Group as a whole or any business within a Member of the Group.

"Plan" means these rules known as the WPP Share Option Plan 2015 as changed from time to time.

"Regulatory Information Service" means a service that is approved by the Financial Conduct Authority as meeting the Primary Information Provider criteria and is on the list of Regulatory Information Services maintained by the Financial Conduct Authority.

"Shares" means fully paid ordinary shares (including treasury shares) in the capital of the Company or ADSs.

"Subsidiary" means a company that is a subsidiary of the Company within the meaning of Articles 2 and 2A of the Companies (Jersey) Law 1991.

"Trustee" means the trustee or trustees of any employee benefit trust established by the Company or any Member of the Group.

1 HOW THE PLAN WORKS AND HOW OPTIONS ARE GRANTED

1.1 How the Plan works

The Plan gives a Participant the right to buy Shares at an exercise price set in accordance with rule 1.5 below, subject to the satisfaction of certain conditions and continued employment.

1.2 Granting Options

Options will be granted by the Company but the Compensation Committee will decide who gets an Option, over how many Shares and on what terms.

1.3 **Participation**

The Company can grant an Option to any Eligible Employee selected by the Compensation Committee. However, unless the Compensation Committee considers that special circumstances exist, an Option may not be granted to an employee who, on the Grant Date, has given or received notice of termination of employment, whether or not that termination is lawful.

1.4 **Timing of Option grants**

Options can only be granted within 42 days of the following:

- (a) the date on which the Plan is approved by the share owners of the Company;
- (b) the Business Day after the announcement of the Company's results through a Regulatory Information Service for any period;
- (c) the Business Day after the Company's annual general meeting;
- (d) any day on which the Company decides that exceptional circumstances exist that justify the grant of Options;
- (e) any day on which changes to the legislation or regulations affecting the Plan are announced, effected or made; or
- (f) the lifting of Dealing Restrictions that prevented the granting of Options during any period specified above.

1.5 **Exercise price**

The exercise price per Share must be set by the Compensation Committee when the Option is granted and must be at least Market Value.

1.6 **Expiry of the Plan**

Options can only be granted within the period of 10 years from the date of approval of the Plan by the share owners of the Company.

1.7 **Personal limit**

The Market Value (established at the date that the Compensation Committee makes its decisions under this rule 1) of all the Shares subject to Options granted to a Participant in the preceding twelve months cannot be more than:

- (a) one times; or
- (b) in the case of an Executive Option, four times;

that Participant's Basic Salary.

1.8 **Other limits**

There are also limits on the number of Shares that can be issued under the Plan - see rule 8.1.

1.9 **Effect of the limits in rules 1.7 and 1.8**

If the Company purports to grant an Option that is inconsistent with either of rules 1.7 or 1.8, the Option will be limited on a basis consistent with those rules with effect from the Grant Date.

1.10 **Performance condition**

The exercise of an Option may be made conditional on the satisfaction of one or more conditions linked to the performance of the Company, the Participant or the Business or Member of the Group for which the Participant works. A Performance Condition must be objective and may provide that an Option will lapse to the extent it is not satisfied. The Compensation Committee may impose other conditions when granting an Option.

1.11 **Options granted to directors of the Company**

The exercise of an Option granted to a director of the Company must be conditional on the satisfaction of one or more performance conditions to be prescribed after consultation with key share owners of the Company.

1.12 **Option certificates**

As soon as practicable after granting an Option, the Company will provide evidence to the Participant of the grant.

1.13 **Grant requirements**

Options must be granted by deed or other legally-binding document. The terms of the Option, as determined by the Compensation Committee, must be specified in the deed or other document and must include:

- (a) the number of Shares subject to the Option;
- (b) the exercise price;
- (c) the Grant Date;
- (d) the Performance Condition (if any);
- (e) the Exercise Date;
- (f) if Malus and Clawback applies to the Option and where the Malus and Clawback provisions are set out;

1.14 **Right to decline**

Participants will be notified of the grant of Options. An Option may be declined by a Participant within 30 days after the Grant Date by notice in writing to any person

nominated by the Compensation Committee. If this happens, the Option will be treated as if it had never been granted under the Plan. A Participant is not required to make any payment to decline an Option.

1.15 Malus and Clawback

Where an Option is granted subject to Malus and Clawback, if there is any discrepancy between the Malus and Clawback provisions and the Plan, the Malus and Clawback provisions will prevail.

2 RIGHTS OF A PARTICIPANT AFTER GRANT BUT BEFORE EXERCISE

2.1 Effect of transferring an Option

If a Participant, whether voluntarily or involuntarily, transfers, assigns, charges or otherwise disposes of an Option or any rights in respect of it, the Option will immediately lapse unless the Compensation Committee decides to the contrary.

2.2 Right to transfer on death

Rights under an Option are transferred to the personal representatives of a Participant after the Participant's death as set out rule 4.4.

2.3 No share rights before exercise of Options

A Participant cannot vote and is not entitled to receive dividends in respect of the Shares subject to an Option until after exercise, as described in rule 3.7.

3 EXERCISE OF OPTIONS

3.1 When can an Option be exercised?

An Option can be exercised on or after the Exercise Date and:

- (a) before the tenth anniversary of the Grant Date, or any earlier date determined by the Compensation Committee at the time the Option is granted;
- (b) during the period of six months after the Participant ceases to be an employee in one of the circumstances set out in rule 4.3;
- (c) during the period of twelve months after the date of death of the Participant as set out in rule 4.4; or
- (d) during the period of one month after a transaction affecting the Company as set out in rule 6.1,

except that, notwithstanding any other provision of this Plan, if an investigation commences or is ongoing regarding whether Malus and/or Clawback should be invoked in respect of a Participant then, unless otherwise determined by the Compensation Committee:

- (e) any unexercised Options held by that Participant may not be exercised, if at all, until after such investigation has been concluded; and

- (f) the relevant period for exercise will not expire.

The Compensation Committee may specify that an Option can only be exercised at particular times within the relevant period. Any Option not exercised by the end of the relevant period will lapse.

3.2 Method of exercise

Exercise of an Option is conditional on the Participant paying to the Company:

- (a) the exercise price; and
- (b) any tax arising on exercise (see rules 3.9 and 3.10),

or other arrangements being agreed between the Participant and the Company for the payment of these amounts.

3.3 Satisfaction of any Performance Conditions

If the Option is subject to a Performance Condition, as soon as reasonably practicable after the Exercise Date, the Compensation Committee will determine the extent to which the Performance Condition has been satisfied.

3.4 Exercisable proportion of an Option and lapse

- (a) If the Option is subject to a Performance Condition and granted to a director of the Company, it will be exercisable to the extent the Performance Condition is satisfied and the balance of the Option will lapse. The Compensation Committee may decide otherwise in respect of an Option granted to a Participant who is not a director of the Company.
- (b) For all Options, the number of Shares that can be acquired on exercise earlier than the third anniversary of the Grant Date will be adjusted under rule 6.2 and the balance will lapse.

Notwithstanding any other provision of this Plan, the Compensation Committee, acting reasonably and in good faith, may reduce (including to zero) the amount of an Option which would otherwise be exercisable if the formulaic outcome of any Performance Condition is, in the opinion of the Compensation Committee, not justified (including but not limited to, on the basis of the wider underlying financial performance of the Group over the period in which a Performance Condition is to be satisfied). To the extent that an Option is so reduced, The Options will immediately lapse.

3.5 Effect of a Dealing Restriction

An Option may not be exercised if a Dealing Restriction applies but it will become exercisable after the Exercise Date once the Dealing Restriction ceases to apply.

3.6 Satisfaction of Options after exercise

Subject to rule 5 and any consents under rule 8.10 being obtained, as soon as reasonably practicable after an Option has been exercised, the Company will arrange for the transfer or issue to, or to the order of, the Participant of the number of Shares in respect of which the Option has been exercised (or the settlement of the Option in cash under rule 3.8).

Notwithstanding any other provision of this Plan, if an investigation commences or is ongoing regarding whether Malus and/or Clawback should be invoked in respect of a Participant then, unless otherwise determined by the Compensation Committee, any exercised but as yet unsatisfied Options held by that Participant will not be satisfied, if at all, until after such investigation has been concluded.

3.7 Share rights after exercise

The Participant will be entitled to all rights attaching to the Shares that are transferred or issued following exercise by reference to a record date on or after the date of the transfer or issue.

3.8 Cash settlement of Options and cash awards

Subject to rules 3.9 and 3.10, the Company may decide:

- (a) after the exercise of an Option that instead of transferring or issuing Shares, to pay to, or to the order of, the Participant an amount equal to the Cash Value of the Shares that would have been transferred or issued on exercise of the Option less the exercise price of the Shares; or
- (b) on the Grant Date that an Eligible Employee will be granted, instead of an Option (but otherwise on the same terms as an Option), a right to receive (on the Exercise Date) an amount equal to the Cash Value of the Shares that would have been transferred or issued on exercise of an Option less the exercise price of the Shares.

3.9 Responsibility for tax

The Participant must pay all tax, social security contributions and other levies in respect of the exercise of an Option. If the Participant is to be responsible for the payment of any employers' social security contributions, this must be specified in the terms of the Option.

3.10 Methods of paying the tax

If any Member of the Group or any Trustee has to pay or account for any item referred to in rule 3.9, the Participant must pay or repay that amount on demand. Instead, or in addition, the Member of the Group or Trustee can do any one or more of the following:

- (a) sell sufficient of the Shares subject to the Option on behalf of the Participant and retain the proceeds or pay them to any tax authority;

- (b) reduce the number of Shares subject to the Option or the number of Shares (or cash under rule 3.8) to which the Participant is entitled on exercise; and/or
- (c) deduct the amount from any amount to which the Participant is entitled under the Plan, the Participant's employment contract or otherwise.

4 LEAVING EMPLOYMENT

4.1 Meaning of leaving employment

A Participant will be treated as leaving employment only when they are no longer either an employee or a director of any Member of the Group. They will not be treated as leaving if they recommence an employment or office with a Member of the Group within 1 calendar month or any longer period that the Compensation Committee determines for a particular Participant, as long as that determination is made within 6 months of the date when the Participant ceased to be an employee or director.

4.2 Leaving within six months of the grant of an Option

If a Participant leaves employment within the first six months after the Grant Date, the relevant Option will lapse.

4.3 Good leavers

If the Participant leaves employment for one of the following reasons:

- (a) ill-health, injury or disability, established to the satisfaction of the Compensation Committee;
- (b) retirement on any basis acceptable to the Compensation Committee;
- (c) the Participant's employing company ceasing to be a Subsidiary;
- (d) a transfer of the Business, or the part of the Business, in which the Participant works to a person that is not a Member of the Group; and
- (e) any other reason if the Compensation Committee so decides generally or in any particular case within 20 Business Days of the Participant leaving;

unless the Compensation Committee decides otherwise, the Option will not lapse but will become exercisable but only to the extent that any applicable Performance Condition has been satisfied. The Compensation Committee will reduce the number of Shares in respect of which an Executive Option may be exercised to reflect the period from the Grant Date to the date of leaving (calculated using the number of complete calendar months since the Grant Date) as a proportion of the period between the Grant Date and the Exercise Date. In exceptional circumstances, the Compensation Committee may determine that an Option will be exercisable on a different basis.

4.4 Death of a Participant

Unless the Compensation Committee decides otherwise, the Option of a deceased Participant will be exercisable by the Participant's personal representatives but only

to the extent that any applicable Performance Condition has been satisfied (as determined by the Compensation Committee) up to the date of death. Shares will be issued or transferred (or cash paid under rule 3.8) to the Participant's personal representatives. The Compensation Committee may:

- (a) reduce the number of Shares in respect of which an Executive Option may be exercised to reflect the number of complete calendar months between the Grant Date and the date of death as a proportion of the period between the Grant Date and the Exercise Date; and
- (b) in exceptional circumstances, determine that an Option may be exercised on any other terms that it considers appropriate.

4.5 Other leavers

Other than in a case where the Participant is a good leaver (see rule 4.3) or dies (see rule 4.4), if a Participant leaves employment before the Exercise Date of an Option, that Option will lapse.

4.6 Interaction of leaving employment and Company transactions

If a Participant leaves employment or dies and the relevant Option has not been exercised under this rule 4 and the Option is or becomes exercisable under rule 6, the Option will lapse on the earlier of the end of the period allowed for exercise under this rule 4 and the end of the period allowed for exercise under rule 6, except that, notwithstanding any other provision of this Plan, if an investigation commences or is ongoing regarding whether Malus and/or Clawback should be invoked in respect of a Participant then, unless otherwise determined by the Compensation Committee:

- (a) any unexercised Options held by that Participant may not be exercised, if at all, until after such investigation has been concluded; and
- (b) the relevant period for exercise will not expire.

5 REDUCTION OF AN OPTION

If a Participant's working hours are materially reduced before the Exercise Date of an Option, the Compensation Committee may reduce the number of Shares in respect of which that Option may be exercised, as it considers appropriate.

6 TRANSACTIONS AFFECTING THE COMPANY

6.1 Early exercise

Subject to rules 6.2 to 6.4, Options will become exercisable under this rule 6 if:

- (a) a person (or a group of persons acting in concert) obtains Control of the Company as a result of making an offer to acquire Shares;
- (b) a person becomes bound or entitled to acquire Shares under Part 18 of the Companies (Jersey) Law 1991 ("squeeze-out");

- (c) the court sanctions a scheme of arrangement under Part 18A of the Companies (Jersey) Law 1991 involving the acquisition of Shares; or
- (d) the Company passes a resolution for its voluntary winding up or an order is made for its compulsory winding up or it is declared en desastre.

6.2 Pro-rating on early exercise

Where an Option becomes exercisable under rule 6.1:

- (a) if it is an Executive Option, the number of Shares in respect of which it may be exercised will be reduced to reflect the number of complete calendar months between the Grant Date and the date of the relevant event as a proportion of the period between the Grant Date and the Exercise Date; and
- (b) it will only become exercisable if and to the extent that any applicable Performance Condition has been satisfied as at the Exercise Date.

6.3 Applying the Performance Condition on early exercise

The extent to which the Performance Condition is satisfied will be calculated as required by its terms or, if those terms do not specify the outcome in sufficient detail, in the manner that the Compensation Committee considers reasonable.

6.4 Exchanging Options rather than early exercise

An Option will not become exercisable under rule 6.1 to the extent that:

- (a) an offer to exchange the Option is made by the Acquiring Company and accepted by the Participant; or
- (b) the Compensation Committee, with the consent of the Acquiring Company, decides before the person obtains Control or the court sanctions the scheme of arrangement that the Option will be automatically exchanged.

6.5 Terms of exchanged Options

Where an Option is to be exchanged under rule 6.4, the exchange will take place as soon as practicable after the relevant event and the Participant will be granted a new option in exchange for the existing Option. The new option:

- (a) must confer a right to acquire shares in the Acquiring Company or another body corporate determined by the Acquiring Company;
- (b) must be equivalent in value to the existing Option;
- (c) will be treated as having been granted on the same Grant Date and will become exercisable in the same manner and at the same time as the Option it replaces;
- (d) may, at the discretion of the Compensation Committee, be subject to a Performance Condition that will be, so far as possible, equivalent to any Performance Condition applying to the Option it replaces;

- (e) unless the Compensation Committee decides otherwise, must be subject to Malus and, where relevant, Clawback, which are, so far as possible, equivalent to any Malus and, where relevant, Clawback applicable to the Option; and
- (f) will be governed by the Plan as if references to Shares were references to the shares over which the new Option is granted and references to the Company were references to the Acquiring Company or the body corporate determined under this rule.

6.6 Demergers

If the Company is affected by a demerger (in whatever form) or a special dividend or distribution, the Compensation Committee may:

- (a) decide that Options will become exercisable, in which case rules 6.2 and 6.3 will apply as if the Options had become exercisable under rule 6.1; or
- (b) adjust the number, class or identity of Shares comprised in all existing Options.

6.7 Variations of capital

If the Company carries out:

- (a) a rights issue; or
- (b) a variation in the equity share capital of the Company, including a capitalisation or sub-division, consolidation or reduction of share capital;

the Compensation Committee may adjust the number, class or identity of Shares comprised in an Option and/or the exercise price accordingly.

6.8 Malus and Clawback

Where an Option is granted subject to Malus and Clawback and if this rule 6 (Transactions affecting the Company) applies to an Option, the Compensation Committee may determine that the Malus and Clawback provisions will no longer apply to an Option or will be varied in its application to the Option.

In relation to any cash or Shares acquired pursuant to an Option prior to the relevant event, the Compensation Committee may determine that the Malus and Clawback provisions will no longer apply to the Option or will be varied in its application to the Option.

7 CHANGING THE PLAN

7.1 Compensation Committee's right to change the Plan or Options

Except as described in the rest of this rule, the Compensation Committee may at any time:

- (a) change the Plan or the terms of any Option (but not the Performance Condition applicable to an Option) in any way; or

- (b) amend the Performance Condition that applies to an Option if it considers that, as a result of an event or a change in circumstances, the amendment would ensure a fairer measure of performance while being materially no less difficult to satisfy than the original Performance Condition.

7.2 Limitations on the right to make changes

The Company must approve by ordinary resolution in general meeting any proposed change to the Plan or any Option to the advantage of present or future Participants that relates to the following:

- (a) the persons to or for whom Shares may be provided under the Plan;
- (b) the limits on the number of Shares that may be issued under the Plan;
- (c) the individual limit for each Participant under the Plan;
- (d) the basis for determining a Participant's entitlement to, and the terms of, Shares provided under the Plan;
- (e) the rights of a Participant in the event of a capitalisation issue, rights issue or open offer, sub-division or consolidation of shares or reduction of capital or any other variation of capital of the Company; or
- (f) the terms of this rule 7.2.

7.3 Compensation Committee's right to make minor changes

The Compensation Committee can make minor changes to the Plan or any Option without the approval of the Company in general meeting to:

- (a) benefit the administration of the Plan;
- (b) comply with or take account of the provisions of any proposed or existing legislation;
- (c) take account of any changes to legislation; or
- (d) obtain or maintain favourable tax, exchange control or regulatory treatment of any Member of the Group or any present or future Participant.

8 GENERAL

8.1 Company limits

The Company must not grant an Option if the number of Shares committed to be issued under that Option exceeds:

- (a) 10 per cent of the ordinary share capital of the Company in issue immediately before that day, when added to the number of Shares which have been issued or committed to be issued to satisfy Options, or options or awards under any other employee share plan operated by the Company, granted in the previous 10 years; or

- (b) 5 per cent of the ordinary share capital of the Company in issue immediately before that day, when added to the number of Shares that have been issued or committed to be issued to satisfy Options, or options or awards under any other discretionary employee share plan adopted by the Company, granted in the previous 10 years.

Shares that have been or may be transferred out of treasury to satisfy Options or options or awards under any other employee share plan adopted by the Company will be treated as Shares issued or committed to be issued for the purposes of this rule 8.1 but these limits do not include Shares subject to Options or options or awards that have lapsed or been surrendered.

8.2 Serving notice on a Participant

Any notice or other document which has to be given to a person who is or, is eligible to be, a Participant under or in connection with the Plan may be:

- (a) delivered or sent by post to the Participant's home address according to the records of the employing company; or
- (b) sent by e-mail to any e-mail address that according to the records of the employing company is used by the Participant;

or, in either case, any other address that the Compensation Committee considers appropriate or communicated by any other electronic means that the Compensation Committee approves.

8.3 Serving notice on the Company

Any notice or other document that has to be given to the Company or other duly appointed agent under or in connection with the Plan may be delivered or sent by post to the registered office of the Company (or any other place that the Compensation Committee or duly appointed agent may from time to time decide and notify to Participants) or sent by e-mail to any e-mail address or by other electronic means notified to the Participant.

8.4 Timing of delivery of notices

Notices sent by post will be deemed to have been given on the second day after the date of posting. However, notices sent by or to a Participant who is working overseas will be deemed to have been given on the seventh day after the date of posting. Notices sent by e-mail, in the absence of evidence to the contrary, will be deemed to have been received on the day after sending.

8.5 The effect of Compensation Committee decisions

The decision of the Compensation Committee on the interpretation of the Plan or in any dispute relating to an Option or matter relating to the Plan will be final and conclusive.

8.6 The costs of the Plan

The Company will pay the costs of introducing and administering the Plan. The Company may require a Participant's employer to bear the costs in respect of an Option granted to that Participant.

8.7 Administering the Plan

The Compensation Committee has the power, from time to time, to make or vary regulations for the administration and operation of the Plan.

8.8 Relationship between the Plan and employment

This rule governs the relationship between the Plan and a Participant's employment.

- (a) For the purposes of this rule, "Employee" means any employee (including an executive director) of a Member of the Group.
- (b) This rule applies during an Employee's employment and after the termination of an Employee's employment, whether or not the termination is lawful.
- (c) The rules and the operation of the Plan do not form part of the contract of employment of an Employee. The rights and obligations arising from the employment relationship between the Employee and any Member of the Group are separate from, and are not affected by, the Plan. Participation in the Plan does not create any right to, or expectation of, continued employment.
- (d) An Employee does not have a right to participate in the Plan. Participation in the Plan or the grant of Options on a particular basis in any year does not create any right to or expectation of participation in the Plan or the grant of Options on the same basis, or at all, in any future year. Benefits received under the Plan are not pensionable.
- (e) The terms and operation of the Plan do not entitle Employees to the exercise of any discretion in their favour.
- (f) An Employee will not have a claim or right of action in respect of any decision, omission or exercise of discretion relating to the Plan or an Option that may operate to the disadvantage of the Employee even if it is unreasonable, irrational or might otherwise be regarded as being in breach of the duty of trust and confidence (and/or any other implied duty) between the Employee and the employer.
- (g) An Employee will not have any right to compensation for any loss in relation to the Plan, including any loss in relation to:
 - (i) any loss or reduction of rights or expectations under the Plan in any circumstances (including lawful or unlawful termination of employment);
 - (ii) any exercise of a discretion or a decision taken in relation to an Option or to the Plan, or any failure to exercise a discretion or take a decision; or
 - (iii) the operation, suspension, termination or amendment of the Plan.

