8 June 2016

WPP 2016 AGM

Statement from UK Railways Pension Scheme

Mr Chairman

My name is Deborah Gilshan and I am a representative of the Railways Pension Scheme, a long-term shareholder of WPP plc.

The Railways Pension Scheme strongly supports the comments made by Standard Life Investments.

This is also not the first time that we have attended WPP's annual general meeting to raise issues of corporate governance.

At the 2013 meeting, the Railways Pension Scheme called on the Board to address concerns on pay and succession planning.

On succession planning, whilst the disclosures in this year's annual report are informative, there is still work to do.

Moving to remuneration, your Chairman's statement says that the Board must assess whether pay is aligned with shareowner interest and that it is not about quantum.

Pay at WPP has come to represent a misalignment with the interests of shareholders and wider stakeholders precisely because of the quantum of awards. As a consequence, it is now a reputational risk to the company and its licence to operate.

Furthermore, we anticipate that the serious concerns on WPP's pay structure will persevere past the life of the Leadership Equity Appreciation Plan, which ends next year. We did not support its replacement, the Executive Performance Share Plan, when it was introduced in 2013, given it offers the Chief Executive an annual incentive award of nearly 10 times his salary.

We continue to question the logic of the Board and its Compensation Committee in determining the appropriate level of pay to motivate, incentivise and retain the Chief Executive and other key executives, and to align their interests with those of shareowners and wider stakeholders.

The Railways Pension Scheme calls on the Board to use the opportunity of the 2017 remuneration policy vote to present a pay structure that all shareholders can support.

Thank you.

Media Contacts: Catherine Paterson, Marketing Manager; email: catherine.paterson@rpmi.co.uk; tel: 07824 804843

ENDS