

UN GLOBAL COMPACT

Communications on Progress

October 2015



STATEMENT FROM THE CEO

COMMITMENT TO THE UNITED NATIONS GLOBAL COMPACT

SUPPORT FOR THE UN GLOBAL COMPACT TEN PRINCIPLES

WE Communications (WE) reaffirms its support of the company's participation in the United Nations Global Compact (UNGC) initiative and the company's commitment to responsible, sustainable business practices, contributing economically and socially to society while helping conserve natural resources and positively contributing to the quality of life of our employees and the communities in which we operate and beyond.

Since issuing the first Communication On Progress (COP) in 2011, WE has continued to show support and make progress on its commitments to key initiatives, including educating employees on human-rights issues in the workplace and encouraging and supporting the positive impact of our professionals through our volunteer and pro bono programs.

The company's core values — imagination, courage, collaboration, purpose, excellence — are woven into the fabric of the company and align with the UNGC principles. Within our influence, we remain committed to adhering to and advancing the Global Compact Ten Principles with respect to human rights, labor, environment and anti-corruption, for the long term.

In 2015, WE adjusted its UNGC reporting period to align with changes to the company's fiscal year. WE's fifth COP report (July 1, 2014–June 30, 2015) builds on the content of the company's previous COP reports and [Corporate Citizenship reports](#). It summarizes initiatives and results of our efforts to support the UNGC principles.



Melissa Waggener Zorkin
CEO, President
WE Communications

HUMAN RIGHTS

PRINCIPLE 1 BUSINESSES SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS; AND

PRINCIPLE 2 MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

At WE, human rights take the form of nondiscrimination personnel practices that promote equal opportunities and diversity, and a harassment-free workplace environment. As a professional services company with a highly skilled workforce, WE remains committed to creating and maintaining a safe, clean and healthy work environment, providing professional development opportunities to improve employability and rewarding employment benefits to full-time and part-time staff to support health, wellness and quality of life for employees. The company tracks employee satisfaction, rates of injury and absenteeism, and the number of work-related injuries and fatalities. The company has not registered any fatalities or injuries in the company's during the 31 years in business.

The company also protects and supports human rights through financial contributions, employee volunteering, community relations, and pro bono services with the goal of helping develop and sustain communities in partnership with nongovernmental organizations, especially those focused on education and economic empowerment. WE tracks its annual commitment of donating more and \$1 million (monetary and time-based) to charitable organizations.

WE is proud to be a Founding Partner of IMPACT 2030, a business-led coalition that is committed to mobilizing corporate volunteers to directly contribute to the achievement of the Sustainable Development Goals (SDGs) by the year 2030. WE provided pro bono communications services to promote the initiative to businesses around the world and is committed to mobilizing its own employees and expertise to specifically impact these three SDGs: No Poverty (SDG1), Good Health (SDG3), and Quality Education (SDG4).

WE employees are eligible to take up to 16 paid hours per year off to volunteer for nonprofit organizations of their choosing. Employees use their volunteer hours via WE-facilitated team events and campaigns or individually via skilled or general service. Mapping employee volunteering to the SDGs, in 2014–2015, 35 percent of initiatives supported education-focused nonprofits (SDG4), 27 percent supported economic empowerment/anti-poverty programs (SDG1), and 23 percent supported health and wellness projects (SDG3).

Annually the company applies its strategic business insight/expertise to collaborate with NGOs on pro bono initiatives that address global and local issues. This translates into more empowered and healthier individuals, more educated children and stronger economic opportunity. July 2014–June 2015, 50 percent of pro bono efforts supported education-focused goals (SDG4) for organizations such as the Boys & Girls Clubs, and 25 percent supported economic empowerment/anti-poverty programs (SDG1) and health and wellness initiatives (SDG4), respectively. Partner organizations included Mercy Corps and Medical Teams International, in support of ACT for Impact, a gender-sensitive approach to global development and Ebola relief initiatives, respectively. The ACT for Impact program centered on field team training, technical resource development and external

engagement through research, networking and advocacy designed to improve the way programs are designed, as well as how the social impacts of its work are measured. The initiative focused on low-income countries worldwide including Georgia, Pakistan, Uganda, Indonesia and the Democratic Republic of Congo, among others.

WE was honored with seven corporate citizenship awards wins, finalists or list placements 2014–2015, including an International Stevie Business Award, PR News PR Agency Elite Award, three Communicator Awards, Portland Business Journal's 2014 Corporate Philanthropy List and Oregon Governor's Volunteer Award.

LABOR

PRINCIPLE 3 BUSINESSES SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING;

PRINCIPLE 4 THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR

PRINCIPLE 5 THE EFFECTIVE ABOLITION OF CHILD LABOR; AND

PRINCIPLE 6 THE ELIMINATION OF DISCRIMINATION IN RESPECT TO EMPLOYMENT AND OCCUPATION.

At WE, we believe in the importance of working and living according to strong ethical values. WE supports the right of employees to exercise freedom of association and collective bargaining in adherence with local laws. WE's business expansion strategy and process involves assessing local and national laws and norms to ensure compliance to, adherence to, and support of local cultures and labor laws. Child labor and forced, compulsory labor issues are not material risks to our business, and both are unacceptable to the company.

All WE employees are employed of their own free will; contracts state the terms and conditions pertaining to employment and provide for the parties' rights to terminate the employment relationship (general procedures associated with departures are posted on the corporate intranet site). WE's code of conduct — first published in 2013 — incorporates references to key labor issues identified by the UNGC including discrimination. Every employee is required to acknowledge the Code to certify their understanding and their commitment to comply with it.