- (h) Participation in the Plan is permitted only on the basis that the Participant accepts all the provisions of the rules, including this rule. By participating in the Plan, an Employee waives all rights under the Plan, other than the right to acquire Shares (or cash under rule 3.8) subject to and in accordance with the express terms of the Plan and any Performance Condition, in consideration for, and as a condition of, the grant of an Option.

8.9 Personal data

By participating in the Plan, the Participant consents to the holding and processing of personal data provided by the Participant to any Member of the Group, Trustee or third party service provider, for all purposes relating to the operation of the Plan. These include, but are not limited to:

- (a) administering and maintaining Participant records;
- (b) providing information to Members of the Group, Trustees, registrars, brokers or third party administrators of the Plan;
- (c) providing information to future purchasers of the Company or the business in which the Participant works; and
- (d) transferring information about the Participant to a country or territory outside the European Economic Area that may not provide the same statutory protection for the information as the Participant's home country.

8.10 Consents

All allotments, issues and transfers of Shares will be subject to any necessary consents under any relevant legislation or regulations for the time being in force in Jersey, the United Kingdom, the United States of America or elsewhere. The Participant will be responsible for complying with any requirements they need to fulfil in order to obtain or avoid the need for that consent.

8.11 Shares subject to the articles of association

Any Shares acquired under the Plan are subject to the articles of association of the Company from time to time in force.

8.12 Application for listing on the London Stock Exchange

If and so long as the ordinary shares of the Company are listed on the Official List and traded on the London Stock Exchange, the Company will apply for listing of any ordinary shares issued under the Plan as soon as practicable.

8.13 Application for listing on the New York Stock Exchange

If and so long as the ADSs of the Company are listed and traded on the New York Stock Exchange, the Company will apply for any necessary listing of any ADSs created for the purpose of satisfying Options as soon as practicable.

8.14 **Governing law**

The laws of England and Wales govern the Plan and all Options and their construction. The courts of England and Wales have exclusive jurisdiction in respect of disputes arising under or in connection with the Plan or any Option.

APPENDIX 1

Australia

The Plan will apply to Options granted to residents in Australia with the following modifications:

Under rule 1.2, the grant of an Option over Shares to which this appendix applies will include a term that it cannot be exercised at a time when Shares of the same class as the Shares subject to the Option are listed in the London Stock Exchange Daily Official List unless Shares could be sold in the market at that time for a price that is equal to at least 110% of the exercise price as determined in accordance with rule 1.5.

Under rule 1.2, the grant of an Option over Shares to which this appendix applies will include a term that it cannot be exercised at a time when Shares of the same class as the Shares subject to the Option are not listed in the London Stock Exchange Daily Official List unless at the time of exercise the market value (within the meaning of Part VIII of the Taxation of Chargeable Gains Act 1992) of a Share at that time is equal to at least 110% of the exercise price determined in accordance with rule 1.5.

Under rule 1.2, the grant of an Option over ADSs to which this appendix applies will include a term that it cannot be exercised at a time when WPP ADSs are quoted on the New York Stock Exchange unless the price for which WPP ADSs could be sold in the market at that time is equal to at least 110% of the exercise price determined in accordance with Rule 1.5.

In Rule 3.1, delete clause (a) in its entirety and replace with:

"(a) after the date immediately preceding the seventh anniversary of the Grant Date;"

APPENDIX 2

Belgium

The Plan will apply to Options granted to residents of Belgium with the following modifications:

Rule 1.14 of the Plan shall be replaced with the following paragraph: Participants will be notified of the grant of Options. An Option may be declined by a Participant within 60 days after the Grant Date by notice in writing to any person nominated by the Compensation Committee. If this happens, the Option will be treated as if it had never been granted under the Plan. A Participant is not required to make any payment to decline an Option. If a Participant wants to be taxed upon grant of an Option, the Participant should accept the grant of the Option in writing within 60 days after the Grant Date. If a Participant wants to be taxed upon exercise of an Option and does not want to decline the Option, the Participant should not take any action.

Rule 3.2 (b) be amended to read: (b) any tax arising on exercise or grant (see Rules 3.9 and 3.10)

Rule 3.8 will not apply to Belgian participants.

In Rule 3.9 the words "or grant" will be added before "of an Option".

APPENDIX 3

People's Republic of China ("PRC")

The Plan will apply to Options granted to the holders of PRC identity cards in the PRC with the following modification:

Rule 3.1(c) shall be amended to read "during the period of six months after the date of death of the Participant as set out in rule 4.4; or"

APPENDIX 4

Denmark

The Plan will apply to options granted to residents of Denmark with the following modification:

Where the provisions of rule 4.1, 4.3 and 4.6 conflict with Danish law, Danish law will prevail and the terms of these rules will be taken to be amended accordingly but only in respect of Options granted to employees in Denmark.

APPENDIX 5

France

The Plan will apply to Options granted to residents of France subject to the following modifications:

Eligible Employees can be either the employees, the Chairman of the Board (Président du Conseil), the Managing Directors (Directeurs Généraux) or Managers (Gérants) as defined in Section L 225-185 of the French Commercial Code, of a French company satisfying the conditions mentioned in Section L 225-180 of the same Code.

Notwithstanding any other provision of the Plan, an Option cannot be granted to any Eligible Employee who owns more than 10% of the ordinary share capital of the Company then in issue.

In the case of an Option over Shares, the exercise price determined under rule 1.5 must be at least equal to 80% of the arithmetical average of the middle market quotations of a Share (as derived from the London Stock Exchange Daily Official List) on the 20 Business Days last preceding the Grant Date, rounded to the nearest whole penny.

In the case of an Option over ADSs, the price at which ADSs may be acquired by the exercise of an Option shall be at least equal to 80% of the fair market value of an ADS as quoted on the New York Stock Exchange on the 20 Business Days last preceding the Grant Date.

Notwithstanding rule 6.7 of the Plan, the price at which Shares may be acquired by the exercise of the Option shall be adjusted only upon the occurrence of the events specified under Section L 225-181 of the French Commercial Code.

Notwithstanding rule 4.6 of the Plan, on the death of a Participant at a time when the Option in question has not lapsed, the Option may not be exercised later than six months after the date of his death.

Notwithstanding what is set out under Exercise date of the Glossary (but subject to Rules 4.3, 4.4 and 6.1 (a), an Option granted under the Plan may not be exercised before the day after the third anniversary of the Grant Date.

A Director within the meaning of Section L225-185 of the French Commercial Code shall be required to retain (either registered in his own name or deposited with a nominee on his behalf) a proportion of the Shares received as a result of exercising an Option as determined by the Compensation Committee, until he ceases his role as a Director. If no other proportion is determined when the relevant Option is granted, the proportion required to be retained will be 10%.

Notwithstanding any other provision of the Plan, an Option granted more than 76 months after the Plan was last approved by shareholders as required by Rule 9.4.1 of the Listing Rules of the UK Listing Authority cannot be satisfied by any means involving the issue of new Shares or the transfer of Treasury Shares.

A director of the Company cannot be granted an Option.

APPENDIX 6

Hong Kong

The Plan will apply to Options granted to residents of Hong Kong with the addition of the following rules:

Any Shares acquired by a Participant under the Plan cannot be traded within Hong Kong within 6 months of the date of exercise of the relevant Option and, by receiving those Shares, each Participant shall be taken to have agreed to observe this restriction.

Notwithstanding any other provision of the Plan, the grant of Options under and the operation of the Plan does not constitute an offer or invitation to the public within the meaning of the Companies Ordinance or the Securities and Futures Ordinance.

APPENDIX 7

Ireland

The Plan will apply to Options granted to residents of the Republic of Ireland with the following modification:

In Rule 3.1(a), delete “tenth” and substitute “seventh” and delete “or any earlier date determined by the Compensation Committee at the time the Option is granted”.

APPENDIX 8

Russia

The Plan will apply to Options granted to residents in Russia with the following modification:

For the purposes of the securities laws of Russia, all transactions carried out and contracts entered into in connection with the Plan and any Shares acquired by Participants will be carried out or entered into outside Russia.

APPENDIX 9

UK tax-advantaged Options

Options granted under this appendix (which will be referred to as “**CSOP Options**” in this

appendix) will be UK tax-advantaged options under a "Schedule 4 CSOP scheme" for the purposes of Schedule 4 to the Income Tax (Earnings and Pensions) Act 2003. In the event of any conflict between the Plan and the provisions of this appendix 9 ("**Appendix 9**"), the latter will prevail. The terms of Appendix 9 will be identical to those of the other parts of the Plan (excluding all appendices other than Appendix 9), except as follows:

1 Purpose

- (a) The purpose of Appendix 9 is to provide CSOP Options for Eligible Employees in accordance with Schedule 4 and not otherwise.
- (b) Any provision of the Plan will not be effective with respect to a CSOP Option if the effect of that provision would be to prevent that CSOP Option from meeting the requirements of Schedule 4, including rules 3.8 (cash settlement of options and cash awards), 5.1 (overpayment of performance remuneration), 6.1(b) (early exercise on a "squeeze-out"), 6.1(c) (early exercise on a scheme of arrangement), 6.4 (exchanging Options rather than early exercise) and 6.5 (terms of exchanged Options).

2 Glossary

In the glossary before rule 1:

- (a) a new definition will be added, worded as follows:

"Schedule 4" means Schedule 4 to the Income Tax (Earnings and Pensions) Act 2003;
- (b) the definition of "Eligible Employee" will be:

"a person who is not prohibited from participating in the Plan by virtue of paragraph 9 of Schedule 4 (material interest) and is:

 - (a) in respect of a CSOP Option that is an Executive Option, a full-time executive director or an employee (without being a director) of the Company or a Subsidiary; and
 - (b) in respect of any other CSOP Option, an employee whose working time for one or more of the Company and its Subsidiaries equals or exceeds a period determined by the Compensation Committee at the relevant Grant Date;"
- (c) at the end of the definition of "Market Value" will be added:

"If Shares are not quoted on the Official List, before the Grant Date the value of a Share must be agreed with Shares and Assets Valuation at HM Revenue & Customs";
- (d) the definition of "Shares" will be:

"fully paid ordinary shares (including treasury shares) in the capital of the Company which satisfy the requirements of paragraphs 16-18 and 20 of Schedule 4"; and

(e) the definition of "Subsidiary" will be:

"a company that is a subsidiary of the Company within the meaning of Articles 2 and 2A of the Companies (Jersey) Law 1991 and is under the control of the Company within the meaning of Section 719 of the Income Tax (Earnings and Pensions) Act 2003".

3 No CSOP Options over ADSs

CSOP Options may only be granted over Shares, and not over ADSs, and therefore references to ADSs or Options over ADSs will not apply to a CSOP Option.

4 Personal limit

Add the following to the end of rule 1.7:

"provided that a Participant cannot be granted CSOP Options which would, at the time they are granted cause the aggregate market value (determined as at the date of each relevant grant) of the Shares which that Participant may acquire from unexercised CSOP Options granted to that Participant and any other Schedule 4 CSOP scheme established by the Company or by any associated company of the Company to exceed or further exceed £30,000 (or any other limit that may be prescribed by paragraph 6 of Schedule 4)".

5 Grant requirements

To rule 1.13 (terms to be specified in grant documents) will be added:

- "(f) the description of the Shares;
- (g) any restrictions to which the Shares may be subject;
- (h) the times at which the CSOP Option may be exercised (in whole or in part);
- (i) any Performance Condition (which must be determined on or before the Grant Date) applicable to the CSOP Option; and
- (j) the circumstances under which the CSOP Option will lapse or be cancelled (in whole or in part) including any conditions to which the exercise of the CSOP Option is subject (in whole or in part),

and these terms, together with any mechanism for the variation of the terms of CSOP Options under rules 7.1 or 7.3, must be notified to the Participant as soon as practicable after the Grant Date."

6 Transferability of CSOP Options

Rule 2.1 be amended to read:

“CSOP Options are not capable of being transferred, but the personal representatives of a Participant who has died may exercise a CSOP Option under rule 3.1(c).”

7 Death of a Participant

To the start of rule 3.1(a), add the words “Subject to rule 3.1(c)”.

Add the following to the start of rule 3.1(c): "at any time" and the following at the end of rule 3.1(c): "even if that period ends after the tenth anniversary of the Grant Date or after any period for exercise that would otherwise be allowed under the Plan, except in the case of exercise under rule 6.1(d) (early exercise on winding up)".

In rule 4.4, the words “Unless the Compensation Committee decides otherwise” and rule 4.4(b) will be deleted.

8 Timing of exercise

Add the following to the end of rule 3.1:

"A Participant cannot exercise a CSOP Option at any time when ineligible to participate in the Plan by virtue of paragraph 9 of Schedule 4 (material interest)".

9 Responsibility for tax

Rule 3.9 will not apply to employer’s National Insurance contributions relating to CSOP Options and, in respect of any non-UK taxation of a Participant relating to a CSOP Option, will only be operated in such a way as to ensure that it does not cease to be a CSOP Option.

10 Methods of paying tax

Rule 3.10 will be worded as follows:

"If any Member of the Group or any Trustee has to pay or account for any item referred to in rule 3.9, the relevant Participant must be offered the opportunity to pay or repay that amount on demand. Instead, or in addition, the Participant can authorise the Member of the Group or Trustee to do any one or more of the following:

- (a) sell sufficient of the Shares subject to the CSOP Option on behalf of the Participant and retain the proceeds or pay them to any tax authority; and/or
- (b) deduct the amount from any amount to which the Participant is entitled under the Participant’s employment contract or otherwise."

11 Good leavers

In Rule 4.3 the words "unless the Compensation Committee decides otherwise," and the last sentence are deleted.

12 Early exercise on company events

Rule 6.1 will read as follows:

“Subject to rules 6.2 to 6.4, CSOP Options will become exercisable under this rule 6 if:

- (a) a person (or a group of persons acting in concert) obtains Control of the Company as a result of making a general offer to acquire:
 - (i) the whole of the issued ordinary share capital of the Company (ignoring any already held by the person or group of persons making the offer) which is made on condition such that, if it met, the person making the offer will have Control of the Company; or
 - (ii) all the shares of the Company which are of the same class as the Shares (ignoring any Shares already held by the person or group of persons making the offer)

and for these purposes, it does not matter whether the general offer is made to different share owners by different means; or

- (b) a person becomes bound or entitled to acquire Shares under Part 18 of the Companies (Jersey) Law 1991 (“squeeze-out”); or
- (c) the court sanctions a scheme of arrangement under Part 18A of the Companies (Jersey) Law 1991 being a compromise or arrangement applicable to or affecting:
 - (i) all the ordinary share capital of the Company or all shares of the same class as the Shares; or
 - (ii) all the Shares, or all the shares of that same class, which are held by a class of share owners identified other than by reference to their employment or directorships or their participation in a Schedule 4 CSOP Scheme; or
- (d) a non-UK company reorganisation arrangement (as defined from time to time in paragraph 35ZA of Schedule 4) applicable to or affecting:
 - (i) all the ordinary share capital of the Company or all shares of the same class to which a CSOP Option relates; or
 - (ii) all the shares, or all the shares of that same class, which are held by a class of shareholders identified otherwise than by their employments or directorships or their participation in a Schedule 4 CSOP Scheme;

becomes binding on the shareholders covered by it.

13 Shares ceasing to qualify

If in consequence of a transaction affecting the Company specified in rule 6.1 (change of Control etc.), the Shares subject to outstanding CSOP Options cease to satisfy the requirements of Schedule 4, those CSOP Options may, if the Compensation Committee so determines, instead be exercised within 20 days of the relevant transaction as if those requirements were still satisfied and the CSOP Options will be treated as having been exercised in accordance with the relevant requirements of paragraph 25A of Schedule 4

(company events). If the Compensation Committee exercises this power, any unexercised CSOP Options will lapse at the end of this period.

14 Exchange of CSOP Options

Rules 6.4 and 6.5 (exchanging Options rather than early exercise on a transaction affecting the Company) will be read and interpreted, and if necessary amended, in such a way that the requirements of Part 6 of Schedule 4 are complied with (company over whose shares the replacement options are granted and equivalence of original and replacement options).

15 Demerger

Rule 6.6 will be worded as follows:

"If the Company is affected by a demerger (in whatever form) or a special dividend or distribution, which in the opinion of the Compensation Committee would affect the current or future value of any CSOP Options, the Compensation Committee may decide that CSOP Options will become exercisable, in which case rules 6.2 and 6.3 will apply as if the CSOP Options had become exercisable under rule 6.1."

16 Adjustment of CSOP Options

At the end of rule 6.7 (adjustment of Options on a variation in capital) the words "provided that any adjustment must:

- (i) ensure that both the aggregate market value of the Shares subject to the CSOP Option and the total exercise price for that CSOP Option are substantially the same after the adjustment as they were immediately before the adjustment; and
- (ii) not result in the requirements of Schedule 4 ceasing to be satisfied"

will be added.

In rule 6.7(b) the word "class" is deleted.

17 Variation of terms of CSOP Option

A new rule 7.4 will be added, worded as follows:

"7.4 The terms of a CSOP Option may only be varied:

- (a) in the case of exercise price, only under rule 6.7;
- (b) in the case of the number or description of Shares, only under rule 6.7 or by way of a mechanism stated at the Grant Date; and
- (c) in the case of any other term, by way of a mechanism stated at the Grant Date;

and any mechanism used for (b) or (c) must be applied in a way that is fair and reasonable"

18 Amendments

A new rule 7.5 will be added, worded as follows:

"7.5 Appendix 9 may not be amended if the amendment would cause Appendix 9 to cease to be a "Schedule 4 CSOP scheme" within the meaning of paragraph 1(A1) of Schedule 4 and in respect of any amendment to a key feature of Appendix 9 (being a provision that is necessary in order to meet the requirements of Schedule 4) the Company will make a declaration to HM Revenue & Customs in the next annual return relating to Appendix 9 that the alteration has not caused Appendix 9 to cease to meet the requirements of Schedule 4."

APPENDIX 10

USA

Special Rules Applicable to Grants of Incentive Stock Options

Options granted in accordance with the Plan may be designated as "Incentive Stock Options" ("ISOs") within the meaning of section 422 of the United States Internal Revenue Code of 1986, as amended (the "US Tax Code").

The aggregate number of Shares (including Shares comprised in any WPP ADS) over which ISOs may be granted under this appendix will not exceed .

Eligible Employees who may receive ISOs will, in addition to the limitations imposed by rule 1.3 of the Plan, be limited to employees of the Company or its "parent" or "subsidiary" corporations within the meaning of sections 424(f) and (g), respectively, of the US Tax Code.

In addition to any other restrictions contained in the Plan, ISOs will not be transferable otherwise than by will or the laws of descent and distribution. During the lifetime of the Participant to whom an ISO is granted, the ISO will be exercisable only by that Participant.

To the extent that the aggregate market value of Shares (including Shares comprised in any WPP ADS) with respect to which ISOs are exercisable (determined without regard to this sentence) for the first time by a Participant during any calendar year (under all plans or schemes of the Company or its "parent" and "subsidiary" corporations within the meaning of sections 424(f) and (g), respectively, of the US Tax Code) exceeds US \$100,000, those Options will to the extent of the excess be treated as Options which are not ISOs. For this purpose, the market value of any Shares (including Shares comprised in any ADS) subject to an ISO will be determined at the time that ISO is granted.

This appendix will be deemed to be included within the Plan as adopted by shareholders for the purpose of any ISO grants.

Taxpayers Subject to Section 409A of the United States Internal Revenue Code

The Plan will apply to participants who are taxpayers subject to Section 409A of the United States Internal Revenue Code ("Section 409A"), with the following modifications:

Options granted under the Plan are intended to be exempt from the requirements of Section 409A by satisfying the requirements of the exemption under Section 1.409A-1(b)(5)(i)(A) of the United States Treasury Regulations or other applicable guidance (the "Exemption"). The Plan will be construed and interpreted in accordance with that intent. Any discretion afforded to any

person or entity under the Plan the existence of which itself would cause an Option to fail to satisfy the requirements of the Exemption will not apply.

At the end of paragraph (b) of the definition of "Market Value" after the words "Grant Date", add the words "provided that the price will not be less than fair market value determined in accordance with Section 409A."

Add the following paragraph to the end of Rule 6.7:

"Notwithstanding the foregoing, only adjustments permitted by Section 409A will be permitted to be made under this Rule 6.7, including pro rata adjustments necessary to reflect a stock split, reverse stock split, and stock dividend."



RULES

OF

THE WPP plc STOCK PLAN 2018

Committee Adoption:	12 June 2018
Committee Amendments:	5 December 2019
	21 July 2022
	9 March 2023
Expiry Date:	12 June 2028

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The WPP plc Stock Plan 2018

This Plan is not approved by shareholders. No new issue Shares or treasury Shares will be used in this plan. Directors of the Company may only be made Awards which do not require shareholder consent under the Listing Rules of the London Stock Exchange. Awards may be either stand alone or may relate to bonus deferral arrangements and buyouts.

