

**Media Release 24th June 2014**

## **LAPFF Advocates AGM No Vote on WPP Remuneration**

The Local Authority Pension Fund Forum (LAPFF) is advocating an Oppose Vote on the Remuneration Policy to be put before shareholders at the WPP PLC AGM to be held on June 25<sup>th</sup>.

In a Voting Alert issued to member funds, the Forum advises that due to overall complexity of variable pay arrangements, the potential to use discretion to increase awards and the potential for excessive quantum of an award, the Remuneration Policy resolution should not be supported.

‘There are six variable pay plans available to directors at WPP, all of which are mutually exclusive, leading to pay awards reaching a potential of more than 1400% of base salary,’ Forum Chair Cllr Kieran Quinn said.

‘The Resolution to be put before shareholders has accrued dividends payable across all of the variable pay plans and allows the Remuneration Committee to use upside discretion in issuing rewards under the Executive Performance Share Plan and on severance. Overall, it is excessive and does not have our support.’

‘This Oppose Vote recommendation is in line with the LAPFF policy on executive remuneration. The Forum will continue to highlight examples of where senior leadership of large corporations seek complex salary and bonus packages that are not justified by performance and are out of step with shareholder and community expectations of reasonable reward for effort,’ Cllr Quinn said.

### **Ends**

#### **Note:**

In the 2013 WPP AGM, 19.42% of votes cast opposed the Remuneration Report. This is the first year that the Remuneration Policy is put to the vote, and it is a binding resolution.

For further information contact:

Andrew Whiley  
Head of Communications  
PIRC Ltd  
Tel: 020 7247 2323  
Mobile: 07918 747636  
Email: [andrew.whiley@pirc.co.uk](mailto:andrew.whiley@pirc.co.uk)

Tessa Younger  
Engagement Services Manager  
PIRC Ltd  
Tel: 020 7392 7880  
Mobile: 07507 844 561  
Email: [tessay@pirc.co.uk](mailto:tessay@pirc.co.uk)

#### **About the Local Authority Pension Fund Forum**

The Local Authority Pension Fund Forum (LAPFF), formed in 1991, is a voluntary association of 60 public sector pension funds based in the UK with combined assets of approximately £120 billion. It exists to “promote the long-term investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate responsibility and high standards of corporate governance amongst the companies in which they invest.” PIRC is the Research and Engagement partner to the Forum. [www.lapfforum.org](http://www.lapfforum.org)