Attracting and retaining a diverse and engaging global workplace is critical to our business. We commit to creating a diverse workplace where differing perspectives, experiences, lifestyles and cultures are embraced and respected, the differences among individuals are valued, and diversity within our workforce is welcomed. We support and obey laws that prohibit discrimination everywhere we do business and are committed to ensuring opportunities for all employees to develop their abilities and contribute to WE's success. WE has an equal opportunity hiring and recruiting policy to support the company's commitment to attracting and retaining a diverse community of employees.

WE tracks the ethnic and gender diversity of its employees. The company does not — and legally it cannot — require its employees to disclose their ethnicity, but the nondisclosed missing data is estimated by a human resources representative as required by U.S. Equal Employment Opportunity Commission reporting guidelines, and for reporting purposes globally. Currently, 89% of WE's U.S. diversity data is self-reported, and the remaining 11% is estimated. Globally, 16% is estimated.

In 2015, WE's employee population was made up as follows:

- Global Gender Diversity: 71% women | 29% men
- Global Ethnic Diversity: 29% nonwhite | 71% white
- U.S. Ethnic Diversity: 13% nonwhite | 87% white

THE ENVIRONMENT

PRINCIPLE 7 BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES;

PRINCIPLE 8 UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY; AND

PRINCIPLE 9 ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.

WE is committed to integrating sustainable business practices into the company's operations by making mindful decisions about our operations, technology investments, travel options, partners and more. Since 2008, WE has measured its annual carbon footprint with the goal of identifying and tracking material aspects of its business and ways to continually reduce or minimize its impact on the environment and increase cost efficiencies.

In 2014–2015, WE achieved a 21 percent reduction in its greenhouse gas (GHG) emissions from its 2008 baseline. Total GHG emissions were 3,362 metric tons of CO₂ equivalents in 2014–2015, which equates to an average of 4.9 metric tons per employee (versus 5.2 metric tons per employee in 2013).

Achieving revenue goals while decreasing emissions continues to be a focus for WE, in light of the company's heavy reliance on travel to deliver services. This is an area that WE continues to monitor and seek cost-effective, sustainable and alternate solutions for that would have a substantial impact on its environmental record while supporting the company's positive bottom-line performance. For example, the company offers a work-from-home policy to maximize remote workplace productivity and invests in readily available videoconferencing technologies (e.g., Microsoft Lync/Skype) to provide options for all employees to use in place of business travel and commuting. Since launching Zimride in May 2015, 15 percent of employees have used the private rideshare social network, to match up with colleagues commuting and traveling within the U.S. to save on expenses, help reduce stress and reduce our carbon footprint.

The company's leased offices and facilities are designed based on the following eight-point metric to measure the general sustainability practices of our offices worldwide, to make decisions, select vendors and balance costs.

- All copiers and printers capable of duplex printing default to duplex printing. All new copiers and printers purchased or leased are capable of duplex printing.
- WE uses a minimum of 30 percent post-consumer recycled content in all paper.
- WE uses green alternatives for office supplies whenever availability and budget permits.
- At minimum, WE offices recycle plastic, glass, paper and aluminum.
- All e-waste is recycled and disposed of appropriately.
- WE composts all food waste.
- All appliances (dishwashers, refrigerators, etc.) are purchased with efficiency in mind.
- All cleaning supplies purchased are environmentally friendly.

Some WE offices are already meeting all of these expectations, but in other regions the goals are more aspirational. There are wide regional differences in both regulations and general cultural acceptance. Composting especially seems to elicit very strong feelings from landlords who live in rodent-friendly environments. We are seeing opinions evolve rapidly in this sector, and we will continue to strive toward 100 percent compliance.

ANTI-CORRUPTION

PRINCIPLE 10 BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY.

Integrity drives decisions, shapes the services that the company provides and the quality of the work, and is key to the relationships that WE maintains. The company is committed to working against corruption in all its forms, including bribery and extortion, and is committed to being in compliance with all relevant laws in the countries where it operates. WE has set clear standards and policies that employees are required to acknowledge and comply with, including the company's code of conduct. This is particularly important as a professional services company where our employees have an active role in facilitating discussions and disseminating information between a wide variety of stakeholders on behalf of clients, including but not limited to media, bloggers, customers and nongovernmental organizations.

Since the last COP, there have not been any recorded incidents of corruption involving WE employees, clients or stakeholder relationships; therefore, no actions were necessary. The company continues to pride itself on a clean record. WE is equipped to respond if corruption, including extortion and bribery, occurs. The company has a disciplinary procedure in place should such a situation arise. Information about the handling and process of dealing with anti-corruption matters are addressed in the employee handbook and would be managed under the guidance of human resource business partners, who are assigned to each business group.

ABOUT THIS REPORT

The COP 2014–2015 provides brief highlights of actions that WE is taking on a global basis to address UNGC principles on human rights, labor, the environment and anti-corruption. For more details about WE, visit <http://we-worldwide.com>.

This report will be published on the Global Compact website and the WE website. The report highlights relevant initiatives and progress between July 1, 2014, and June 30, 2015

ABOUT WE

WE works with some of the most inventive companies on the planet — those focused on delivering the next big thing. Sitting at the intersection of people, brands and technology, we help clients drive business impact through transformative storytelling. Our playground is consumer, healthcare, social innovation and technology, and our fiercely independent mindset gives us the freedom to fuse together the best talent, partners and ideas to create powerful, persuasive campaigns. Accolades like Cannes Lion, Integrated Communications Agency of the Year, Digital Firm of the Year, Best Large Agency to Work For, Communications Agency of the Year and Technology Agency of the Decade adorn our offices.

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