1. Meaning of words used

1.1 In these rules:

“**Acquiring Company**” means a person who obtains Control of the Company;

“**ADR**” means an American Depository Receipt arrangement sponsored by the Company;

“**Award**” means a Conditional Award or, where relevant, a Phantom Award;

“**Award Certificate**” means a certificate issued to a Participant pursuant to rule 2.7 (Issue of Award Certificate);

“**Board**” means the board of directors of the Company or, as appropriate, a duly authorised committee of it;

“**Bonus**” means a discretionary bonus payable to an Employee by a Member of the Group under a Bonus Plan for a particular Financial Year;

“**Bonus Plan**” means any discretionary cash bonus arrangement or plan operated by a Member of the Group from time to time;

“**Business Day**” means a day on which the London Stock Exchange is open for the transaction of business;

“**Committee**” means the Compensation Committee of the Board or such other committee comprising a majority of non-executive directors of the Company to which the Board delegates responsibility for overseeing the operation of the Plan;

“**Companies Law**” means the Companies (Jersey) Law 1991;

“**Company**” means WPP plc;

“**Conditional Award**” means a conditional right to acquire Shares granted under the Plan;

“**Control**” means the power of a person to secure by means of the holding of shares or the possession of voting power or by virtue of any powers conferred by any articles of association or other document, that the affairs of a body corporate are conducted in accordance with the wishes of that person;

“**Dealing Restrictions**” means any applicable restriction or restrictions on dealings or transactions in securities imposed by:

- (i) any rules, statutory requirements, orders, legal or regulatory code, provision or rule or other requirement or guidance; and/or
 - (ii) any code adopted or established by the Company in addition or replacement to (i) above,
- in each case in force, and as amended or replaced, from time to time;

“Dividend Equivalents” means an amount (in cash and/or additional Shares) equal in value to any dividends that would have been paid on those Shares by reference to dividend record dates falling between the Grant Date and the date on which the Award Vests, as described in rule 7 (Dividend Equivalents);

“Employee” means any employee of any Member of the Group;

“Financial Year” means a financial year of the Company;

“Grant Date” means the date on which an Award is granted;

“Holding Period” means a period following the Vesting of an Award or such other period as the Committee determines, during which rule 10.2 (Nature of Holding Period) will apply to the Award and/or the Shares acquired on Vesting of the Award;

“ITEPA” means the UK Income Tax (Earnings and Pensions) Act 2003;

“London Stock Exchange” means London Stock Exchange plc or its successor;

“Malus and Clawback” means the malus and clawback provisions (if any) as set out in an Award Certificate and/or in the WPP plc Group Malus and Clawback Policy (as amended from time to time) and “Malus” and “Clawback” will have the meanings given in the Award Certificate and/or the WPP plc Group Malus and Clawback Policy as the case may be;

“Market Value” means, on any date when Shares are listed on the London Stock Exchange:

- (i) the mid-market closing price of a Share on the London Stock Exchange for the preceding Business Day; or
- (ii) if the Committee so determines, the average of the mid-market closing prices of a Share on the London Stock Exchange for such number of preceding Business Days as the Committee determines,

or, on any date where the Shares are not so listed, the market value of a Share as determined by the Committee;

“Member of the Group” means the Company and its Subsidiaries from time to time, and **“Group”** will be construed accordingly;

“New Award” means an award which satisfies the requirements of rule 13.2 (Requirements for a New Award);

“Participant” means a person holding or who has held an Award or, where applicable, their personal representatives;

“Performance Condition” means any condition imposed under rule 4.1 (Application of Performance Conditions) that is linked to the performance of the Company and/or any Member of the Group, a division and/or the Participant;

“Performance Period” means the period over which any Performance Conditions are to be satisfied;

“Phantom Award” means a conditional right granted under the Plan to receive a cash sum in the future that is linked to the value of a given number of notional Shares;

“Plan” means the plan constituted by these rules and known as The WPP plc Stock Plan 2018, as changed or amended from time to time;

“Policy” means the Company’s Directors’ Compensation Policy as approved by share owners at that time;

“Restrictive Covenants” means the terms set out in Schedule 3 (Restrictive Covenants) to this Plan;

“Share” means a fully paid ordinary share in the capital of the Company and includes ADRs;

“Subsidiary” means a body corporate which is a subsidiary of the Company within the meaning of Articles 2 and 2A of the Companies Law;

“Taxation” means any tax and social security charges (and/or any similar charges), wherever arising, in respect of a Participant’s Award or otherwise arising in connection with their participation in the Plan;

“Tax Election” means an election for a particular tax and/or social security treatment in respect of an Award or the Shares acquired pursuant to it (which may include a joint election under Chapter 2 of Part 7 of ITEPA or an overseas equivalent);

“UK” means the United Kingdom;

“UK Listing Authority” means the United Kingdom Listing Authority, a division of the Financial Services Authority;

“Vesting” means in relation to a Conditional Award, a Participant becoming entitled to have the Shares underlying their Award delivered to them;

and **“Vest”** and **“Vested”** will be construed accordingly; and

“Vesting Date” means the date specified in the Award Certificate as being the date that the Award is expected to Vest.

1.2 Interpretation

In this Plan, the singular includes the plural and vice versa and words imparting a gender include every gender. References to any enactment or statutory requirement will be construed as references to that enactment or requirement as from time to time amended, modified or re-enacted and include any subordinate legislation made under it.

2. Granting Awards

2.1 Eligibility

An individual is only eligible to be granted an Award if they are an Employee at the Grant Date.

2.2 Operation

The Committee has absolute discretion to decide whether the Plan will be operated and those Employees to whom Awards will be made on any occasion. The Committee has absolute discretion to make Awards under this Plan that are linked to the mandatory deferral of a Bonus and to make Awards that have no link to a Bonus.

2.3 Mandatory deferral of Bonus

In respect of any Financial Year, the extent to which a Bonus will be mandatorily deferred (if at all) through the grant of an Award under this Plan, will be:

- 2.3.1 to the extent an Employee is required by the Policy to defer their Bonus, in accordance with the terms of the Policy; and
- 2.3.2 in all other cases, as determined by the Committee and communicated to the relevant Employee.

2.4 Grant of Awards

Awards will be granted by the Company executing a deed.

2.5 Timing of grant

Awards can only be granted within 42 days starting on any of the following:

- 2.5.1 the Business Day after the announcement of the Company's results through a Regulatory Information Service for any period;
- 2.5.2 the Business Day after any general meeting of the Company;
- 2.5.3 any day on which the Company decides that exceptional circumstances exist which justify the grant of Awards (such as in connection with a recruitment);
- 2.5.4 any day on which changes to the legislation or regulations affecting the Plan are announced, effected or made;
- 2.5.5 if the Award is granted in lieu of some or all of a bonus, the date on which the bonus is or would otherwise have been payable; or
- 2.5.6 the lifting of Dealing Restrictions which prevented the granting of Awards during any period specified above.

2.6 Administrative errors

If the Committee purports to grant an Award which is inconsistent with any of the provisions in this Plan, the Award will take effect only to the extent permissible under this Plan.

2.7 Issue of Award Certificate

As soon as practicable after an Award has been made, the Committee will issue or will procure the issue of an Award Certificate to each Participant. The Award Certificate may be sent by email or other electronic means.

2.8 Form of Award Certificate

An Award Certificate will be in a form approved by the Committee and may specify:

- 2.8.1 the Grant Date;
- 2.8.2 the form of Award;
- 2.8.3 the number of Shares or ADRs subject to the Award, or the basis on which the number of Shares or ADRs subject to the Award will be calculated;
- 2.8.4 if the Award is subject to any Performance Conditions:
 - (i) details of those Performance Conditions; and
 - (ii) the applicable Performance Period;
- 2.8.5 any other conditions applicable to the Award;
- 2.8.6 the Vesting Date;
- 2.8.7 if the Award will have Dividend Equivalents;

- 2.8.8 if Malus and Clawback applies to the Award and where the Malus and Clawback provision are set out;
- 2.8.9 if the Award is subject to the Restrictive Covenants;
- 2.8.10 details of any Holding Period that applies to the Award; and
- 2.8.11 where the Committee requires it, that the Participant will enter into a Tax Election.

2.9 Awards to directors

An Award that is to be granted to a director of the Company must not be a Long Term Incentive Scheme for the purposes of the Listing Rules of the UK Listing Authority.

2.10 Malus and Clawback

Where an Award is granted subject to Malus and Clawback, if there is any discrepancy between the Malus and Clawback provisions and the Plan, the Malus and Clawback provisions will prevail.

2.11 No payment

Participants are not required to pay for the grant of any Award.

2.12 Acceptance of Award

The Committee may require a Participant to accept their Award by delivering a duly completed acceptance notice in a form and manner (which may be electronic), and by such date as, determined by the Committee, and to the extent the Participant does not do so their Award will lapse.

2.13 Liability for Taxation

By participating in the Plan, a Participant agrees they are responsible for and will bear any liability for Taxation.

3. Phantom Awards

3.1 Grant of Phantom Awards

The Committee may from time to time choose to grant an Award as a Phantom Award.

A Phantom Award will not confer any right on the relevant Participant to receive Shares or any interest in Shares.

3.2 Application and interpretation of the Plan

Where an Award is granted as a Phantom Award, the provisions of this Plan will be interpreted and applied to reflect the fact that Phantom Awards are granted in respect of notional Shares only and are satisfied in cash only. References to Conditional Awards will include Phantom Awards where relevant.

3.3 Holding Period

If a Holding Period is to apply to a Phantom Award, the Committee will determine how the Holding Period will be operated and will communicate this to the Participant.

4. Performance Conditions and other conditions

4.1 Application of Performance Conditions

The Committee may determine that the Vesting of an Award will be conditional on the satisfaction of one or more Performance Conditions. Such determination may apply to Awards made to a particular Employee or category of Employees.

4.2 Application of other conditions

The Vesting of Awards may be subject to other conditions set by the Committee, which may be different for different Employees.

4.3 Requirements of Performance Conditions and other conditions

Any Performance Condition or other condition applicable to an Award must be objective and specified in the relevant Award Certificate.

4.4 Amendment or variation of Performance Conditions or other conditions

The Committee may amend or vary a Performance Condition or other condition applicable to an Award where an event occurs which causes the Committee to reasonably consider that the Performance Condition or other condition is no longer appropriate. Any amended or varied Performance Condition or other condition will not be materially less difficult to satisfy than the original Performance Condition or other condition was intended to be at the Grant Date.

Where a Performance Condition or other condition applicable to an Award is amended or varied in accordance with this rule the Award will then take effect subject to the Performance Condition or other condition as amended or varied.

The Committee will notify any affected Participant as soon as practicable after any determination made under this rule.

4.5 Overarching discretion of the Committee

Notwithstanding any other provision of this Plan, the Committee, acting reasonably and in good faith, may reduce (including to zero) the amount of an Award which would otherwise Vest if the formulaic outcome of any Performance Condition is, in the opinion of the Committee, not justified (including, but not limited to, on the basis of the wider underlying financial performance of the Group over the Performance Period). To the extent that an Award is reduced, the Awards will immediately lapse.

5. Individual limit for Executive Directors

An executive director of the Company may only participate in the Plan up to the limits set out in the Policy (including in relation to recruitment, if applicable). If the Committee purports to confer participation in the Plan on terms which are inconsistent with these limits, participation will be deemed to take place only to the extent permissible under this rule.

6. Other terms applicable to Awards

6.1 No transfer

A Participant may not transfer, assign, charge or otherwise dispose of an Award or any rights in respect of it. If they do, whether voluntarily or involuntarily, then it will immediately lapse. This rule does not apply to the transmission of an Award on the death of a Participant to their personal representatives.

6.2 Bankruptcy

A Participant's Award will lapse where the Participant becomes bankrupt or enters into a compromise with their creditors generally.

6.3 Estimates or indications of performance

If, prior to Vesting, there is or may be any interim estimate or indication of whether or to what extent a Performance Condition will be met, such interim estimate or indication will not create any right or expectation that limits:

6.3.1 the Committee's discretion to determine whether, and to what extent, a Performance Condition or other condition applicable to an Award is satisfied; and

6.3.2 the ability of the Committee to make any adjustments to an Award, or the extent to which an Award will Vest, in each case in accordance with the provisions of the Plan.

7. Dividend Equivalents

The Committee may decide at any time prior to the transfer of the Shares to which a Conditional Award relates that Participants will receive an amount (in cash and/or additional Shares) equal in value to any dividends that would have been paid on those Shares by reference to dividend record dates falling between the Grant Date and the date on which the Award Vests. This amount may assume the reinvestment of dividends (on such basis as the Committee may determine) and may exclude or include special dividends and any such amount will be payable as soon as practicable after Vesting of the relevant Award.

8. Vesting of Awards – general rules

8.1 Determination of the Committee

The Committee will, as soon as reasonably practicable after the end of the relevant Performance Period (or, where rules 11 (Leavers) or 12 (Company events) will apply prior to the end of the relevant Performance Period, at the relevant time pursuant to those rules), determine the extent to which any Performance Conditions and any other conditions applicable to an Award have been satisfied and, consequently, the extent to which that Award will Vest.

Insofar as the Committee determines that any Performance Conditions or such other conditions applicable to the Award are not satisfied and are no longer capable of being satisfied, either in whole or part, the Award will immediately lapse in whole or part (as appropriate).

8.2 Vesting – rounding down

If, due to the application of a Performance Condition or any term of the Award, an Award would otherwise Vest over a fraction of a Share, the number of Shares in respect of which the Award will Vest will be rounded down to the nearest whole number.

8.3 Timing of Vesting – general

Subject to rules 8.4 (Timing of Vesting – Dealing Restrictions), 8.5 (Timing of Vesting – investigation), 11 (Leavers) and 12 (Company events), an Award will Vest on the later of:

8.3.1 where relevant, the date the Committee determines the extent to which any Performance Conditions and any other conditions applicable to that Award have been satisfied pursuant to rule 8.1 (Determination of the Committee); and

8.3.2 the relevant Vesting Date.

8.4 Timing of Vesting – Dealing Restrictions

Where an Award would otherwise Vest at a time when Dealing Restrictions would prohibit:

8.4.1 the delivery, or procurement of the delivery, of Shares or cash (as appropriate) to the Participant; and/or

8.4.2 the Participant from selling Shares to discharge any liability for Taxation, where relevant, such Award will not Vest until all such Dealing Restrictions cease to apply.

8.5 Timing of Vesting – investigation

Notwithstanding any other provision of this Plan, if an investigation commences or is ongoing regarding whether Malus and/or Clawback should be invoked in respect of a Participant then, unless otherwise determined by the Committee, any unvested Awards held by that Participant will not Vest, if at all, until after such investigation has been concluded.

8.6 Consequences of lapse

Subject to rule 11.4, to the extent an Award lapses under the Plan, it may not Vest subsequently under any other provision of this Plan.

9. Satisfaction of Awards

9.1 Delivery – general

Subject to the other provisions of this rule, where an Award Vests, as soon as reasonably practicable after such Vesting, the Committee will arrange for:

9.1.1 in respect of a Conditional Award, the delivery to the Participant of the number of Shares in respect of which the Award has Vested; or

9.1.2 in respect of a Phantom Award, the delivery of a cash sum equal to the aggregate Market Value of such number of notional Shares in respect of which the Award has Vested.

9.2 Delivery – investigation

Notwithstanding any other provision of this Plan, if an investigation commences or is ongoing regarding whether Malus and/or Clawback should be invoked in respect of a Participant then, unless otherwise determined by the Committee, any Vested but as yet unsatisfied Awards held by that Participant will not be satisfied, if at all, until after such investigation has been concluded.

9.3 Delivery – nominee

Shares may be delivered to a nominee on behalf of the Participant.

9.4 Delivery – Dealing Restrictions

If the delivery, or the procurement of the delivery, of Shares or cash (as appropriate) would be prohibited by Dealing Restrictions, delivery will not occur until after such time as all such Dealing Restrictions cease to apply.

9.5 Source of Shares

Awards may be satisfied using Shares purchased in the market. No new Shares may be issued and no Shares may be transferred out of treasury for the purposes of the Plan.

9.6 Shareholder rights

Where Shares are transferred on the Vesting of a Conditional Award, the Participant will be entitled to all rights attaching to the Shares by reference to a record date on or after the transfer date.

9.7 Alternative ways to satisfy Awards

9.7.1 The Committee may decide to satisfy an Award by paying a cash amount equal to the aggregate Market Value of the Shares in respect of which the Award has Vested.

9.7.2 The Committee may decide to satisfy an Award (or part of it) by reducing the number of Shares to which the Participant would otherwise be entitled under the Plan, with the reduction instead being paid as an equivalent amount in cash.

9.8 Withholding

Any Member of the Group or the trustee of any employee benefit trust may withhold such amounts and make such arrangements as it considers necessary or desirable to meet any liability to pay or account for Taxation.

The arrangements referred to in this rule may include deductions from any cash payment owed to the Participant and/or the sale of Shares acquired on Vesting of the Participant's Award on behalf of the Participant and the retention of all or part of the sale proceeds to meet such liability.

10. Holding Period

10.1 Application of Holding Period

The Committee may determine that a Holding Period will apply to an Award. Such determination may apply to Awards made to a particular Employee or category of Employees.

10.2 Nature of Holding Period

During a Holding Period, an Award and the Shares subject to an Award and/or acquired by the Participant following Vesting of the Award, (or any interest in them) may not be transferred, assigned or otherwise disposed of by or on behalf of the Participant, save for:

10.2.1 a transfer to the Participant's personal representative in the event of their death;

10.2.2 a transfer to a nominee on behalf of the Participant;

10.2.3 a sale in accordance with rule 9.8 (Withholding) or, with the prior agreement of the Company, to fund any liability for Taxation;

10.2.4 a transfer in accordance with any relevant Malus and Clawback provisions, or

10.2.5 a transfer to an Acquiring Company in connection with a company event (provided for in rule 12 (Company events)).

and any such purported action will be invalid and ineffective.

10.3 Holding of Shares during the Holding Period

Where a Holding Period applies to the Shares acquired on the Vesting of an Award, the Committee will determine that the Shares will be held during the Holding Period either by:

- 10.3.1 the Participant, provided they agree not to transfer, assign or otherwise dispose of the Shares (or any interest in them) during the Holding Period; or
- 10.3.2 a nominee on behalf of the Participant, provided that the Participant is subject to a restriction on transfer, assignment or other disposal of such Shares (or any interest in them) during the Holding Period.

10.4 Expiry of the Holding Period

If the Shares are held by a nominee during the Holding Period, on or shortly following expiry of the Holding Period, the Shares will be capable of being transferred into the name of the Participant.

10.5 Proof of ownership

A Participant must provide such proof of continued ownership as the Committee may at any time request.

11. Leavers

11.1 Leavers – before Vesting

Subject to the remaining provisions of this rule, where a Participant ceases to be employed within the Group before their Award has Vested, their Award will lapse on the date they cease to be so employed.

11.2 Good leavers

If a Participant ceases to be employed within the Group, after at least 6 months from the Grant Date (unless the Committee determines otherwise), due to:

- 11.2.1 injury, ill health or disability (in each case, evidenced to the satisfaction of the Committee);
- 11.2.2 death;
- 11.2.3 retirement with the agreement of the Committee; or
- 11.2.4 any other reason, determined at the discretion of the Committee,

their Award will:

- 11.2.5 in the event of retirement (in accordance with rule 11.2.3):
 - (i) Vest on the original Vesting Date unless the Committee determines otherwise; and
 - (ii) only Vest to the extent prescribed in rule 11.3 (Good leavers – extent of Vesting).
- 11.2.6 in the event of death (in accordance with 11.2.2):
 - (i) Vest on the date of death, or a later date determined by the Committee; and
 - (ii) Vest in full, notwithstanding any Performance Conditions or other conditions applicable to the Award.
- 11.2.7 in the event of any of the other reasons set out in rule 11.2 (Good leavers):

- (i) for Participants who are executive directors of the Company, Vest on the original Vesting Date unless the Committee determines otherwise;
- (ii) for all other Participants, Vest on the date which is 30 days after the date on which they cease to be employed within the Group, or a later date determined by the Committee; and
- (iii) only Vest to the extent prescribed by rule 11.3 (Good leavers – extent of Vesting).

11.3 Good leavers – extent of Vesting

If this rule applies, an Award will Vest:

- 11.3.1 to the extent to which any Performance Condition is satisfied in accordance with its terms or, if it is not possible to measure the Performance Condition at that time because Vesting has been accelerated in accordance with rule 11.2 (Good leavers), in such manner as the Committee considers reasonable; and
- 11.3.2 to the extent that any other conditions applicable to the Award have been satisfied to the extent this is required by the Committee; and
- 11.3.3 unless the Committee determines otherwise, in full for awards arising from the deferral of bonus, and, for other awards, pro rata to the last completed calendar month, so that it reflects only the proportion of:
 - (i) the Vesting period (i.e. from the Grant Date to the original Vesting Date) which has elapsed before the Participant ceases to be employed within the Group; or
 - (ii) where the grant of an Award was preceded by a period during which performance targets were measured as a pre-cursor to the granting of an Award (a pre-grant performance period), the period from the start of the pre-grant performance period, prior to the Grant Date, to the original Vesting Date which has elapsed before the Participant ceases to be employed within the Group,

and to the extent the Participant's Award does not Vest, it will then lapse.

11.4 Leavers - re-employed

If a Participant ceases to be employed within the Group before their Award has Vested, but is re-employed by a Member of the Group within 30 days of the date of cessation of employment (or such other period as the Committee determines) the Committee may determine that a Participant's Award will be treated as if it had not lapsed under rule 11.1.

11.5 Leavers – Holding Period

Save where rule 11.2.2 (death) applies, where a Participant ceases to be employed within the Group, any Holding Period will continue to apply until its expiry in accordance with the provisions of the Plan and the terms of the Award, except that the Committee may determine that the Holding Period will no longer apply where a Participant ceases to be employed within the Group for one of the reasons set out in rule 11.2 (Good leavers).

11.6 Leavers – after Vesting

If a Participant ceases to be employed within the Group after their Award has Vested but before their Award has been satisfied, their Award will continue in accordance with the provisions of this Plan.

11.7 Meaning of “ceases to be employed within the Group”

For the purposes of this rule 11 (Leavers), unless the Committee determines otherwise, a Participant will not be treated as ceasing to be employed within the Group until they cease to hold any office or employment with any Member of the Group.

For the purposes of this rule, “Member of the Group” and “Group” includes any associated company nominated for this purpose by the Committee.

12. Company events

12.1 Company events – extent of Vesting

If this rule applies to an Award, it will Vest:

- 12.1.1 to the extent that any Performance Conditions have been satisfied as measured over the original Performance Period or such other period as the Committee may determine to be appropriate;
- 12.1.2 to the extent that any other conditions applicable to the Awards have been satisfied to the extent this is required by the Committee; and
- 12.1.3 pro rata to reflect the period from the Grant Date until the date of Vesting, as a proportion of the period from the Grant Date until the Vesting Date, unless the Committee decides otherwise,

and to the extent the Participant’s Award does not Vest, it will then lapse.

12.2 Takeovers

Where a person obtains Control of the Company as a result of making an offer to acquire Shares, an Award will Vest on the date the person obtains Control in accordance with rule 12.1 (Company events – extent of Vesting).

12.3 Bound or entitled

Where a person becomes bound or entitled to acquire shares in the Company under Part 18 of the Companies Law, Awards will Vest on the date the person becomes so bound or entitled in accordance with rule 12.1 (Company events – extent of Vesting).

12.4 Scheme of arrangement

When a court sanctions a compromise or arrangement under Article 125 of the Companies Law, Awards will Vest on the date of the court sanction in accordance with rule 12.1 (Company events – extent of Vesting).

12.5 Winding up

If notice is given of a resolution for the voluntary winding-up of the Company, Awards will Vest on the date the notice is given in accordance with rule 12.1 (Company events – extent of Vesting).

12.6 Persons acting in concert

For the purposes of this rule 12 (Company events) and rule 13 (Exchange of Awards), a person will be treated as obtaining Control of the Company if that person and others acting in concert together obtain Control of it.

12.7 Holding Period

Subject to rule 13 (Exchange of Awards), any Holding Period applicable to an Award or any Shares that have been or will be acquired following Vesting of an Award will no longer apply from the date that Awards Vest under any provision in this rule 12 (Company events), unless the Committee determines otherwise (in which case the Committee will determine the terms that will continue to apply).

12.8 Malus and Clawback

Where an Award is granted subject to Malus and Clawback and if this rule 12 (Company Events) applies to an Award, the Committee may determine that Malus and Clawback will no longer apply to an Award or will be varied in its application to the Award.

In relation to any cash or Shares acquired pursuant to an Award prior to the relevant event, the Committee may determine that Malus and Clawback will no longer apply to the Award or will be varied in its application to the Award.

12.9 Restrictive Covenants

Restrictive Covenants, applicable to an Award or Shares that have been or will be acquired following Vesting of an Award, will continue to apply following the date that Awards Vest under any provision in this rule 12 (Company events), unless the Committee determines otherwise.

12.10 Meaning of Committee

For the purposes of this rule 12 (Company events) and rule 13 (Exchange of Awards), "Committee" means those people who were members of the Compensation Committee or such other committee of the Board immediately before the relevant event.

13. Exchange of Awards

13.1 When Awards may be exchanged

Where an event as specified in rules 12.2 (Takeovers) 12.3 (Bound or entitled) or 12.4 (Scheme of arrangement) occurs and:

- 13.1.1 the Participant has agreed with the Acquiring Company that they will exchange their Award for a New Award; or
- 13.1.2 the Acquiring Company consents and substantially all the shareholders of the Company immediately before the relevant event has occurred will continue to have Control of the Company immediately thereafter,

that Award (or, in the case of rule 13.1.2, all Awards) will not Vest under rules 12.2 (Takeovers), 12.3 (Bound or entitled) or 12.4 (Scheme of arrangement), as appropriate, but will be exchanged for New Awards.

13.2 Requirements for a New Award

Where a Participant is granted a New Award in exchange for an existing Award, the New Award:

- 13.2.1 must confer a right relating to shares in the Acquiring Company or another body corporate determined by the Acquiring Company;
- 13.2.2 must be substantially equivalent to the Award;

- 13.2.3 is treated as having been acquired at the same time as the Award and Vests and lapses in the same manner and at the same time;
- 13.2.4 unless the Committee decides otherwise, must be subject to any Performance Conditions and any other conditions (including Malus and, where relevant, Restrictive Covenants, Clawback and a Holding Period), which are, so far as possible, equivalent to any Performance Conditions and other conditions applicable to the Award; and
- 13.2.5 is governed by the Plan as if references to Shares were references to the shares over or in respect of which the New Award is granted and references to the Company were references to the Acquiring Company or the body corporate determined under rule 13.2.1.

13.3 Shares subject to a Holding Period on exchange

Unless the Committee determines otherwise, where an Award has Vested but a Holding Period continues to apply, if Shares are exchanged for new shares in the Acquiring Company, for the purposes of this Plan the new shares shall be subject to terms equivalent to those applicable to the existing Shares, including in relation to the Holding Period, and the Participant shall enter into such documentation and/or arrangements as required by the Committee to bring this into effect.

14. Variations in share capital

14.1 Adjustments to Awards

If there is:

- 14.1.1 a variation in the equity share capital of the Company, including a capitalisation or rights issue, sub-division, consolidation or reduction of share capital;
- 14.1.2 a demerger (in whatever form) or exempt distribution by virtue of section 1075 of the UK Corporation Tax Act 2010;
- 14.1.3 a special dividend or distribution; or
- 14.1.4 any other transaction which will materially affect the value of Shares,

the Committee may adjust the number or class of Shares subject to an Award in such manner as the Committee may consider appropriate.

14.2 Notice to Participants

The Committee will notify Participants of any adjustment made under this rule.

15. Restrictive Covenants

An Award will be subject to Restrictive Covenants if specified in the Award Certificate.

16. General

16.1 Dealing Restrictions

The Company, the Committee, any Member of the Group, Employees and Participants will have regard to Dealing Restrictions when (in each case, as appropriate) operating, interpreting, administering, participating in and taking any and all such other action in relation to, or contemplated or envisaged by, the Plan.

16.2 Terms of employment

- 16.2.1 For the purposes of this rule, “**Employee**” means any employee (existing or former) of a Member of the Group (existing or former).
- 16.2.2 This rule applies during an Employee’s employment and after the termination of an Employee’s employment, whether or not the termination is lawful.
- 16.2.3 Nothing in the provisions of the Plan, or the operation of the Plan, forms part of the contract of employment of an Employee. The rights and obligations arising from the employment relationship between the Employee and the relevant Member of the Group are separate from, and are not affected by, the Plan. Participation in the Plan does not create any right to, or expectation of, continued employment.
- 16.2.4 No Employee has a right to participate in the Plan. Participation in the Plan or the grant of Awards on a particular basis in any year does not create any right to or expectation of participation in the Plan or the grant of Awards on the same basis, or at all, in any future year.
- 16.2.5 The terms of the Plan do not entitle the Employee to the exercise of any discretion in their favour.
- 16.2.6 The Employee will have no claim or right of action in respect of any decision, omission or discretion, which may operate to the disadvantage of the Employee, even if it is unreasonable, irrational or might otherwise be regarded as being in breach of the duty of trust and confidence (and/or any other implied duty) between the Employee and their employer or former employer.
- 16.2.7 No Employee has any right to compensation or damages for any loss (actual or potential) in relation to the Plan, including any loss in relation to:
- (i) any loss or reduction of rights or expectations under the Plan in any circumstances (including lawful or unlawful termination of employment);
 - (ii) any exercise of a discretion or a decision taken in relation to an Award or to the Plan, or any failure to exercise a discretion or take a decision; or
 - (iii) the operation, suspension, termination or amendment of the Plan.
- 16.2.8 By participating in the Plan, a Participant:
- (i) accepts all the provisions of this Plan, including this rule 16.2 (Terms of employment); and
 - (ii) waives all rights which might otherwise arise in connection with the Plan, other than the right to acquire Shares or cash (as appropriate) subject to and in accordance with the express terms of the Plan,
- in consideration for, and as a condition of, the grant of an Award.

16.3 Not pensionable

None of the benefits received under the Plan are pensionable.

16.4 Costs

The Company and/or any Subsidiary will pay the costs of introducing and administering the Plan.

16.5 Data protection

The Company's data policy and data privacy notice will apply to the processing of personal data.

16.6 Consents

All allotments, issues and transfers of Shares will be subject to the Company's Articles of Association and any necessary consents under any relevant enactments or regulations for the time being in force in the UK or elsewhere. The Participant will be responsible for complying with any requirements they need to fulfil in order to obtain or avoid the necessity for any such consent.

16.7 Notices

16.7.1 Any notice or communication to be given to any Employee or Participant may be delivered by electronic mail (including on an intranet, portal or by SMS text message), or personally delivered or sent by ordinary post to such address as the Company considers appropriate.

16.7.2 Any notice or communication to be given to the Company or its duly appointed agent may be delivered or sent to its registered office or such other place and by such means as the Company or its appointed agent may specify and notify to Employees and/or Participants.

16.7.3 Notices or communications sent electronically will be deemed to have been received at the time of transmission unless there is evidence to the contrary. Notices or communications personally delivered will be deemed to have been received upon delivery and those sent by post will be deemed to have been received 24 hours after posting nationally and 3 days after posting internationally.

16.8 Third party rights

Except as otherwise expressly stated to the contrary, nothing in the Plan confers any benefit, right or expectation on a person who is not a Participant or a Member of the Group. No such third party has any rights under the UK Contracts (Rights of Third Parties) Act 1999 or any equivalent local legislation to enforce any term of this Plan.

17. Administration

17.1 Committee's powers

The Committee will administer the Plan. The Committee has authority to make rules and regulations for the administration of the Plan. The Committee may delegate all or any of its rights and powers under the Plan.

17.2 Provisions of the Plan

If any provision of the Plan is held to be invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, for the purposes of that jurisdiction:

17.2.1 such provision will be treated as severed; and

17.2.2 the remainder of the provisions of the Plan will continue in full force and effect as if the Plan had been established without the inclusion of the severed provision,

unless the Committee determines otherwise.

17.3 Committee's decisions final and binding

All determinations or decisions of the Committee are final and binding in all respects. If any question or dispute arises as to the interpretation of the Plan, any rules, regulations or procedures relating to the Plan and/or in relation to an Award or any other matter relating to the Plan, the decision of the Committee will be conclusive.

18. Changing the Plan and termination

18.1 Committee's powers

Except as described in the rest of this rule, the Committee may at any time change the Plan in any way.

18.2 Participant consent

If the Committee proposes an amendment to the Plan which would be to the material disadvantage of Participants in respect of subsisting rights under the Plan, then:

- 18.2.1 the Committee must invite each so disadvantaged Participant to indicate whether or not they approve the amendment; and
- 18.2.2 such amendment will only take effect in respect of subsisting rights under the Plan if the majority of the Participants who make such an indication approve the amendment.

18.3 Notice

The Committee may (but is not obliged to) give written notice of any changes made to the Plan to any Participant affected.

18.4 Termination of the Plan

No Award may be granted after 12 June 2028 but the Committee may terminate the Plan at any earlier time. Termination will not affect subsisting rights under the Plan.

19. Governing law, jurisdiction and language

- 19.1.1 The laws of England and Wales govern the Plan and all Awards and their construction. The courts of England and Wales have non-exclusive jurisdiction in respect of disputes arising under or in connection with the Plan or any Award.
- 19.1.2 In relation to the Plan and any documents relating to or concerning it, the English language version of the documents will prevail, so that if there is any conflict between the terms or provisions of a document in English and the same document in another language, the document in English will take precedence.

Schedule 1: for Participants subject to Section 409A

The purpose of this Schedule 1 is to alter the provisions of the Plan solely for Awards granted to US Taxpayers to reflect the terms necessary or advisable for such Awards to qualify for an exemption from the requirements of Section 409A. References to the Plan, or to the rules, in the main rules of the Plan shall be interpreted to include this Schedule 1 in relation to US Taxpayers.

1 Application

This Schedule 1 shall apply to all employees and Participants who are US Taxpayers. If a Participant becomes a US Taxpayer after grant of an Award under the Plan, then it will immediately be amended in a manner consistent with this Schedule 1.

References in this Schedule 1 to Awards granted to US Taxpayers shall include Awards held by a Participant who becomes a US Taxpayer after an Award is granted.

2 Definitions

2.1 The definitions in the Plan shall have the same meaning in this Schedule 1 unless expressly stated otherwise.

2.2 For the purposes of this Schedule 1 the following additional definitions will also apply:

“Award Short-Term Deferral Period” means the period starting on the date that a Conditional Award (or portion thereof) first is no longer subject to a “substantial risk of forfeiture” for the purposes of Section 409A and ending on the 15th day of the third month following the end of the Taxable Year in which such Conditional Award first is no longer subject to the substantial risk of forfeiture;

“Code” means the US Internal Revenue Code of 1986, as amended.

“Option Short-Term Deferral Period” means the period starting on the date that an Option (or portion thereof) first is no longer subject to a “substantial risk of forfeiture” for the purposes of Section 409A and ending on the immediately following 31 December;

“Section 409A” means Section 409A of the Code and the Treasury Regulations promulgated and other official guidance issued thereunder, collectively;

“Taxable Year” means the calendar year, or, if later, the end of the taxable year of the Member of the Group that employs the US Taxpayer, in which the Conditional Award first is no longer subject to a substantial risk of forfeiture for the purposes of Section 409A;

“Treasury Regulations” means the regulations, including proposed or temporary regulations, promulgated under the Code.

“US” means the United States of America; and

“US Taxpayer” means an employee or Participant who is subject to US federal income taxation on the date on which an Award is granted, is expected to become subject to US federal income taxation following that date or does become subject to US federal income taxation following that date but before the date on which any part of the Award Vests.

3 Consequences of Vesting for Conditional Awards

3.1 Subject to paragraph 3.2 below, but notwithstanding any other provision of the Plan (including, but not limited to, rule 4.3 (Timing of Vesting – investigation), rule 4.5

(Consequences of Vesting for Conditional Awards), rule 4.7 (Delivery – investigation) and rule 5.3 (Exceptions to the general rule)), the satisfaction of a Conditional Award (or portion thereof) granted to a US Taxpayer, whether in Shares or in cash, shall be made no later than the end of the Award Short-Term Deferral Period.

- 3.2** If a Conditional Award (or portion thereof) granted to a US Taxpayer has not been satisfied by the end of the Award Short-Term Deferral Period because such satisfaction would have violated applicable law, then to the extent permissible under Section 1.409A-1(b)(4)(ii) of the proposed Treasury Regulations, the satisfaction may be delayed so long as the Conditional Award is then satisfied at the earliest date at which it is reasonably anticipated that such law no longer prevents the satisfaction.
- 3.3** If, as a result of paragraph 3.1 or 3.2 of this Schedule 1, a Conditional Award (or portion thereof) granted to a US Taxpayer has to be satisfied before the Conditional Award (or portion thereof) Vests then, subject to rule 4.10 (responsibility for tax) and unless the Compensation Committee provides otherwise, the US Taxpayer may not transfer, assign, charge or create any other security interest over or otherwise dispose of the Shares or cash received from the settlement of the Conditional Award (or portion thereof) or any rights in respect thereof until the Conditional Award (or portion thereof) Vests. If after the end of the Award Short-Term Deferral Period, the Conditional Award (or portion thereof) does not Vest, then the Shares or cash received from the settlement of the Conditional Award (or portion thereof) which did not Vest will be immediately forfeited and the Participant must immediately pay the cash or transfer their interest in the Shares, for no consideration or nominal consideration, to any person (which may include the Company, where permitted) specified by the Compensation Committee..
- 3.4** For the avoidance of doubt, nothing in this paragraph 3 (Consequences of Vesting for Conditional Awards) shall limit or impair any Holding Requirement applicable to the Shares or cash received from the satisfaction of a Conditional Award.
- 3.5** If a Conditional Award (or portion thereof) granted to a US Taxpayer includes a right to a Dividend Equivalent under rule 2.8 (Dividend Equivalents), payment of the Dividend Equivalent (in cash or Shares) must be made no later than the end of the Award Short-Term Deferral Period applicable to such Dividend Equivalent, or, if later, the end of the extended period provided by paragraph 3.2 of this Schedule 1.

4 Consequences of Vesting for Options

- 4.1** Subject to paragraph 4.2 below, but notwithstanding any other provision of the Plan (including, but not limited to, rule 4.6 (Consequences of Vesting for Options), rule 5.3 (Exceptions to the general rule) and rule (Exercise period for Options)), an Option granted to a US Taxpayer must be exercised no later than the end of the applicable Option Short-Term Deferral Period.
- 4.2** If an Option (or portion thereof) granted to a US Taxpayer has not been exercised by the end of the Option Short-Term Deferral Period because such exercise would have violated applicable law, then to the extent permissible under Section 1.409A-1(b)(4)(ii) of the proposed Treasury Regulations, the Option may be exercised later, so long as it is exercised at the earliest date at which it is reasonably anticipated that such law no longer prevents the exercise.
- 4.3** If, as a result of paragraph 4.1 or 4.2 of this Schedule 1, an Option (or portion thereof) granted to a US Taxpayer has to be exercised before the Option (or portion thereof) Vests,

then subject to rule 4.10 (responsibility for tax) and unless the Compensation Committee provides otherwise, the US Taxpayer may not transfer, assign, charge or create any other security interest over or otherwise dispose of the Shares or cash received from the exercise of the Option (or portion thereof) or any rights in respect thereof until the Option (or portion thereof) Vests. If after the end of the Option Short-Term Deferral Period, the Option (or portion thereof) does not Vest, then the Shares or cash received from the exercise of the Option (or portion thereof) which did not Vest will be immediately forfeited and the Participant must immediately pay the cash or transfer their interest in the Shares, for no consideration or nominal consideration, to any person (which may include the Company, where permitted) specified by the Compensation Committee.

- 4.4** For the avoidance of doubt, nothing in this paragraph 4 (Consequences of Vesting for Options) shall limit or impair any Holding Requirement applicable to the Shares or cash received from the exercise of an Option.
- 4.5** If an Option (or portion thereof) granted to a US Taxpayer includes a right to a Dividend Equivalent under rule 2.8 (Dividend Equivalents), payment of the Dividend Equivalent (in cash or Shares) must be made no later than the end of the Option Short-Term Deferral Period applicable to such Dividend Equivalent

5 Changes to conditions

- 5.1** Other than to waive it, a Performance Condition or other condition applicable to an outstanding Award granted to a US Taxpayer may not be amended pursuant to rule 8.1 (Compensation Committee's right to change the Plan or Awards), or any other provision of the Plan, if and to the extent that the amendment of the condition would result in the earlier ending of the applicable Award Short-Term Deferral Period or Option Short-Term Deferral Period.
- 5.2** An Award granted to a US Taxpayer may not be amended pursuant to rule 8.1 (Compensation Committee's right to change the Plan or Awards), or any other provision of the Plan, if and to the extent that the amendment of the condition would result in violation of Section 409A.

6 Exchange of Awards

Where there is to be an exchange of a US Taxpayer's Award pursuant to rule 6.4 (Exchanging Awards rather than early Vesting) and rule 6.5 (What happens when Awards are exchanged), the Compensation Committee shall attempt to structure the terms of the exchange and the new award such that neither the exchange nor the new award violate Section 409A.

7 Interpretation and administrative intent

- 7.1** Awards granted, and Dividend Equivalents payable, to US Taxpayers are intended to be exempt from the requirements of Section 409A under the short-term deferral exception described in Section 1.409A-1(b)(4) of the US Treasury Regulations, and the Plan and this Schedule 1 shall be interpreted and administered consistent with such intention.
- 7.2** For the avoidance of doubt, any delay in the Vesting of an Award pursuant to rule 4.3 (Timing of Vesting – investigation), or the fact that a Holding Requirement pursuant to rule 2.4.7 or Schedule 3 (Holding Requirement), or clawback provisions pursuant to rule 2.11 (Malus and Clawback) or rule 7 (Restrictive Covenants) or Schedule 2 (Restrictive Covenants) may be

applied to an Award, will not impose an additional, or extend the existing, substantial risk of forfeiture applicable to such Award for the purposes of Section 409A.

7.3 In the event of any conflict between an applicable provision of the Plan and an applicable provision of this Schedule 1 with respect to an Award granted to a US Taxpayer, the provision of this Schedule 1 shall apply.

8 No liability

Without limiting rule 4.10, each US Taxpayer is solely responsible and liable for the satisfaction of all taxes, penalties and interest that may be imposed on the US Taxpayer in connection with the Plan and/or this Schedule 1 (For Participants subject to Section 409A) or any Award, including any taxes, penalty and/or interest under Section 409A. No Member of the Group shall have any obligation to indemnify or otherwise hold the US Taxpayer harmless from any or all of such taxes, penalty or interest.

Schedule 2: France

*This Schedule 2 sets out the terms and conditions applicable to the Plan whereby Awards will be granted to Employees who are employed at the Grant Date by a Member of the Group whose registered office is in France (the “**French Member of the Group**”), (the “**Eligible French Employees**”).*

*The purpose of this French Schedule is to amend the terms of the Plan only to the extent necessary in order to satisfy French securities laws, exchange control, corporate law and tax requirement in order for the Awards granted to Eligible French Employees pursuant to this Schedule 2 to benefit from the specific French income tax and social security treatment (the “**Qualified Awards**”).*

1. General

1.1 Definitions

Additional definitions are as follows

“**Closed Period**” is a Dealing Restriction period defined by Article L. 225-197-1 of the French Commercial Code as:

- (i) ten quotation days preceding and three quotation days following the disclosure to the public of the consolidated financial statements or the annual statements of the Company; or
- (ii) any period during which the corporate management of the Company possesses material information which could, if disclosed to the public, significantly impact the quotation of the Company, until ten quotation days after the day such information is disclosed to the public.

1.2 Application of the rules of the Plan

The rules of the Plan will apply to Qualified Awards made under this Schedule 2, as amended by the terms of this Schedule 2.

This Schedule 2 does not amend, add or otherwise alter the Plan as it applies to other Awards than the Qualified Awards.

References to rules are deemed references to the main rules of the Plan.

In the event of any conflict, whether explicit or implied, between the provisions of this Schedule 2 and the rules of the Plan, the provisions of this Schedule 2 shall override the rules of the Plan.

2. Qualified Awards

2.1 Grant of Awards

The rules of the Plan, the terms of this Schedule 2 and the terms and conditions applicable to Qualified Awards shall be interpreted and, where necessary, deemed to be modified in order to satisfy the relevant provisions to qualify for the French specific income tax and social security treatment.

2.2 No liability

No Member of the Group shall be liable for any adverse consequence, whether legal, tax or otherwise, if and to the extent the Qualified Awards do not qualify for such specific French income tax and social security treatment.

2.3 Liability for Taxation

The Company and any French Member of the Group may make such arrangements as it considers necessary to meet any Taxation liability of the Participant, whether the liability is a liability of, or is payable by, the Participant, the Company or any the Member of the Group.

3. Phantom Awards

Phantom Awards granted under the Plan cannot be Qualified Awards.

4. Individual limit for Executive Directors

No Qualified Awards can be granted to an Eligible French Employee who:

- (i) holds directly or indirectly, more than ten percent (10%) of the outstanding Shares of the Company; or
- (ii) would, as a result of a grant of a Qualified Award, hold more than ten percent (10%) of the outstanding Shares of the Company.

Any Eligible French Employee who, on the Grant Date of a Qualified Award, and to the extent required under French law, is employed under the terms and conditions of an employment contract (“contrat de travail”) by a French entity or who is a corporate officer of a French Member of the Group, shall be eligible to receive, at the discretion of the Company or the empowered corporate body, Qualified Awards under the Plan as adjusted to meet the requirements of the French Code de Commerce.

5. Bankruptcy

The Participant Award cannot lapse where the Participant becomes bankrupt. Rule 6.2 (Bankruptcy) of the Plan does not apply.

6. Dividend Equivalents

Qualified Awards granted in accordance with this Schedule shall not carry any entitlement to Dividend Equivalents settled in any other means but in cash. For the Eligible French Employees, such Dividend Equivalents will be treated as a salary for social charges and income tax purposes.

7. Vesting of Awards

The determination by the Committee of the extent to which the Performance Conditions is satisfied cannot lead to a Vesting Date which is less than 2 years from the Grant Date.

8. Satisfaction of Awards

Qualified Awards granted in accordance with this Schedule 2 shall not be satisfied in cash and may only be settled in Shares. Rule 9.7 (Alternative ways to satisfy) of the Plan does not apply to Qualified Awards.

9. Holding Period

As a reminder, provided that the Vesting Date is not less than 2 years as set forth in Article 7 above, there is no necessity for the Committee to provide for a Holding Period.

10. Leavers

In the event of death (in accordance with rule 11.2.2), the Participant's personal representative may ask for an immediate Vesting within a maximum period of 6 months following the Participant's death. The determination of the Vesting Date by the Committee (in accordance with rule 11.2.6(i)) shall not exceed such period.

The Vesting Date set forth in rule 11.2.7(i) cannot be less than 2 years from the Grant Date.

11. Company events

The accelerated Vesting as set forth in rule 12.2 (Takeovers) of the Plan in case of takeover cannot lead to a Vesting Date that would be less than 2 years from the Grant Date as set forth in Paragraph 7 of this Schedule 2.

Notwithstanding the foregoing, should the Vesting Date be between 1 and 2 years from the Date of Grant, the Participant would then be required to hold the Shares for a period of no less than 1 year.

12. Clawback

The reduction of the Participant's salary as a method chosen by the Committee to recover the any amount under any relevant Malus and Clawback provisions from the Participant shall be limited to the frame set forth by French laws, which depends on the Participant's personal situation.

13. Data Protection

Pursuant to French laws, when becoming Participants, the Eligible French Employees have a right to access and amend personal data they provide to the Company and/or the Member of the Group in the context of the Plan.

Schedule 3: Restrictive Covenants

This Schedule 3 (Restrictive Covenants) sets out the Restrictive Covenants that will apply to a Participant if specified to do so in the Participant's Award Certificate.

By participating in the Plan, a Participant may profit from and participate in the equity value of the Company. The purpose of this Schedule 3 (Restrictive Covenants) is to protect the legitimate business interests of the Company and the Group.

1. Covenants

By participating in the Plan, a Participant undertakes with the Company, on behalf of itself and as agent for each Relevant Group Company, that the Participant will not in any Relevant Capacity at any time during the Restricted Period:

- 1.1 within or in relation to the Restricted Territory take any steps preparatory to or be directly or indirectly engaged, employed, interested or concerned in:
 - (i) any Competing Business; and/or
 - (ii) any Target Business Entity; or
- 1.2 within or in relation to the Restricted Territory acquire a substantial or controlling interest directly or by or through any nominee or nominees in any Competing Business, Target Business Entity or in any Person owning or controlling a Competing Business or Target Business Entity; or
- 1.3 solicit or attempt to solicit, canvass, interfere with or entice away from the Company or any Relevant Group Company the custom or any prospective custom of any Client or any Prospect with a view to providing to that Client or Prospect any products or services which are the same as or materially similar to any Restricted Business in competition with the Company or any Relevant Group Company; or
- 1.4 provide or agree to provide any products or services which are the same as or materially similar to any Restricted Business to any Client or any Prospect in competition with the Company or any Relevant Group Company; or
- 1.5 solicit, entice or encourage or attempt to solicit, entice or encourage any Key Individual to leave the employment of the Company or any Relevant Group Company (whether or not such person would commit any breach of their contract of employment by doing so); or
- 1.6 employ, engage, appoint, enter into partnership or association with or in any way cause to be employed, engaged or appointed any Key Individual in relation to any Competing Business or any Person which is or is proposed to be directly or indirectly owned by or controlling any Competing Business; or
- 1.7 provide or agree to provide any products or services which are the same as or materially similar to any Restricted Business in respect of any Competitor Account; or
- 1.8 be employed or engaged by any Client or Prospect if as a result the Client or Prospect will cease to use or materially reduce its usage of the products or services of the Company or any Relevant Group

Company or, in the case of a Prospect, will not use the products or services of the Company or any Relevant Group Company or use them to a materially lesser extent; or

- 1.9 solicit or try to solicit or place orders for the supply of products or services from any Supplier if as a result the Supplier will cease supplying, materially reduce its supply or vary detrimentally the terms on which it supplies products or services to the Company or any Relevant Group Company; or
- 1.10 encourage, assist or procure any Person to do anything which if done by that Participant would be a breach of paragraphs 1.1 to 1.9 of this Schedule 3 (Restrictive Covenants) (or any of them).

2. Social Media

Connecting or reconnecting to Clients, Suppliers or Prospects using Social Media during the Restricted Period may amount to a breach of paragraphs 1.1 to 1.10 of this Schedule 3 (Restrictive Covenants).

3. Reasonable and Severable

By participating in the Plan, a Participant agrees that the restrictions (whether taken individually or as a whole) in paragraph 1 of this Schedule 3 (Restrictive Covenants) are reasonable, having regard to the legitimate protectable interests of the Company and each Relevant Group Company, and that each such restriction is intended to be separate and severable. In the event that any restriction is held to be void but would be valid if part of its wording was deleted, that restriction will apply with whatever deletions are necessary to make it valid and effective.

4. Equitable Relief

By participating in the Plan, a Participant agrees that:

- 4.1 damages shall be an inadequate remedy in the event of a breach by that Participant of any of the restrictions contained in paragraph 1 of this Schedule 3 (Restrictive Covenants) and that any such breach by that Participant or on that Participant's behalf will cause the Company and any Relevant Group Company great and irreparable injury and damage; and
- 4.2 the Company and/or any Relevant Group Company will therefore be entitled, without waiving any additional rights or remedies otherwise available to them at law or in equity or by statute, to injunctive and other equitable relief in the event of a breach or intended or threatened breach by that Participant, or on that Participant's behalf, of any of the restrictions contained in paragraph 1 of this Schedule 3 (Restrictive Covenants).

5. Conflict

If there is any conflict between a paragraph in this Schedule 3 (Restrictive Covenants) and a rule of the Plan, or the terms of a Participant's employment contract, the paragraph in this Schedule 3 (Restrictive Covenants) will take precedence.

6. Definitions

The definitions in the Plan shall have the same meaning in this Schedule 3 (Restrictive Covenants), unless expressly stated otherwise. For the purposes of this Schedule 3 (Restrictive Covenants) the following additional definitions will also apply:

“**Client**” means any Person with whom or which the Company or any Relevant Group Company has arrangements in place for the provision of any Restricted Business and with whom or which a

Participant had material involvement or for whose business a Participant was responsible or about which a Participant acquired material Confidential Information, in the course of the Participant's office or employment, at any time during the Relevant Period;

"Competing Business" means any Person providing or proposing to provide any products or services which are the same as or materially similar to and competitive with any Restricted Business;

"Competitor Account" means any account, product or brand which competes with any Client's account, product or brand in respect of which a Participant had material dealings or responsibility on behalf of the Company or any Relevant Group Company or about which a Participant acquired material Confidential Information, during the course of the Participant's office or employment, at any time during the Relevant Period;

"Confidential Information" means trade secrets and confidential information;

"Effective Date" means the Termination Date or (if earlier) the date on which a Participant commences Garden Leave;

"Garden Leave" means any period during which the Company or Relevant Group Company exercises its discretion to require a Participant not to work;

"Key Individual" means any individual who was employed by the Company or any Relevant Group Company to provide services personally at the Effective Date and who, in the course of their duties, during the Relevant Period had material dealings with the Participant and either:

- (i) reported directly to the Participant and had material contact with clients or suppliers of the Company or any Relevant Group Company in the course of their employment; or
- (ii) was a member of the board of directors or the senior management team of the Company or any Relevant Group Company or reported to any such board of directors or senior management team;

"Person" means any individual, firm, company or other entity;

"Prospect" means any Person who was at any time during the Relevant Period negotiating or discussing (which shall include for these purposes a pitch or presentation) with the Company or any Relevant Group Company the provision of any Restricted Business where a Participant was materially involved or had responsibility for such negotiations or discussions or acquired material Confidential Information in relation to such negotiations or discussions, in the course of the Participant's office or employment, at any time during the Relevant Period;

"Recognised Investment Exchange" means an investment exchange recognised by the Financial Conduct Authority under Part XVIII of the UK Financial Services and Markets Act 2000, such that a recognition order is in force in respect of it;

"Relevant Capacity" means either alone or jointly with another or others, whether as principal, agent, consultant, director, partner, shareholder, independent contractor, employee or in any other capacity, whether directly or indirectly, through any Person and whether for a Participant's own benefit or that of others (other than as a shareholder holding directly or indirectly by way of bona fide investment only, and subject to prior disclosure to the Company, up to 1% in nominal value of the issued share capital or other securities of any class of any company listed or dealt in on any Recognised Investment Exchange);

"Relevant Group Company" means any Member of the Group to which a Participant rendered services or for which a Participant had management or operational responsibility during the course of that Participant's office or employment at any time during the Relevant Period;

“Relevant Period” means the twelve-month period ending with the Effective Date;

“Restricted Business” means and includes any of the products or services provided by the Company or any Relevant Group Company at any time during the Relevant Period with which a Participant had a material involvement or about which a Participant acquired material Confidential Information at any time during the Relevant Period;

“Restricted Period” means:

- (i) In relation to Participants who have ceased to be employed within the Group (as set out in rule 11.7 (Meaning of “ceases to be employed within the Group”) due to retirement, the period commencing on the Effective Date and ending on the later of the Vesting Date and:
 - (a) in relation to paragraphs 1.1, 1.2 and 1.7 of this Schedule 3 (Restrictive Covenants), the date that is 6 months after the Effective Date; and
 - (a) in relation to all other sub-paragraphs of paragraph 1 of this Schedule 3 (Restrictive Covenants), the date that is 12 months after the Effective Date; and
- (ii) in relation to all other Participants, the 6 month period commencing on the Effective Date in relation to paragraphs 1.1, 1.2 and 1.7 of this Schedule 3 (Restrictive Covenants) and the 12 month period commencing on the Effective Date in relation to all remaining sub-paragraphs of paragraph 1 (Covenants) of this Schedule 3 (Restrictive Covenants);

“Restricted Territory” means England and such other countries in which the Company and any Relevant Group Company provided any Restricted Business at the Effective Date;

“Social Media” means any online communication tool which facilitates the creation, publication, storage and/or exchange of user-generated content, including (but not limited to) Twitter, Skype, Facebook, Myspace, YouTube, Flickr, LinkedIn, Wikis, Google+ and Tumblr;

“Supplier” means any Person who at any time during the Relevant Period provided products or services to the Company or any Relevant Group Company being a Person with whom a Participant had material dealings or for whom a Participant had responsibility or about whom a Participant acquired material Confidential Information, in the course of the Participant’s office or employment, at any time during the Relevant Period;

“Target Business Entity” means any business howsoever constituted (whether or not providing a Restricted Business) which was at the Effective Date or at any time during the Relevant Period a business which the Company or any Relevant Group Company had entered into negotiations with or had approached or had identified as:

- (i) a potential target with a view to its acquisition by the Company or any Relevant Group Company; and/or
- (ii) a potential party to any joint venture with the Company or any Relevant Group Company,

in either case where such approach or negotiations or identity were known to a material degree by a Participant or about which a Participant acquired material Confidential Information, in the course of the Participant’s office or employment, during the Relevant Period; and

“Termination Date” means the date on which the Participant ceases to be employed within the Group, as set out in rule 11.7 (Meaning of “ceases to be employed within the Group”).

Subsidiaries of Registrant

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST	COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
United States			Ogilvy CommonHealth Worldwide LLC	Delaware	100
AKQA, Inc.	California	100	Ogilvy Public Relations Worldwide LLC	Delaware	100
CBA Partners North America, Inc.	California	82.98	OpenMindWorld, LLC	Delaware	100
Landor Associates International Ltd.	California	100	Passport Brand Design, LLC	Delaware	75
196 Avon Street LLC	Connecticut	66.67	Peclers Paris North America, Inc.	Delaware	100
300 Avon Street LLC	Connecticut	66.67	Potato Inc.	Delaware	75.3
Avon Group, Inc.	Connecticut	66.67	Prime Policy Group, LLC	Delaware	100
141 Hawaii, LLC	Delaware	100	Promotion Execution Partners, LLC	Delaware	100
A. Eicoff & Company, Inc.	Delaware	100	PSB Insights LLC	Delaware	100
Absolute Color LLC	Delaware	100	Real Growth Advisory LLC	Delaware	100
Acceleration eMarketing, Inc.	Delaware	100	Spafax Networks LLC	Delaware	100
ADLAB, LLC	Delaware	100	SubVRsive, Inc.	Delaware	80
amp sound branding Inc.	Delaware	90	Swift + POSSIBLE LLC	Delaware	100
ArcTouch LLC	Delaware	100	SYZYGY DIGITAL MARKETING INC	Delaware	50.33
BCW LLC	Delaware	100	Tank Advertising LLC	Delaware	100
BDG Design LLC	Delaware	100	Taxi Inc.	Delaware	100
Blue State Digital Inc.	Delaware	100	TDM Acquisition Co., Inc	Delaware	100
Bottle Rocket LLC	Delaware	100	The And Partnership Holdings Inc.	Delaware	71.12
Breakwater Strategy LLC	Delaware	50.4	The And Partnership North America LLC	Delaware	71.12
BSG Partners LLC	Delaware	100	The Brand Power Company LLC	Delaware	100
Catalyst Online LLC	Delaware	100	The GCI Group LLC	Delaware	100
CHI America Partners LLC	Delaware	71.12	The Lacek Group LLC	Delaware	100
Chi Wunderman Partnership, LLC	Delaware	85.57	The Ogilvy Group, LLC	Delaware	100
Choreograph LLC	Delaware	100	The PBN Company	Delaware	100
CMI Media, LLC	Delaware	100	THJNK LLC	Delaware	100
David Miami Inc.	Delaware	70	Verticurl LLC	Delaware	60
DeepLocal Inc.	Delaware	100	Village Marketing Agency LLC	Delaware	100
Design Bridge and Partners, LLC	Delaware	100	VML MAP US Inc.	Delaware	51
Dewey Square Group, LLC	Delaware	100	Wavemaker Global LLC	Delaware	100
EssenceMediacom LLC	Delaware	100	Whatacraft LLC	Delaware	51
FGS Global (US) LLC	Delaware	50.4	WPP CP LLC	Delaware	100
FGS Global Inc.	Delaware	50.4	WPP Diamond Head LLC	Delaware	100
FGS Holdings LLC	Delaware	50.4	WPP Dotcom Holdings (Fourteen) LLC	Delaware	100
Financeplus USA, LLC	Delaware	100	WPP Group U.S. Finance LLC	Delaware	100
Gain Theory, LLC	Delaware	100	WPP Group USA, Inc.	Delaware	100
Goat Solutions USA, Inc.	Delaware	100	WPP Properties	Delaware	100
Grey Global Group LLC	Delaware	100	WPP Team Chemistry LLC	Delaware	100
Grey Maryland LLC	Delaware	100	WPPH 2001, Inc.	Delaware	100
Group M Worldwide, LLC	Delaware	100	Wunderman Thompson Data Consulting LLC	Delaware	100
Group SJR LLC	Delaware	100	Wunderman Thompson LLC	Delaware	100
GroupM Holdings LLC	Delaware	100	Wunderman Thompson Technology, LLC	Delaware	100
GTB Agency, LLC	Delaware	100	Y&R Properties Holding One LLC	Delaware	100
Hill and Knowlton Strategies, LLC	Delaware	100	York Merger Square 2004 LLC	Delaware	100
Hogarth California LLC	Delaware	100	York Merger Square 2009 LLC	Delaware	100
Hogarth Worldwide Inc.	Delaware	100	Young & Rubicam LLC	Delaware	100
Intercom Americas LLC	Delaware	100	The Jeffrey Group, LLC	Florida	100
International Meetings & Science LLC	Delaware	100	TJG Holdings, LLC	Florida	100
J. Walter Thompson Company Peruana LLC	Delaware	100	Cardinal Blue, LLC	Illinois	100
J. Walter Thompson Venture Company, Limited	Delaware	100	Gorilla, LLC	Illinois	100
Landor, LLC	Delaware	100	Triad Digital Media, LLC	Michigan	100
Made Thought Design Inc.	Delaware	75	VML, LLC	Missouri	100
ManvsMachine Inc.	Delaware	75	Chimera Square Insurance Company	New York	100
Marketing Direct LLC	Delaware	100	Food Group, Inc	New York	100
mSIX Communications, LLC	Delaware	85.59	Geometry Global LLC	New York	100
Nectar Acquisition LLC	Delaware	100	GWE LLC	New York	100
Ogilvy & Mather Venture Company, Limited	Delaware	100	Iconmobile, Inc	New York	67

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
J. Walter Thompson Company Fund Incorporated.....	New York	100
Mindshare USA, LLC.....	New York	100
MJM Creative Services, Inc.	New York	100
Obviously Social, LLC.....	New York	100
Ogilvy & Mather Worldwide, LLC.....	New York	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
S&S MCC and MCC, Inc.	New York	100
Ted Bates Worldwide, Inc.	New York	100
The Ogilvy Foundation.....	New York	100
WPP Montagu Square LLC.....	New York	100
SET Management, LLC.....	Oregon	65
Public Strategies, LLC.....	Texas	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
Non-US		
ACCELERATION CONSULTING PTY LTD	Australia	100
AKQA PTY LTD	Australia	100
BARTON DEAKIN PTY LIMITED	Australia	100
Brand Power Pty Ltd	Australia	100
BURSON COHN & WOLFE PTY LTD	Australia	100
CANNINGS ADVISORY SERVICES PTY LIMITED	Australia	100
EssenceMediacom Australia Pty Ltd	Australia	100
GROUPM COMMUNICATIONS PTY LTD	Australia	100
HAWKER BRITTON GROUP PTY LIMITED	Australia	100
HEATH WALLACE AUSTRALIA PTY LIMITED	Australia	86.5
HILL AND KNOWLTON AUSTRALIA PTY. LIMITED	Australia	100
HOGARTH AUSTRALIA PTY LTD	Australia	100
LANDOR & FITCH PTY LTD	Australia	100
M MEDIA GROUP PTY LTD	Australia	100
OGILVY AUSTRALIA PTY LTD	Australia	100
OGILVY BHD PTY LTD	Australia	100
OGILVY HEALTH PTY LTD	Australia	100
OGILVY PR PTY LTD	Australia	100
STW MEDIA SERVICES PTY LIMITED	Australia	100
The & Partnership Australia Pty Limited	Australia	71.12
The Brand Agency Pty Ltd ATF Brand Agency Unit Trust	Australia	87
Verticurl Marketing Services Pty Limited	Australia	60
VML Australia Pty Limited	Australia	100
WAVEMAKER AUSTRALIA PTY LTD	Australia	100
whiteGREY Pty Ltd	Australia	100
WPP AUNZ Pty Ltd	Australia	100
WPP GR PTY LTD	Australia	100
BURSON COHN & WOLFE SRL	Belgium	100
EssenceMediacom Belgium SA	Belgium	100
Famous Relations NV	Belgium	100
FamousGrey NV	Belgium	100
GroupM Belgium SA	Belgium	100
Hill & Knowlton International Belgium SA	Belgium	100
LDV United NV	Belgium	100
MediaCom Belgium SA	Belgium	100
Mindshare SA	Belgium	100
Ogilvy Social Lab SA	Belgium	95.2
OPENMINDWORLD SA	Belgium	100
So.Zen SRL	Belgium	95.2
Space SA	Belgium	50
VML Belgium NV	Belgium	100
Wavemaker SA	Belgium	100
WPP Belgium SSC	Belgium	100
WPP Group Services SNC	Belgium	100
WPP Holdings Brussels S.N.C.	Belgium	100
Wunderman Thompson Brussels NV	Belgium	100
Ação Produção e Comunicação Ltda	Brazil	100
Agência Ideal Comunicação Ltda.	Brazil	100
AKQA Brasil Comunicação Ltda.	Brazil	100
ArcTouch Brasil Desenvolvimento de Software Ltda	Brazil	100
BLAH Participações Ltda.	Brazil	100
Burson Cohn & Wolfe Comunicação Ltda.	Brazil	99.99
Cairos Usabilidade Ltda	Brazil	60
David Brasil Comunicação Ltda	Brazil	69.92

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
DFX – Design for X Cursos e Treinamentos Ltda.	Brazil	80
DTI Sistemas Ltda.,	Brazil	75
Fbiz Comunicação Ltda	Brazil	51.11
FBZ Participações Ltda	Brazil	71.44
Foster Informática Ltda	Brazil	70
Fulano Marketing e Tecnologia Ltda	Brazil	51.69
Geometry Global Brasil Comunicação Ltda.	Brazil	99.98
GPAT S.A. - Propaganda e Publicidade	Brazil	50.99
Grey Publicidade do Brasil Ltda	Brazil	97.86
Hill and Knowlton Brasil Agência de Comunicação Ltda	Brazil	100
Hogarth Worldwide Publicidade Brasil Ltda	Brazil	100
lCherry Publicidade E Propoganda Ltda	Brazil	100
Intuitive Serviços de Inteligência e Análise Digital Ltda	Brazil	56.07
JG Comunicações Brasil Ltda	Brazil	100
Jüssi Intention Marketing Ltda.	Brazil	90
Máquina da Notícia Comunicação Ltda	Brazil	100
Marketdata Solutions Brasil Ltda	Brazil	100
Mídia 123 Serviços de Publicidade Via Internet Ltda.	Brazil	100
Mirum Digital do Brasil Ltda	Brazil	100
Mutato Entretenimento, Conteúdo, Publicidade e Serviços Ltda	Brazil	78
Mutato Produção Ltda	Brazil	78
MUV Brasil Comunicação Móvel Ltda.	Brazil	71.44
Next Target Consultoria e Serviços de Internet Ltda.	Brazil	75
Ogilvy & Mather Brasil Comunicação Ltda	Brazil	100
PM Comunicação Ltda	Brazil	70
PTR Comunicações Ltda	Brazil	100
Santa Mônica Criação de Sites e Lojas Virtuais Ltda.	Brazil	100
Soho Square Comunicação Ltda.	Brazil	100
Spafax Publicidade Ltda.	Brazil	100
Studio Click Produção e Comunicação Ltda	Brazil	100
Supermirella Participações Ltda	Brazil	100
Superunion Brasil Comunicação Ltda.	Brazil	59.99
Trinto Soluções Digitais Para Comércio Eletrônico Ltda.	Brazil	100
UNICH Criação e Planejamento Ltda.	Brazil	71.44
VMLY&R Brasil Propaganda Ltda	Brazil	100
WPP do Brasil - Participações Ltda	Brazil	100
WPP Media Services Comunicações Ltda.	Brazil	100
WPP One Comunicação Ltda.	Brazil	100
Wunderman Thompson Comunicação Ltda.	Brazil	100
Wunderman Thompson Produção Ltda	Brazil	100
Wunderman Thompson Tecnologia Ltda.	Brazil	100
Ben Crudo Consulting Inc.	Canada	100
Brand Power Inc.	Canada	100
Entreprise de Communications Tank Inc. / Tank Communications Enterprise Inc.	Canada	100
EssenceMediacom Canada ULC	Canada	100
FGS Global (Canada Holding) Inc.	Canada	50.4
GCI Communications Inc. / Communication GCI Inc.	Canada	100
Gorilla Group Canada Inc.	Canada	100
Grey Advertising ULC / Publicite Grey ULC	Canada	100
GroupM Canada Inc.	Canada	100
Hill and Knowlton Ltee	Canada	100
Hogarth Worldwide Canada Production Ltd / Hogarth Canada Production Mondial Ltee	Canada	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
John Street Inc	Canada	100
Longview Communications Inc.	Canada	50.4
Midas Exchange Canada Inc.	Canada	100
Mindshare Canada Ltd	Canada	100
MSIX Communications Canada Ltd.	Canada	85.59
Ogilvy Montréal Inc.	Canada	100
OpenMind Media Canada Inc.	Canada	100
SJR Canada Ltd. / SJR Canada Ltée	Canada	100
Spafax Canada Inc	Canada	100
The&Partnership Inc.	Canada	71.12
VML Canada Inc.	Canada	100
VML MAP Canada Inc.	Canada	51
Wavemaker Canada ULC	Canada	100
WPP Group Canada Communications ULC	Canada	100
WPP Group Canada Finance, Inc.	Canada	100
WPP IT Inc.	Canada	100
WPP Simcoe Square ULC	Canada	100
Y&R Canada Investments LP	Canada	100
Agenda (Beijing) Ltd	China	100
AKQA (Shanghai) Ltd.	China	100
Batey China Company Limited	China	100
BCW Public Relations (Guangdong) Co., Ltd.	China	100
Beijing Benpao Century Technology Development Co.,Ltd.	China	100
Beijing Ogilvy & Mather Marketing Communications Consulting Co., Ltd	China	100
Beijing Ogilvyone Marketing Co., Ltd	China	100
Beijing Soho Square Advertising Co. Ltd	China	100
Beijing Soho Square Marketing Co Ltd	China	100
Beijing Wunderman Thompson Advertising Co., Ltd.	China	100
Blue Hive Shanghai Communications Co., Ltd	China	100
Decode Co., Ltd	China	100
Design Bridge (Shanghai) Co., Ltd	China	100
FGS Global Public Relations Consulting (Shanghai) Co. Ltd	China	50.4
GCI Marketing Communications Consulting (Shanghai) Co., Ltd.	China	100
Geometry Action (Fujian) Marketing Planning Co., Ltd	China	51
Grey China Marketing Communications Co Ltd	China	100
Grey Star Echo Marketing Communications Co., Ltd.	China	51
GroupM (Shanghai) Advertising Co. Ltd	China	100
GroupM Market Advertising Co. Ltd.	China	100
GTB Shanghai Advertising Co., Ltd	China	100
Guangzhou Approach Enterprise Management Consulting Co., Ltd	China	51
Guangzhou Approach Marketing Communications Co., Ltd.	China	51
Guangzhou Bates Dahua Advertising Co., Ltd	China	70
Guangzhou Dawson Human Resources Service Co. Ltd	China	51
Guangzhou Dawson Marketing Communication Co. Ltd	China	51
Guangzhou Geometry Win-Line Marketing Communications Co., Ltd.	China	51
Guangzhou Hommie Marketing Communications Co., Ltd.	China	51
Guangzhou Win-line Ogilvy Management Consulting Co Ltd	China	51
Hill & Knowlton (China) Public Relations Co Ltd	China	100
H-Line Ogilvy Communications Company Ltd	China	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
Hogarth & Ogilvy Marketing Communications (Shanghai) Co., Ltd.	China	100
Hogarth (Shanghai) Image Video Design & Production Co.Ltd	China	100
Kinetic Advertising (Shanghai) Co. Ltd	China	100
Landor Associates Designers and Consultants Limited	China	100
Midas Media Limited	China	100
Mirum (Beijing) Co., Ltd	China	100
Neo@ogilvy	China	100
Ogilvy (Fujian) Advertising Co. Ltd	China	51
Ogilvy Raynet Communications Co Ltd	China	100
Public Strategies Co., Ltd	China	100
Red Wasabi Marketing Consulting (Shanghai) Co., Ltd	China	100
Salmon Software Technology (Beijing) Co. Ltd.	China	100
Shanghai Bates MeThinks Marketing Communications Co. Ltd	China	70
Shanghai Easycom Advertising Co., Ltd.	China	75
Shanghai Iconmobile Co Ltd	China	67.9
Shanghai Ogilvy & Mather Advertising Ltd	China	100
Shanghai Ogilvy & Mather Marketing Communications Consulting Co Ltd	China	100
Shanghai River Run Marketing & Management Co., Ltd.	China	100
Shanghai SocialThink Advertising Co., Ltd.	China	100
Shanghai Star Echo Marketing & Communication Co., Ltd	China	51
Shanghai Sudler MDS Healthcare Communications Co., Ltd	China	60
Shenzhen Black Arc Ogilvy Advertising Media Limited	China	60
Soho Square Advertising Co Ltd	China	100
Spafax (China) Co., Ltd.	China	100
Superunion China Co, Ltd	China	100
Unite (Shanghai) Advertising Co., Ltd.	China	100
Verticurl Marketing (Beijing) Ltd	China	60
WPP (China) Management Co., Ltd.	China	100
ADPeople A/S	Denmark	100
AKQA Denmark A/S	Denmark	75
EssenceMediacom Denmark A/S	Denmark	100
GroupM Denmark A/S	Denmark	100
Mindshare A/S	Denmark	100
Molecule Consultancy A/S	Denmark	51
Molecule Holding A/S	Denmark	100
Resolve ApS	Denmark	51
The & Partners ApS	Denmark	71.12
Unclegrey A/S	Denmark	100
VML MAP A/S	Denmark	51
Wavemaker A/S	Denmark	100
WPP Holding Denmark A/S	Denmark	100
AKQA SASU	France	100
AxiCom Communications SARL	France	100
Bates SAS	France	100
BCW SAS	France	100
Choreograph SAS	France	100
CT Finances SA	France	82.98
CUBING SAS	France	91.25
Group M France SAS	France	100
H&O	France	100
HK Strategies	France	100
Keyade SAS	France	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
KR Wavemaker SAS	France	100
Landor Associates SAS	France	100
Mediacom Paris SAS	France	100
Mindshare SAS	France	100
Neo Media World SAS	France	100
Ogilvy Paris	France	100
Peclers Paris SAS	France	100
Poster Conseil	France	100
Professional Public Relations SAS	France	100
Ray Productions SARL	France	100
Regional Management Group SAS	France	100
Screenbase SAS	France	95
Studio M France SAS	France	100
Sub Design SA	France	82.98
The&Partners SARL	France	71.12
Velvet Consulting SAS	France	95.11
VMLY&R France SAS	France	100
WPP Finance SA	France	100
WPP France Holdings SAS	France	100
Wunderman Thompson	France	100
(m)STUDIO GmbH	Germany	100
3K Agentur für Kommunikation GmbH	Germany	100
Acceleration GmbH (128681) 102674	Germany	100
AKQA GmbH	Germany	100
amp GmbH	Germany	90
argonauten GmbH	Germany	100
AxiCom Axiom Communications GmbH	Germany	100
banbutsu dcp GmbH	Germany	67.9
BCW GmbH	Germany	100
Best of Media GmbH 52111	Germany	100
Brand Pier GmbH	Germany	66.5
deepblue networks AG	Germany	100
Design Bridge and Partners GmbH	Germany	100
Dorland Werbeagentur GmbH	Germany	100
EssenceMediacom Germany GmbH	Germany	100
EssenceMediacom Hamburg GmbH	Germany	100
EssenceMediacom München GmbH	Germany	100
FGS Global (Europe Holding) GmbH	Germany	50.4
FGS Global (Europe) GmbH	Germany	50.4
GCI Health Unternehmensberatung für Kommunikation GmbH (40477) 175963	Germany	80
gkk Bremen GmbH	Germany	100
gkk DialogGroup GmbH	Germany	100
gkk Hannover GmbH Agentur für Dialogmarketing	Germany	100
gkk München GmbH	Germany	100
Global Team Ogilvy All Stars GmbH	Germany	100
Grey Famously Effective GmbH	Germany	100
GREY germany GmbH	Germany	100
Grey Holding Central Europe GmbH	Germany	100
Grey Shopper GmbH	Germany	100
greyhealth group GmbH	Germany	100
GroupM Competence Center GmbH 76816	Germany	100
GroupM Digital Germany GmbH	Germany	100
groupm Germany GmbH	Germany	100
groupm Germany Verwaltungs GmbH	Germany	100
groupm OOH GmbH	Germany	100
GroupM Technology GmbH	Germany	100
Hill & Knowlton GmbH	Germany	100
Hogarth Worldwide GmbH (56984) 177587	Germany	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
i Premium Service München GmbH	Germany	100
icon group GmbH	Germany	67.9
Icon Impact GmbH	Germany	67.9
icon incar GmbH	Germany	67.9
iconmobile technologies GmbH	Germany	67.9
INGO Hamburg GmbH	Germany	100
Instant Data GmbH	Germany	100
IntraMedic GmbH	Germany	100
Lambie-Nairn & Company Limited	Germany	100
Landor & Fitch GmbH	Germany	100
loved digital GmbH	Germany	80
loved gmbh	Germany	56
Media Consult WPP GmbH	Germany	100
MediaCom Holding Central and Eastern Europe GmbH	Germany	100
MediaCom TWENTYFIVE GmbH	Germany	100
MindShare GmbH	Germany	100
Ogilvy GmbH	Germany	100
Ogilvy Public Relations GmbH	Germany	74.8
OgilvyFinance AG	Germany	100
PATH GmbH	Germany	100
plista GmbH	Germany	100
RessourcenReich GmbH	Germany	66.5
Sales Port GmbH	Germany	66.5
SCHOLZ & FRIENDS Berlin GmbH	Germany	100
SCHOLZ & FRIENDS BuyQ GmbH	Germany	100
Scholz & Friends Commerce GmbH (77625) 157736	Germany	100
SCHOLZ & FRIENDS Digital Media GmbH	Germany	50.1
SCHOLZ & FRIENDS Düsseldorf GmbH 39859	Germany	100
SCHOLZ & FRIENDS Family GmbH	Germany	100
SCHOLZ & FRIENDS Group GmbH	Germany	100
SCHOLZ & FRIENDS Hamburg GmbH	Germany	100
Scholz & Friends Health GmbH	Germany	100
SCHOLZ & FRIENDS iDialog GmbH	Germany	100
SCHOLZ & FRIENDS Realisation Hub GmbH (63549)	Germany	100
SCHOLZ & FRIENDS Trademarks GmbH	Germany	100
Social Lab GmbH	Germany	95.2
Szygy AG	Germany	50.33
szygy Deutschland GmbH	Germany	50.33
Szygy Performance Marketing GmbH	Germany	50.33
The Brand Power Company GmbH	Germany	100
TheAndPartnership Germany GmbH (78501)	Germany	71.12
thnk Germany GmbH	Germany	80
thnk GmbH	Germany	80
TWENTYFIVE Communications GmbH & Co. KG	Germany	69.3
TWENTYFIVE Verwaltungs GmbH	Germany	69.3
UV Interactive Entertainment GmbH	Germany	100
VML Germany GmbH 84045	Germany	100
VMLY&R GmbH	Germany	100
WAVEMAKER GmbH	Germany	100
WPP Deutschland Holding GmbH & Co. KG	Germany	100
WPP Deutschland Verwaltungs GmbH	Germany	100
WPP Finance Deutschland GmbH	Germany	100
WPP Germany GmbH & Co. KG	Germany	100
WPP Marketing Communications Germany GmbH	Germany	100
WPP media solutions GmbH	Germany	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
Agenda (Hong Kong) Ltd	Hong Kong	100
Agenda Group (Asia) Limited	Hong Kong	100
ARBA Holdings Limited	Hong Kong	65
Bates Hong Kong Limited	Hong Kong	100
BatesAsia Limited	Hong Kong	100
Brand Communications International Limited	Hong Kong	60
Burson-Marsteller (Asia) Limited	Hong Kong	100
Burson-Marsteller (Hong Kong) Limited	Hong Kong	100
Cohn & Wolfe Impact Asia Limited	Hong Kong	100
Conquest Marketing Communications (Hong Kong) Limited	Hong Kong	100
Design Bridge & Partners Hong Kong Limited	Hong Kong	100
Designercity (HK) Limited	Hong Kong	51
Era Ogilvy Public Relations Co., Limited	Hong Kong	70
Essencemediacom Hong Kong Limited	Hong Kong	100
EssenceMediacom Limited	Hong Kong	100
FGS Global (Asia) Limited	Hong Kong	50.4
Freeway Communications Ltd	Hong Kong	100
G2 Hong Kong Ltd	Hong Kong	100
Geometry Global Company Limited	Hong Kong	100
Golden Fame International Holdings Ltd	Hong Kong	60
Grand Wealth International Holdings Limited	Hong Kong	51
Grey Advertising Hong Kong Ltd	Hong Kong	100
Grey Advertising Limited	Hong Kong	100
Grey DPI (Hong Kong) Limited	Hong Kong	60
Grey Interactive Ltd	Hong Kong	60
Grey International Limited	Hong Kong	100
GroupM Communications Hong Kong Limited	Hong Kong	100
GroupM Limited	Hong Kong	100
Hill and Knowlton Asia Limited	Hong Kong	100
H-Line Worldwide Limited	Hong Kong	100
Hogarth Worldwide (Hong Kong) Limited	Hong Kong	100
Hong Kong Dawson Marketing Communications Company Limited	Hong Kong	100
HWGL Investment (Holding) Company Limited	Hong Kong	100
iPR Ogilvy Holdings Limited	Hong Kong	60
iPR Ogilvy Limited	Hong Kong	60
J. Walter Thompson Company (North Asia) Limited	Hong Kong	100
Landor & Fitch (Hong Kong) Limited	Hong Kong	100
MindShare Communications Limited	Hong Kong	100
MindShare Hong Kong Limited	Hong Kong	100
Mirum Hong Kong Limited	Hong Kong	100
NB Agency Asia Holding Limited	Hong Kong	70
Ogilvy & Mather (China) Limited	Hong Kong	100
Ogilvy & Mather (Hong Kong) Private Limited	Hong Kong	100
Ogilvy & Mather Marketing Communications Limited	Hong Kong	100
Ogilvy & Mather Marketing Services Limited	Hong Kong	100
Ogilvy Public Relations Worldwide Limited (Hong Kong)	Hong Kong	100
OgilvyOne Worldwide Hong Kong Limited	Hong Kong	100
Pulse Communications Ltd	Hong Kong	100
RedWorks Limited	Hong Kong	100
Sard Verbinen & Co., Limited	Hong Kong	50.4
Shengshi International Media (Group) Limited	Hong Kong	100
Soho Square Hong Kong Limited	Hong Kong	100
Team Y&R Holdings Hong Kong Limited	Hong Kong	100
The Bridge Communications Company Limited	Hong Kong	100
The&Partnership Hong Kong Limited	Hong Kong	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
Wavemaker Hong Kong Limited	Hong Kong	100
WPP Group (Asia Pacific) Limited	Hong Kong	100
WPP Marketing Communications (Hong Kong) Limited	Hong Kong	100
Wunderman Thompson (Taiwan) Limited	Hong Kong	100
Wunderman Thompson Limited	Hong Kong	100
Alphabet Consulting Private Limited	India	100
Autumn Advertising Private Limited	India	78.5
Bates India Private Ltd	India	79.79
Batey India Private Limited	India	85.96
Bay99 Studios India Private Limited	India	100
Brand David Communications Private Limited	India	86.13
BU India Private Limited	India	100
Contract Advertising (India) Pvt Ltd	India	84.4
Eighty Two Point Five Communications Private Limited	India	80.07
Fortuity Communications Pvt. Ltd	India	100
G2 Communications Pvt Ltd	India	100
G2 Rams India Pvt Ltd	India	100
Genesis BCW Private Limited	India	100
Glitch Media Private Limited	India	100
Grey Worldwide (India) Pvt.Ltd	India	100
GroupM Media India Pvt Ltd	India	69.5
Hindustan Thompson Advertising Limited	India	73.98
HTA Marketing Services Private Limited	India	74
Hug Digital Private Limited	India	70
Hungama Digital Services Private Limited	India	56.04
Interactive Television Private Limited	India	71
Kinetic Advertising India Private Limited	India	84.4
Matrix Publicities & Media India Pvt Ltd	India	100
MediaCom Communications Pvt Ltd	India	100
Mediaedge:cia India Pvt Ltd	India	95.50
Mirum Digital Private Limited	India	99
Ogilvy & Mather Pvt Ltd	India	74
Pennywise Solutions Private Limited	India	99
PPR South Asia Private Limited	India	100
Qais Consulting (India) Pvt Ltd	India	100
Quasar Media Private Ltd	India	100
RC&M Experiential Marketing LLP	India	70
Results India Communications Pvt Ltd	India	69.5
Sercon India Private Limited	India	77.26
Six Degrees BCW Private Limited	India	100
T and P Agency Private Limited	India	79.79
Trikaya Communications Pvt. Ltd	India	100
Verticurl Marketing Private Limited	India	60
WPP Marketing Communications India Pvt. Ltd.	India	100
Wunderman Thompson Commerce Private Limited	India	100
AKQA Srl	Italy	91
AQuest S.r.l.	Italy	100
AxiCom Italia Srl	Italy	100
Burson Cohn & Wolfe Srl	Italy	100
CB'A Srl	Italy	82.98
EssenceMediacom Italia Srl	Italy	100
FAST - Financial Administration Solutions & Technologies Srl	Italy	100
Grey srl	Italy	100
GroupM plus Srl	Italy	100
GroupM Srl	Italy	100
Hill+Knowlton Strategies Italy srl	Italy	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
Hogarth Worldwide Italy srl	Italy	100
Intramed Communications Srl	Italy	100
Landor & Fitch Srl	Italy	100
MDC srl	Italy	100
Media Club Srl	Italy	100
Media Insight Srl	Italy	100
Mindshare SpA	Italy	100
Ogilvy & Mather Srl	Italy	100
Ogilvy Interactive Srl	Italy	100
OgilvyOne Worldwide SpA	Italy	100
Sentrix Global Health Communications Srl	Italy	100
The & Partners Srl	Italy	71.12
VMLY & R ITALY S.r.l.	Italy	100
VMLY&R Health Srl	Italy	100
Wavemaker Italia S.r.l.	Italy	100
WPP Marketing Communications (Italy) Srl	Italy	100
Wunderman Thompson S.r.l.	Italy	100
AKQA GK	Japan	100
AKQA Uka, Inc.	Japan	51
Bates Asia Japan Inc.	Japan	100
Burson Cohn & Wolfe Japan Inc.	Japan	100
FGS Global (Japan) GK	Japan	50.4
Grey Worldwide Inc (Japan)	Japan	100
GroupM Japan KK	Japan	100
Hogarth Inc.	Japan	100
Hogarth Worldwide Japan GK	Japan	100
Ogilvy Public Relations Worldwide (Japan) KK	Japan	100
Soho Square Japan K.K.	Japan	100
Sudler Japan Inc.	Japan	100
The&Partnership Japan K.K.	Japan	100
Verticurl Japan G.K.	Japan	60
VML & Ogilvy Japan GK	Japan	100
WPP Marketing Communications GK	Japan	100
Wunderman Thompson Tokyo GK	Japan	100
Agencia de Comunicación Interactiva, SA de CV	Mexico	100
Burson Cohn & Wolfe de México, S. de R.L. de C.V.	Mexico	100
CM Connection, S. de R.L. de C.V.	Mexico	100
CM Interactive, S.A. de C.V.	Mexico	100
Compañía Hill and Knowlton México, S. de R.L. de C.V.	Mexico	100
Grey México, S. de R.L. de C.V.	Mexico	100
Hogarth Worldwide de Mexico, S. de R.L. de C.V.	Mexico	100
Jeffrey Group Servicios, S. de R.L. de C.V.	Mexico	99
Mirum, S.A. de C.V.	Mexico	100
Ogilvy & Mather, S. de R.L. de C.V.	Mexico	100
PPR Comunicaciones de México, S. de R.L. de C.V.	Mexico	100
Soho Square México, S. de R.L. de C.V.	Mexico	100
The Cocktail America, SA DE CV	Mexico	79.99
The Jeffrey Group Mexico. S. de R.L. de C.V.	Mexico	100
Triad Media Retail, S. de R.L. de C.V.	Mexico	100
Walter Landor y Asociados, S de RL de CV	Mexico	100
WPP Business Services, S. de R.L. de C.V.	Mexico	100
WPP Consulting México, S. de R.L. de C.V.	Mexico	100
WPP Media Management, S. de R.L. de C.V.	Mexico	100
WPP Second, S. de R.L. de C.V.	Mexico	100
WT Marketing Integral, S. de R.L. de C.V.	Mexico	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
Wunderman Thompson México, S. de R.L. de C.V.	Mexico	100
AKQA B.V.	Netherlands	100
Axicom BV	Netherlands	100
Berkeley Square Holding BV	Netherlands	100
Blast Radius B.V.	Netherlands	100
Burson Cohn & Wolfe B.V.	Netherlands	100
Cavendish Square Holding BV	Netherlands	100
Centrale Holding Du Bois Ording B.V.	Netherlands	100
Chafna B.V.	Netherlands	100
CIA Holding B.V.	Netherlands	100
Conversion Company B.V.	Netherlands	100
Design Bridge and Partners B.V.	Netherlands	100
Dolphin Square Holding B.V.	Netherlands	100
Du Bois Ording Design B.V.	Netherlands	100
Geometry Global Benelux B.V.	Netherlands	100
Greenhouse Group B.V.	Netherlands	100
Grey Amsterdam B.V.	Netherlands	90
GreyPOSSIBLE Benelux B.V.	Netherlands	90
GreyPOSSIBLE Holding B.V.	Netherlands	100
Groundfloor BV	Netherlands	100
Group M India Holding B.V.	Netherlands	100
GroupM B.V.	Netherlands	100
GroupM Korea Digital B.V.	Netherlands	100
Healthworld Communications Group (Netherlands) B.V.	Netherlands	100
Hill & Knowlton Nederland B.V.	Netherlands	100
Hogarth Nederland B.V.	Netherlands	100
In Domo Consulting B.V.	Netherlands	56
Institute for Real Growth B.V.	Netherlands	100
JWT (Netherlands) Holding BV	Netherlands	99.2
LdB Ogilvy & Mather B.V.	Netherlands	51
Leicester Square Holding B.V.	Netherlands	100
Lexington International B.V.	Netherlands	100
Marketique Interactieve Marketing Services B.V.	Netherlands	95.20
Maxus B.V.	Netherlands	100
MediaCom B.V.	Netherlands	100
MindShare B.V.	Netherlands	100
Miniato B.V.	Netherlands	100
Mirum Europe B.V.	Netherlands	100
NEWCRAFT GROUP B.V.	Netherlands	100
OAK B.V.	Netherlands	100
Ogilvy & Mather Africa B.V.	Netherlands	56.25
Ogilvy Groep (Nederland) B.V.	Netherlands	95.2
Russell Square Holding BV	Netherlands	100
Superunion B.V.	Netherlands	100
Ubachs Wisbrun BV	Netherlands	100
Unfoldr B.V.	Netherlands	100
UnfoldX B.V.	Netherlands	100
VBAT Group B.V.	Netherlands	100
Vincent Square Holding BV	Netherlands	100
VML Netherlands B.V.	Netherlands	100
Wavemaker BV	Netherlands	100
Witgoud Investments B.V.	Netherlands	100
WPP Claremont Square B.V.	Netherlands	100
WPP Go One B.V.	Netherlands	100
WPP Group Holdings B.V.	Netherlands	100
WPP Holdings (Holland) B.V.	Netherlands	100
WPP Interflow Holding B.V.	Netherlands	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
WPP Japan Holding B.V.	Netherlands	100
WPP Kraken 2 B.V.	Netherlands	100
WPP Kraken B.V.	Netherlands	100
WPP Management Services (Holland) B.V.	Netherlands	100
WPP Minotaur B.V.	Netherlands	100
WPP Netherlands B.V.	Netherlands	100
WPP Rio Square BV	Netherlands	100
WPP Sheridan Square B.V.	Netherlands	100
WPP Socrates BV	Netherlands	100
WPP Summer Square B.V.	Netherlands	100
WPP Superior Square BV	Netherlands	100
WPP Times Square B.V.	Netherlands	100
WPP US Investments BV	Netherlands	100
Wunderman Thompson Amsterdam VOF	Netherlands	99.52
WVI Marketing Communications Group B.V.	Netherlands	100
Y & R Minority Holdings C.V.	Netherlands	100
Young & Rubicam International Group B.V.	Netherlands	100
Brand Fibres sp. z o.o.	Poland	75
Gorilla Group spółka z ograniczoną odpowiedzialnością	Poland	100
Grey Worldwide Warszawa Sp. z o.o	Poland	100
GroupM Sp.z.o.o.	Poland	100
Hill and Knowlton Poland Sp. z o.o	Poland	100
Huge Idea sp. z o.o.	Poland	75
MediaCom - Warszawa Sp.z.o.o.	Poland	100
METS Sp. z.o.o.	Poland	100
MindShare Polska Sp. z.o.o.	Poland	100
Ogilvy PR Sp z.o.o.	Poland	100
Ogilvy Sp. z o.o.	Poland	100
Testardo Gram Sp. z.o.o.	Poland	100
The & Partnership Limited Spółka z ograniczoną odpowiedzialnością	Poland	71.12
The Media Insight Polska Sp. z.o.o.	Poland	100
VMLY&R Cracow sp. Z o.o	Poland	74
VMLY&R Europe Holding sp. z o.o.	Poland	100
VMLY&R sp. z o.o.	Poland	74
Wavemaker Sp.z.o.o	Poland	100
Webola Huge Idea sp. z o.o. sp.k.	Poland	74
Wunderman Thompson Technology Sp.z o.o.	Poland	100
Aleph Pte Ltd	Singapore	86.5
BCW (SG) PTE. LTD	Singapore	100
Comwerks Pte Ltd	Singapore	90
Demand Interactive Pte Ltd	Singapore	100
Design Bridge Asia PTE Limited	Singapore	100
FGS GLOBAL (SEA) PTE. LIMITED	Singapore	50.4
FINSBURY SG LLP	Singapore	100
GCI Health Singapore PTE. Ltd	Singapore	100
Grey Group PTE Ltd	Singapore	100
GroupM Asia Pacific Holdings Pte Ltd	Singapore	100
GroupM Singapore Pte Ltd	Singapore	100
Hill & Knowlton (SEA) Pte Ltd	Singapore	100
HOGARTH WORLDWIDE PTE. LIMITED	Singapore	100
Landor & Fitch Pte. Ltd.	Singapore	100
M Globe Pte. Ltd	Singapore	100
Ogilvy Singapore Pte. Ltd.	Singapore	100
Ogilvy Social Lab Singapore Pte Ltd	Singapore	95.2
Qais Consulting Pte Ltd	Singapore	100
Scotts Road Management Services LLP	Singapore	100
Soho Square Pte Ltd	Singapore	100
Spafax Airline Network (Singapore) Pte Ltd	Singapore	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
STW Group Asia Holdings Pte Ltd	Singapore	100
The Brand Power Company Pte Ltd	Singapore	100
The Partners (Brand Consultants) LLP	Singapore	100
The&Partnership Pte. Ltd.	Singapore	100
Verticurl Pte. Ltd.	Singapore	60
Vocanic Pte. Ltd.	Singapore	80.65
WPP Holdings (S) Pte. Ltd	Singapore	100
WPP Singapore Pte Ltd	Singapore	100
Wunderman Thompson Singapore Pte. Ltd	Singapore	100
Xaxis Asia Pacific Pte Ltd	Singapore	100
XM Asia Pacific Pte Ltd	Singapore	100
Y&R Yangon Pte. Ltd	Singapore	60
Young & Rubicam Pte Ltd	Singapore	100
Acceleration Digital Marketing (Pty) Limited	South Africa	54.95
Acceleration eMarketing (Pty) Limited	South Africa	54.95
BCW Africa (Pty) Ltd	South Africa	54.95
Cerebra Communications Proprietary Limited	South Africa	54.95
Collective ID (PTY) Ltd	South Africa	52.47
Essencemediacom Communications (Pty) Ltd	South Africa	54.95
GroupM SA Media Holdings Proprietary Limited	South Africa	54.95
GroupM South Africa (Proprietary) Limited	South Africa	54.95
Hogarth Worldwide (Pty) Limited	South Africa	54.95
Maxus Communications Proprietary Limited	South Africa	52.14
Mindshare South Africa (Gauteng) (Proprietary) Limited	South Africa	54.95
Nota Bene Media Planning Agency (Proprietary) Limited	South Africa	54.95
Ogilvy and Mather South Africa (Pty) Ltd	South Africa	55.8
OgilvyOne Worldwide Johannesburg (Proprietary) Limited	South Africa	100
The Brand Union	South Africa	80
Wavemaker (Pty) Ltd	South Africa	54.95
WPP Blue Crane (RF) (Pty) Ltd	South Africa	76.6
WPP South Africa Holdings Proprietary Limited	South Africa	54.95
Wunderman Thompson Proprietary Limited	South Africa	54.95
Wunderman Thompson Technology SA (Pty) Ltd	South Africa	100
Young & Rubicam South Africa (Proprietary) Limited	South Africa	54.95
Axicom Spain SL	Spain	100
BSB Publicidad SA	Spain	100
Burson Cohn & Wolfe S.L.	Spain	100
CBA Branding Design Experience SL	Spain	78.5
David the Agency Madrid S.L.	Spain	70
Design Bridge and Partners, S.L.	Spain	100
EssenceMediacom Iberia, S.A.	Spain	100
Grey Espana SLU	Spain	100
GroupM Publicidad Worldwide SA	Spain	100
Hill & Knowlton Espana SA	Spain	51
Hogarth Worldwide Production Services, SL	Spain	100
Mindshare Spain SA	Spain	100
Neo Media Technologies Spain, S.A.,	Spain	100
Ogilvy & Mather Publicidad Barcelona S.A.	Spain	100
Ogilvy & Mather Publicidad Madrid S.A.	Spain	100
OgilvyOne Worldwide SA	Spain	100
Sra Rushmore SA	Spain	74
The & Partnership Iberia Publicidad, S.L	Spain	71.12
The Cocktail America, S.L.U.	Spain	80
The Cocktail Experience, S.L.U.	Spain	80
VML Young & Rubicam, S.L.	Spain	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
VMLY&Rx S.L.	Spain	100
Wavemaker Publicidad Spain S.L.	Spain	100
WPP Holdings Spain, S.L.	Spain	100
Wunderman Thompson MAP Spain SL	Spain	51
Wunderman Thompson, S.L.	Spain	100
Agenda (Taiwan) Ltd	Taiwan	100
David Advertising (Taiwan) Co. Ltd	Taiwan	70
Hogarth & Ogilvy (Taiwan) Co., Ltd	Taiwan	100
Ogilvy & Mather (Taiwan) Co Ltd	Taiwan	70
Ogilvy Public Relations Worldwide Co Ltd	Taiwan	95
OgilvyOne Worldwide (Taiwan) Co Ltd	Taiwan	95
VML Taiwan Limited	Taiwan	100
Wavemaker Taiwan Ltd	Taiwan	100
Acceleration eMarketing Middle East FZ-LLC	United Arab Emirates	100
AKQA FZ-LLC	United Arab Emirates	76
Asdaa Advertising FZ LLC	United Arab Emirates	80
Cleartag Holding Limited	United Arab Emirates	75
EssenceMediacom Communications L.L.C	United Arab Emirates	80.5
FGS Global FZ LLC	United Arab Emirates	50.4
Geometry Global Advertising L.L.C.	United Arab Emirates	99.99
Grey Worldwide Co. LLC	United Arab Emirates	100
Group M MENA FZ-LLC	United Arab Emirates	100
Memac Ogilvy & Mather LLC	United Arab Emirates	60
Mindshare Advertising LLC	United Arab Emirates	67.5
Mirum FZ-LLC	United Arab Emirates	75
RMG Heathwallace FZE	United Arab Emirates	75
WAVEMAKER MENA FZ LLC	United Arab Emirates	99.9
Wunderman WCJ FZ LLC	United Arab Emirates	100
Young and Rubicam FZ LLC	United Arab Emirates	99.99
Acceleration eMarketing Limited	United Kingdom	100
AKQA Limited	United Kingdom	100
Alton Wire Products Limited	United Kingdom	100
Ambassador Square	United Kingdom	100
ATN Agency Limited	United Kingdom	71.12
Axicom Limited	United Kingdom	100
Bates Overseas Holdings Limited	United Kingdom	100
BDG architecture + design Limited	United Kingdom	100
Beaumont Square	United Kingdom	100
Belgrave Square	United Kingdom	100
Blue State Digital UK Limited	United Kingdom	100
Bookmark Content Ltd	United Kingdom	100
Box of Vegetables Limited	United Kingdom	75.3
Brand Power Limited	United Kingdom	100
Buchanan Communications Limited	United Kingdom	100
Carl Byoir (UK) Limited	United Kingdom	100
CBA London Limited	United Kingdom	82.98
CHI Wunderman UK Limited	United Kingdom	85.56
Choreograph Limited	United Kingdom	100
Clarion Communications (P.R.) Limited	United Kingdom	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
CLOUD COMMERCE GROUP LTD	United Kingdom	100
Cockpit Holdings Limited	United Kingdom	100
Code Computer Love Limited	United Kingdom	76.27
Cognifide Limited	United Kingdom	100
Coley Porter Bell Limited	United Kingdom	100
Cordiant Communications Group Limited	United Kingdom	100
Design Bridge and Partners Worldwide Limited	United Kingdom	100
Design Bridge Limited	United Kingdom	100
DNX Limited	United Kingdom	100
Essence Global Limited	United Kingdom	100
EssenceMediacom Holdings Limited	United Kingdom	100
EssenceMediacom North Limited	United Kingdom	100
Essencemediacom Scotland Limited	United Kingdom	100
Everymile Limited	United Kingdom	100
FGS Global (UK Holdco) Limited	United Kingdom	50.4
FGS Global (UK) Limited	United Kingdom	50.4
Fictioneers Limited	United Kingdom	86.76
Finecast Limited	United Kingdom	100
Fitch Worldwide Limited	United Kingdom	100
Gain Theory Limited	United Kingdom	100
Garrott Dorland Crawford Holdings Limited	United Kingdom	100
Geometry Global (UK) Limited	United Kingdom	100
Geometry Global Limited	United Kingdom	100
Goat Solutions Ltd	United Kingdom	100
Grey Advertising Limited	United Kingdom	100
Grey Communications Group Limited	United Kingdom	100
Grey Saudi Limited	United Kingdom	100
GroupM Motion Entertainment Limited	United Kingdom	100
GroupM UK Digital Limited	United Kingdom	100
GROUPM UK Ltd	United Kingdom	100
Halpern Limited	United Kingdom	52.13
Hill & Knowlton Limited	United Kingdom	100
Hogarth Worldwide Limited	United Kingdom	100
iconmobile Limited	United Kingdom	67.9
Ignite JV Limited	United Kingdom	50
J. Walter Thompson U.K. Holdings Limited	United Kingdom	100
Kinetic Worldwide Limited	United Kingdom	100
Lambie-Nairn & Company Limited	United Kingdom	100
Made Thought Creative Limited	United Kingdom	75
Made Thought Design Limited	United Kingdom	75
Man vs Machine Limited	United Kingdom	75
Mando Corporation Limited	United Kingdom	100
Map Project Office Limited	United Kingdom	75
Maxus Communications (UK) Limited	United Kingdom	100
MediaCom UK Limited	United Kingdom	100
Mediaedge:CIA (UK) Holdings Limited	United Kingdom	100
Mediaedge:CIA Worldwide Limited	United Kingdom	100
Mediahead Communications Limited	United Kingdom	100
Metro Production Group Limited	United Kingdom	100
MFUSE Agency Limited	United Kingdom	71.12
Mindshare Media UK Limited	United Kingdom	100
Mortimer Square Limited	United Kingdom	100
MSIX Communications Limited	United Kingdom	71.12
Muster Agency Limited	United Kingdom	56.89
No Need 4 Mirrors Limited	United Kingdom	100
NPCOMplete LTD	United Kingdom	100
Ogilvy & Mather Group (Holdings) Limited	United Kingdom	100
Ogilvy Health Limited	United Kingdom	100
P.O.A. Holdings Limited	United Kingdom	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
Partners (Design Consultants) Limited (The) ...	United Kingdom	100
Partnership SPV 1 Limited	United Kingdom	50.36
Poster Publicity Holdings Ltd	United Kingdom	100
Potato London Ltd	United Kingdom	75.3
Prophaven Limited	United Kingdom	100
Public Relations and International Sports Marketing Limited	United Kingdom	100
Pulse Creative London Limited	United Kingdom	71.12
Quill Communications Limited	United Kingdom	100
S.H.Benson International Limited	United Kingdom	100
S.H.Benson(India)Limited	United Kingdom	100
Sard Verbinnen & Co., Limited	United Kingdom	50.4
Set Creative UK Limited	United Kingdom	65
Set Live Limited	United Kingdom	65
Spafax Airline Network Limited	United Kingdom	100
Stickleback Limited	United Kingdom	100
Superunion Limited	United Kingdom	100
Szygy UK Limited	United Kingdom	50.33
Team Y&R Saudi Limited	United Kingdom	100
Tempus Group Limited	United Kingdom	100
The & Partners Group Limited	United Kingdom	71.12
THE&PARTNERS LONDON LIMITED	United Kingdom	71.12
Thistleclub Limited	United Kingdom	100
TWW Group Limited	United Kingdom	100
Ultimate Square	United Kingdom	100
Unique Digital Marketing Limited	United Kingdom	51.78
Universal Design Studio Limited	United Kingdom	75
Verticurl Marketing UK Limited	United Kingdom	60
VMLY&R Health Limited	United Kingdom	100
VMLY&R KOL INSIGHTS & DIGITAL SOLUTIONS LIMITED	United Kingdom	75
Voluntarily United Creative Agencies Limited	United Kingdom	100
Wavemaker Global Limited	United Kingdom	100
Wavemaker Limited	United Kingdom	100
Wire & Plastic Products Limited	United Kingdom	100
Wise Conclusion	United Kingdom	100
WPP 1178	United Kingdom	100
WPP 2005 Limited	United Kingdom	100
WPP 2008 Limited	United Kingdom	100
WPP 2020 IAS Limited	United Kingdom	100
WPP 2323 Limited	United Kingdom	100
WPP Brands (Europe) Limited	United Kingdom	100
WPP Brands (UK) Limited	United Kingdom	100
WPP Brands Development Holdings (UK) Limited	United Kingdom	100
WPP Brands Holdings (UK) Limited	United Kingdom	100

COMPANY NAME	JURISDICTION UNDER WHICH ORGANISED	OWNERSHIP INTEREST
WPP Compete	United Kingdom	100
WPP Consulting Limited	United Kingdom	100
WPP CP Finance plc	United Kingdom	100
WPP Dolphin UK Limited	United Kingdom	100
WPP DORSET SQUARE LIMITED	United Kingdom	100
WPP Finance 2010	United Kingdom	100
WPP Finance 2013	United Kingdom	100
WPP Finance 2016	United Kingdom	100
WPP Finance Co. Limited	United Kingdom	100
WPP Fitzroy Square	United Kingdom	100
WPP Flame	United Kingdom	100
WPP Global	United Kingdom	100
WPP Golden Square Limited	United Kingdom	100
WPP Group (Nominees) Limited	United Kingdom	100
WPP Group (UK) Ltd	United Kingdom	100
WPP Group Holdings Limited	United Kingdom	100
WPP Headline	United Kingdom	100
WPP Jubilee Limited	United Kingdom	100
WPP Knowledge	United Kingdom	100
WPP Manchester Square Limited	United Kingdom	100
WPP Montreal Ltd	United Kingdom	100
WPP MR OVERSEAS MEDIA HOLDINGS LIMITED	United Kingdom	100
WPP MR UK Limited	United Kingdom	100
WPP MR US	United Kingdom	100
WPP North Atlantic Limited	United Kingdom	100
WPP Opal Limited	United Kingdom	100
WPP Open	United Kingdom	100
WPP Rocky Ltd	United Kingdom	100
WPP Samson Limited	United Kingdom	100
WPP Samson Two Limited	United Kingdom	100
WPP Sigma Limited	United Kingdom	100
WPP Sphinx Limited	United Kingdom	100
WPP Toronto Ltd	United Kingdom	100
WPP UK Germany Holdings	United Kingdom	100
WPP UK Torre	United Kingdom	100
WPP Unicorn Limited	United Kingdom	100
WPP US Investments Limited	United Kingdom	100
WPP Vancouver Ltd	United Kingdom	100
Wunderman Thompson (UK) Limited	United Kingdom	100
Wunderman Thompson Commerce UK Limited	United Kingdom	100
Wunderman Thompson MAP UK Limited	United Kingdom	51

Certification

I, Mark Read, certify that:

1. I have reviewed this annual report on Form 20-F of WPP plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: 21 March 2024

/s/ Mark Read

Mark Read

Chief Executive Officer

(principal executive officer)

Certification

I, Joanne Wilson, certify that:

1. I have reviewed this annual report on Form 20-F of WPP plc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: 21 March 2024

/s/ Joanne Wilson

Joanne Wilson
Chief Financial Officer
(principal financial officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of WPP plc (the “Company”) on Form 20-F for the period ended 31 December 2023 (the “Report”), I, Mark Read, Chief Executive Officer of the Company, certify to my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the Company’s financial position and results of operations.

Date: 21 March 2024

/s/ Mark Read

Mark Read

Chief Executive Officer

(principal executive officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of WPP plc (the “Company”) on Form 20-F for the period ended 31 December 2023 (the “Report”), I, Joanne Wilson, Chief Financial Officer of the Company, certify to my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the Company’s financial position and results of operations.

Date: 21 March 2024

/s/ Joanne Wilson

Joanne Wilson
Chief Financial Officer
(principal financial officer)

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-06378, 333-103888, 333-108149, 333-129640, 333-129733, 333-152662, 333-157729, 333-185886, 333-185887, 333-185889, 333-185890, 333-208658, 333-208660, 333-208661 and 333-232174 on Form S-8 of our reports dated 21 March 2024, relating to the financial statements of WPP plc and the effectiveness of WPP plc's internal control over financial reporting appearing in this Annual Report on Form 20-F for the year ended 31 December 2023.

/s/ Deloitte LLP
London, United Kingdom
21 March 2024

Subsidiary Guarantors and Issuers of Guaranteed Registered Securities

Registered U.S. Bonds	Subsidiary Issuer	Parent Guarantor	Subsidiary Guarantor
5.125% bonds due September 2042	WPP Finance 2010	WPP plc	WPP Air 1 Limited, WPP 2008 Limited, WPP 2005 Limited, WPP 2012 Limited, WPP Jubilee Limited
3.750% bonds due September 2024	WPP Finance 2010	WPP plc	WPP Jubilee Limited, WPP 2005 Limited
5.625% bonds due November 2043			



WPP plc NYSE CLAWBACK POLICY

Adopted by the Board: [1 December 2023]

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1 MEANING OF WORDS USED

In this Policy:

“**Applicable Law**” means any laws, regulations or rules of the US Securities and Exchange Commission, the NYSE, the London Stock Exchange, any other stock exchange on which the Company’s securities are listed or other regulatory authority applicable to the Group or the Executives, including for the avoidance of doubt, Section 304 of the US Sarbanes-Oxley Act of 2002;

“**Board**” means the board of directors of the Company;

“**Company**” means WPP plc, a public limited company incorporated in Jersey with registered number 111714;

“**Compensation Committee**” means the compensation committee of the Board;

“**Effective Date**” means 2 October 2023;

“**Exchange Act**” means the Securities Exchange Act of 1934;

“**Executive**” means the Company’s current and former chief executive officer, chief financial officer, chief operating officer and group finance director.

“**Financial Reporting Measure**” has the meaning given to it in Section 4.10.2;

“**Group**” means the Company and its Subsidiaries;

“**IFRS**” means the International Financial Reporting Standards as issued by the International Accounting Standards Board;

“**Incentive-Based Compensation**” has the meaning given to it in Section 4.10.1 of this Policy;

“**NYSE**” means the New York Stock Exchange;

“**Policy**” means the policy constituted by these provisions and any schedules and known as the WPP plc NYSE Clawback Policy;

“**Received**” has the meaning given to it in Section 4.10.3 of this Policy;

“**Recoverable Amount**” has the meaning given to it in Section 4.1 of this Policy;

“**Recovery Period**” means the period of three full financial years of the Company preceding the Restatement Date and any transition period that results from a change in the Company’s financial year within or immediately following such period¹;

“**Restatement**” has the meaning given to it in Section 4.1 of this Policy;

“**Restatement Date**” has the meaning given to it in Section 4.10.4 of this Policy;

“**Subsidiaries**” means a body corporate which is a subsidiary of the Company within the meaning of Articles 2 and 2A of the Companies (Jersey) Law 1991; and

“**Taxes**” means any taxes/duties/contributions/levies.

2 PURPOSE

- 2.1 The purpose of this Policy is to set out the basis for the mandatory recovery of erroneously awarded Incentive-Based Compensation from Executives of the Company in the event of a Restatement.

¹ A transition period between the last day of the Company’s previous financial year end and the first day of its new financial year that comprises a period of nine to 12 months will be deemed a full financial year, and as such will count as one of the relevant three financial years (rather than be in addition to them).

- 2.2 The Board has adopted this Policy in accordance with the requirements of Section 303A.14 of the NYSE Listed Company Manual, which was mandated by Rule 10D-1 of the Exchange Act.

3 APPLICABILITY

- 3.1 This Policy applies to the Company's Executives. Executives of the Company's parent(s) or Subsidiaries are deemed to be Executives of the Company if they perform such policy making functions for the Company. Individuals will be notified as soon as practicable after becoming or being determined to be an Executive.
- 3.2 Remuneration shall be subject to recovery pursuant to this Policy where: (i) the Compensation Committee determines that such remuneration constitutes Incentive-Based Compensation; and (ii) the remuneration was Received by an Executive:
- 3.2.1 after beginning their services as an Executive;
 - 3.2.2 who served as an Executive at any time during the performance period for that Incentive-Based Compensation;
 - 3.2.3 while the Company has a class of securities listed on the NYSE, another national securities exchange or a national securities association in the United States; and
 - 3.2.4 during the Recovery Period,
- provided that this Policy shall only apply to remuneration Received on or after the Effective Date.
- 3.3 For the avoidance of doubt, this Policy continues to apply to an Executive following any termination of their office or employment.
- 3.4 A copy of this Policy will be made available to Executives through any means determined by the Compensation Committee.
- 3.5 Executives will either expressly accept the terms of this Policy or, by accepting Incentive-Based Compensation (whether deemed or express acceptance), will be deemed to have accepted the terms of this Policy.

4 RECOVERY OF ERRONEOUSLY AWARDED INCENTIVE-BASED COMPENSATION

- 4.1 In the event that the Company is required to prepare an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under Applicable Law (a "**Restatement**"), including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period,² the Compensation Committee shall recover the amount of Incentive-Based Compensation Received by an Executive in the Recovery Period that exceeds the amount of Incentive-Based Compensation that otherwise would have been Received by the Executive had such remuneration been determined based on the restated amounts, computed without regard to any Taxes paid or payable (the "**Recoverable Amount**"). The Recoverable Amount shall not exceed the differential between the amount of Incentive-Based Compensation paid to such Executive and the amount of Incentive-Based Compensation that would have been paid to such Executive had the Restatement not occurred (in each case without regard to any Taxes paid or payable). Where Incentive-Based Compensation is based only

² The following do not constitute an accounting restatement for purposes of this Policy: (i) the correction of an error in the current period consolidated financial statements (commonly referred to as an out-of-period adjustment) when the error is immaterial to the previously issued consolidated financial statements and the correction of the error is also immaterial to the current period; (ii) the retrospective application of a change in accounting policy; (iii) a retrospective revision of reportable segment information due to a change in the structure of the Group's internal organization; (iv) a retrospective reclassification due to a discontinued operation; (v) the retrospective application of a change in reporting entity, such as from a reorganization of entities under common control; (vi) the retrospective adjustment to provisional amounts in connection with a prior business combination; and (vii) a retrospective revision for a share split, reverse share split, share dividend or other changes in capital structure.

in part on the achievement of a Financial Reporting Measure performance goal, the Compensation Committee shall first determine the portion of the original Incentive-Based Compensation based on or derived from the Financial Reporting Measure that was restated. The Compensation Committee shall then recalculate the affected portion based on the Financial Reporting Measure as restated, and recover the difference between the greater amount based on the original financial statements and the lesser amount that would have been received based on the restatement.

- 4.2** Whether a Restatement has occurred for the purposes of this Policy shall be confirmed by the Board, which shall rely on any decision in this respect of the Audit Committee.
- 4.3** For Incentive-Based Compensation based on share price or total shareholder return, where the Recoverable Amount is not subject to mathematical recalculation directly from the information in the Restatement, the Recoverable Amount will be determined by the Compensation Committee based on the Compensation Committee's reasonable estimate of the effect of the Restatement on the share price or total shareholder return upon which the Incentive-Based Compensation was received. The Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the NYSE.
- 4.4** Following a Restatement, the Compensation Committee shall:
- 4.4.1** determine the Recoverable Amount in accordance with Section 4.1 of this Policy; and
 - 4.4.2** to the extent the Recoverable Amount has been Received by an Executive, instruct the Company to recover reasonably promptly the full Recoverable Amount in accordance with Section 4.5 of this Policy; or
 - 4.4.3** to the extent the Recoverable Amount has not been Received, but is otherwise owed to an Executive, cancel the right of such Executive to receive the Recoverable Amount.
- 4.5** To the extent permitted by Applicable Law, the Compensation Committee may seek to recoup Recoverable Amounts by all legal means available, including but not limited to:
- 4.5.1** lapsing, reducing, cancelling or forfeiting any outstanding Award under which cash or shares may be (or otherwise become) due to such affected Executive;
 - 4.5.2** reducing the amount of any future remuneration of such affected Executive;
 - 4.5.3** forfeiting, in whole or in part, cash or shares being held on behalf of such affected Executive in any retention arrangement in connection with any incentive plan, deferred bonus plan or discretionary bonus arrangement operated by any member of the Group;
 - 4.5.4** making a deduction from any payment otherwise due to such affected Executive (known as "set off");
 - 4.5.5** claiming repayment of an amount directly from such affected Executive (in cash or shares) which such affected Executive must repay on receipt of a written request; or
 - 4.5.6** by such other means or combination of means as the Compensation Committee, in its sole discretion, determines to be appropriate.
- 4.6** Recoupment of the Recoverable Amount under this Policy will be initiated by the Company as soon as practicable following the decision of the Compensation Committee.
- 4.7** Where an affected Executive is required to make a payment in the form of shares:
- 4.7.1** the Executive will cease to have any right in respect of the shares;
 - 4.7.2** the beneficial title to the shares will immediately transfer to an employee benefit trust or such other person as the Compensation Committee specifies;
 - 4.7.3** the legal title to the shares will be transferred to an employee benefit trust, or such other person as the Compensation Committee specifies, as soon as possible, and the Executive will enter

into such documents and take all actions that the Company requires to effect or facilitate the transfer; and

4.7.4 the Compensation Committee may require the Executive to appoint a person to act as the Executive's agent and/or attorney to effect any transfers or take any actions required in respect of the shares.

4.8 All amounts recoverable pursuant to this Policy shall be payable by the Executive to the Company (or as the Company directs) and shall be payable immediately on demand. If not so paid the sum shall be recoverable as a debt.

4.9 The details of any recovery of Recoverable Amounts will be communicated to an affected Executive in writing, except where the Compensation Committee considers this would breach any laws or regulations that may apply or give rise to significant issues for any member of the Group, including but not limited to disclosure of commercially sensitive information.

4.10 For purposes of this Policy:

4.10.1 **"Incentive-Based Compensation"** means any remuneration that is granted, earned, or vested/released based wholly or in part upon the attainment of a Financial Reporting Measure. Incentive-Based Compensation is based in part upon the attainment of a Financial Reporting Measure if such compensation is subject to multiple conditions one or more, but not all, of which are Financial Reporting Measures. Examples of Incentive-Based Compensation include, but are not limited to: (i) non-equity incentive plan awards that are earned based wholly or in part on satisfying a Financial Reporting Measure performance goal; (ii) bonuses paid from a "bonus pool", the size of which is determined based wholly or in part on satisfying a Financial Reporting Measure performance goal; (iii) other cash awards based wholly or in part on satisfying a Financial Reporting Measure performance goal; (iv) restricted shares, restricted share units, performance share units, stock options and stock appreciation rights that are granted or become vested/released based wholly or in part on satisfying a Financial Reporting Measure performance goal; and (v) proceeds received upon the sale of shares acquired through an incentive plan that were granted or vested/released based wholly or in part on satisfying a Financial Reporting Measure performance goal.

(i) Incentive-Based Compensation includes remuneration Received under the annual Short-Term Incentive Plan, the WPP plc Executive Performance Share Plan, WPP plc Stock Plan 2018 and the WPP plc Share Option Plan 2015 or any other variable remuneration structures operated by the Group from time to time under which awards are wholly or in part based upon the attainment of a Financial Reporting Measure.

(ii) Examples of remuneration that is not Incentive-Based Compensation for this purpose include, but are not limited to: (i) an Executive's salary;³ (ii) bonuses paid solely at the discretion of the Compensation Committee or the Board that are not paid from a "bonus pool" that is determined by satisfying a Financial Reporting Measure performance goal; (iii) bonuses paid solely upon satisfying one or more subjective standards (e.g. demonstrated leadership) and/or completion of a specified employment period); (iv) non-equity incentive plan awards earned solely upon satisfying one or more strategic measures (e.g., consummating a merger or divestiture), or operational measures (e.g., completion of a project, increase in market share); and (v) equity awards for which the grant is not contingent upon achieving any Financial Reporting Measure performance goal and vesting/release is contingent solely upon completion of a specified employment period and/or attaining one or more non-financial reporting measures.

³ To the extent that an Executive receives a salary increase earned wholly or in part based on the attainment of a Financial Reporting Measure performance goal, such a salary increase is subject to recovery.

- 4.10.2 “Financial Reporting Measure”** means any measure that is determined and presented in accordance with IFRS (or any other accounting principles used to prepare the Group’s financial statements from time to time), and any measure derived wholly or in part from such measure, including non-IFRS financial measures (as well as other measures, metrics and ratios that are non-IFRS measures). The term Financial Reporting Measure includes stock price and total shareholder return. Financial Reporting Measures may be presented outside the Company’s financial statements.
- 4.10.3 “Received”:** Incentive-Based Compensation is deemed Received in the Company’s financial period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant occurs after the end of the financial period in which the Financial Reporting Measure is attained. For the avoidance of doubt, an Executive receives the Incentive-Based Compensation even when the Executive has established only a contingent right to payment at that time. Ministerial acts or other conditions necessary to effect issuance or payment, such as calculating the amount earned or obtaining Compensation Committee approval of payment do not affect the determination of the date Received. In the case of awards subject to multiple conditions, not all conditions must be satisfied for the Incentive-Based Compensation to be deemed Received. The Compensation Committee shall have the discretion to determine when the Incentive-Based Compensation was Received, and such determination need not be uniform across the type of Incentive-Based Compensation or for all Executives.
- 4.10.4 “Restatement Date”** means the date on which the Company is required to prepare a Restatement, which is the earlier to occur of: (i) the date on which the Board, or the Audit Committee concludes, or reasonably should have concluded, that the Company is required to prepare a Restatement; or (ii) the date a court, regulator or other legal authorised body directs the Company to prepare a Restatement.

5 IMPRACTICABILITY EXCEPTION TO RECOVERY OBLIGATION

- 5.1** The Company must recover the Recoverable Amount in compliance with this Policy except to the extent that the conditions set out in Sections 5.2.1, 5.2.2 or 5.2.3 of this Policy are met and the Compensation Committee determines, in its sole discretion, that recovery would be impracticable.
- 5.2** The Compensation Committee may determine that a recovery is impracticable only if:
- 5.2.1** following a reasonable attempt to recover the Recoverable Amount, the Compensation Committee determines, in its sole discretion, that the direct expense that would need to be paid to a third party to assist in enforcing this Policy would exceed the Recoverable Amount. The Company must document such reasonable attempt(s) to recover and provide that documentation to the NYSE;
 - 5.2.2** recovery would violate a law of Jersey, where such law was adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any Recoverable Amount based on a violation of the law of Jersey, the Company must obtain an opinion of Jersey counsel, acceptable to the NYSE that recovery would result in such a violation and provide such opinion to the NYSE; or
 - 5.2.3** if applicable, the Compensation Committee determines that recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.
- 5.3** In determining whether a recovery would be impracticable due to costs in accordance with Section 5.2.1 above, the only criteria that the Compensation Committee may consider is whether the direct costs, such as reasonable legal expense and consulting fees, amongst others, paid to a third party to assist in enforcing recovery would exceed the Recoverable Amount. Indirect costs, such as reputational concerns

or the effect on hiring of new Executives, amongst others, may not be considered when determining whether recovery is impracticable.

6 INDEMNIFICATION AND INSURANCE

- 6.1** The Group is prohibited from insuring or indemnifying any Executive against the loss of erroneously awarded remuneration as set forth in this Policy. If an Executive purchases a third-party insurance policy to fund potential recovery obligations, the Company is prohibited from paying or reimbursing the Executive for premiums for such an insurance policy.

7 OTHER RECOVERY RIGHTS

- 7.1** Any right of recovery under this Policy applies in addition to (and without limiting) any other remedies and/or rights to reduce, cancel or recover any elements of remuneration (or similar) that may be available to any member of the Group pursuant to any remuneration policy (including the WPP plc Group Malus and Clawback Policy and any further malus and clawback policies) operated by any member of the Group, the terms of any incentive plans or awards operated by any member of the Group, any employment agreement, any other terms and conditions and/or Applicable Law applicable to any Executive, in each case from time to time in force, and/or pursuant to any other legal remedies available to any member of the Group. Recovery (or similar) may be applied pursuant to both this Policy and any such other policies, plans, awards, agreements, terms, conditions, Applicable Laws or similar in respect of the same award of remuneration, provided that there shall be no duplication of recovery.

8 ADMINISTRATION AND OPERATION

- 8.1** The Board, at the recommendation of the Compensation Committee, has the exclusive power and full and final authority to: (i) administer this Policy, including, without limitation, the right and power to interpret the provisions of this Policy; (ii) make all determinations deemed necessary or advisable in applying this Policy (which in every case shall be made at the Compensation Committee's absolute discretion, without this being limited by references in certain clauses but not others to a discretion being absolute), including, without limitation, determinations as to: (a) what constitutes Incentive-Based Compensation, a Recoverable Amount or other remuneration; (b) that a Restatement has occurred (in reliance on any decision in this respect of the Audit Committee); and (c) whether a recovery is impracticable; and (iii) delegate any power or discretion under this Policy to such person or persons as it may determine (and in which case this Policy shall be applied accordingly). The Compensation Committee may delegate ministerial administrative duties with respect to this Policy to one or more officers or employees of the Company.
- 8.2** Any action, interpretation or determination taken or made by the Compensation Committee pursuant to this Policy that is consistent with Section 303A.14 of the NYSE Listed Company Manual will be final, conclusive and binding.
- 8.3** From and after the adoption of this Policy, each award agreement or other document setting forth the terms and conditions of any annual incentive or other performance-based award granted to an Executive shall include a provision incorporating the requirements of this Clawback Policy.

9 GENERAL

- 9.1** Any provision in this Policy can apply even if the Executive was not responsible for the Restatement in question or if it took place before the grant and/or vesting/release of any remuneration which is subject to recovery.
- 9.2** The means of recovery can be different for different Executives in relation to the same or different events depending on the particular facts and circumstances of the Executive and their remuneration.

- 9.3** Each person will have regard to dealing restrictions when operating, interpreting, administering and/or taking any other action in relation to this Policy. For the purposes of this Section 9.3, “dealing restrictions” means any internal or external restrictions on dealings or transactions in securities.
- 9.4** An Executive will have no claim or right of action in respect of any decision, omission or discretion, which may operate to the disadvantage of the Executive.
- 9.5** No Executive has any right to any remuneration or compensation or damages for any loss (actual or potential) from the Group in respect of any application of this Policy, including any loss in relation to:
- 9.5.1** any loss or reduction of rights or expectations in connection with this Policy in any circumstances (including lawful or unlawful termination of employment);
 - 9.5.2** any exercise of a discretion or a decision taken in relation to this Policy, or any failure or delay to exercise a discretion or take a decision; or
 - 9.5.3** the operation, suspension, termination or amendment of this Policy.
- 9.6** The remedy specified in this Policy shall not be exclusive and shall be in addition to every other right or remedy at law or in equity that may be available to the Company or a member of the Group.
- 9.7** The terms of this Policy shall apply regardless of any agreement, undertaking or suggestion (or similar), whether or not contractual, that any remuneration shall not be subject to recovery.
- 9.8** Except as otherwise expressly stated to the contrary, nothing in this Policy confers any benefit, right or expectation on any persons other than an Executive or member of the Group. No third party has any rights under the UK Contracts (Rights of Third Parties) Act 1999 (or any similar local legislation in an overseas jurisdiction), to enforce any term of this Policy.
- 9.9** This Policy may be amended from time to time by the Compensation Committee pursuant to Applicable Law. Executives will be notified of any significant amendments to this Policy and how such amendments may impact their remuneration.
- 9.10** If any provision of this Policy is held to be invalid, illegal or unenforceable in whole or in part for any reason by any court with jurisdiction then, for the purposes of that jurisdiction only:
- 9.10.1** such provision or part will be deleted; and
 - 9.10.2** the remaining provisions and parts will continue in full force and effect, unless the Compensation Committee determines otherwise.
- 9.11** In the event of any discrepancy between this Policy and the provisions of any incentive plan, deferred bonus plan or discretionary bonus arrangement operated by any member of the Group or any arrangement applicable to an award or bonus under such plan or arrangement, this Policy will prevail.
- 9.12** The invalidity or unenforceability of any provision of this Policy shall not affect the validity or enforceability of any other provision.
- 9.13** The laws of England and Wales govern this Policy and its construction. The courts of England and Wales have exclusive jurisdiction in respect of disputes arising under or in connection with this Policy.
- 9.14** References in this Policy to the phrase “including” (or similar) shall not limit or prejudice the generality of the following words (without this being limited by such references in some clauses but not others).
- 9.15** In this Policy, the singular includes the plural and the plural includes the singular. References to any enactment or statutory requirement will be understood as references to that enactment or requirement as amended or re-enacted and they include any subordinate legislation made under it.