

STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE OFFICER (CEO)

PERIOD COVERED BY OUR COMMUNICATION ON PROGRESS FROM: JANUARY 14, 2021 to JANUARY 14, 2022

Edelman has been a proud participant in the United Nations Global Compact since March 2001, and I am proud to affirm our continued support for the 10 principles of the Compact with respect to Human Rights, Labor Rights, Environment, and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture, and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

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.

Ensuring human rights for all employees is at the center of Edelman's approach to business. Our Human Rights Policy details Edelman's approach to ensuring human rights are respected within our company walls as well as within our supply chain and by clients. We included our commitment to equal opportunity, fair pay, safe and healthy working conditions, freedom of association and right to collective bargaining, security, a healthy environment, and ethical actions. We also condemn child labor, forced labor, discrimination, harassment, and bribery. Finally, we detail how employees, clients, suppliers, and other third-parties can report potential allegations of misconduct and Edelman's commitment to take appropriate action in the case of noncompliance with the policy. Our Human Rights Policy was updated this past year and is reviewed at least annually.

Edelman takes the health, safety, and well-being of employees seriously. To that end, we temporarily closed all our offices and transitioned employees to working from home to prevent the spread of coronavirus among our employees and their families. Many offices have not and will not fully reopen until it is safe for employees to congregate again. Further, employees who do not feel safe and ready to come back to offices are not being required to do so.

We also act to ensure human rights are respected in our supply chain. We expect our suppliers to understand and comply with our Code of Ethics for Suppliers and Service Providers, which communicates our expectations regarding human rights and other provisions that apply to our third-party service providers.

Finally, we embrace our responsibility to manage our services in a manner that respects human rights and act responsibly in our communities. Edelman upholds quality standards to ensure that our services appropriately consider the interests and needs of our clients, consumers, and industry expectations. We are also committed to marketing and communicating responsibly in a manner that reflects the values and principles reflected in Edelman's Code of Conduct and our Day-to-Day Situation Guide.

Labor Standards

- 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 labor;
- Principle 5: the effective abolition of child labor; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

As mentioned, our Human Rights Policy addresses labor issues, including collective bargaining, forced and compulsory labor, child labor, and discrimination.

Edelman employees have the right to organize and engage in collective bargaining without fear of intimidation, reprisal, or harassment. In countries that restrict this right, Edelman may choose to support similar means of independent and free association and collective representation as allowed by local law.

Edelman supports ILO Conventions 87 and 98, which protect the rights of employees to organize and participate in collective bargaining.

We will not employ anyone under 15 years old, except as otherwise allowed under applicable laws and regulations and acceptable under societal and cultural norms. Where local minimum age law stipulates a higher age for work or mandatory schooling, the higher age would apply. Edelman supports ILO Convention 182, which bans certain forms of child labor.

On the issue of forced/bonded labor, employees must be employed of their own free will, and the use of forced, compulsory, or bonded labor is unacceptable. Edelman supports ILO Conventions 29 and 105, which ban the use of forced labor.

At Edelman, employee diversity of all types—gender, race/ethnicity, age, sexual orientation, religion, disability, and more—and inclusion enrich our culture and help deliver enhanced business results. Diverse insights also provide our clients with broader perspectives that reflect our changing world. We are committed to maintaining an open and nurturing environment that fosters collaboration, drives diverse thinking, and creates a culture that respects and celebrates diversity, equity, and inclusion (DEI). Edelman supports ILO Conventions 111 and 100, which address discrimination and equal remuneration.

Diversity and equity in our workforce is critical. Currently, 53 percent of our current U.S. leadership team is female and 50 percent of senior leadership globally is female. In 2018 and in August of 2019, as part of Edelman's commitment to the [Business for Inclusive Growth initiative](#), I affirmed our pledge to reach a racially/ethnically workplace diversity ratio of 30 percent in the U.S. by 2022, among many other diversity and inclusion initiatives. At the close of June 2020, Edelman held a racially/ethnically workplace diversity ratio of approximately 27 percent in the U.S. Our team is actively evaluating and accelerating our work to reach and surpass this and increase representation at all levels.

In June 2020, we recommitted to specific racial/ethnic focused goals and established additional commitments. More on these commitments can be found [here](#).

We have several ongoing efforts to create a work environment where diversity, equity, and inclusion (DEI) is woven into our culture, behaviors, processes, and operations. They include maintaining six employee network groups, increasing training and recruitment efforts, analyzing gender pay, and establishing more diverse external partnerships, among others. Our DEI training is tailored to our business and required of every U.S. employee to ensure they have the knowledge and tools to help create a more inclusive work environment and culture. At the end of fiscal year 2020, more than 1,000 U.S. employees had completed the training. We are also launching a global unconscious bias training for our entire workforce.

Equally important is our commitment to supplier diversity. We established a supplier diversity program in the U.S. offices and have launched a vendor management system in the U.S. and Canada to help us track our spend and improve our procurement processes. In fiscal year 2020 we achieved an almost 15 percent spend rate with diverse businesses in the U.S. in priority categories, exceeding the 10 percent goal previously set. We plan to increase our spend with diverse suppliers, with particular focus on minority-owned suppliers, in the coming years and to expand our program beyond the U.S.

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.

Our environmental stewardship becomes increasingly important as climate change becomes an ever-more pressing global challenge. We believe all companies must play a role in improving environmental sustainability efforts and achieving climate action goals defined in the Paris Climate Accord.

We prioritize social and environmental returns and are committed on several fronts to improving sustainability on our planet, as described in our Environmental Policy. The Environmental Policy was updated this past year and is reviewed annually.

Recognizing the reality of climate change and the scientific evidence that supports it, we do not accept client assignments that aim to deny climate change and we do not work with coal producers.

As it relates to our own carbon footprint, Edelman established a goal of realizing a 10 percent reduction in scope 1, 2 and 3 emissions by 2022 and, by 2025, realize a 15 percent reduction in scope 1, 2 and 3 emissions. We have decreased our total carbon intensity across scope 1, 2 and 3 emissions per full-time equivalent by 35 percent since fiscal year 2012 and have purchased renewable energy credits that apply to scope 2 emissions for all operations in Europe, India, Canada, Latin America, and the United States. By 2022, we seek to source 100 percent renewable electricity where quality Energy Attribute Certificates are available for all scope 2 emissions across all Edelman offices.

Edelman is committed to reducing and diverting waste wherever possible. While the pandemic has hindered our ability to implement all the waste initiatives we hoped to this year, we have still made great progress. We are actively working on achieving a 50% waste diversion rate in all our offices globally and hope to do so by 2025. Several of our offices are currently achieving or close to achieving this goal. Further, 94 percent of our offices recycle and 35 percent compost.

We are dedicated to sourcing goods and services from sustainable sources and collaborating with partners who share our values and commitments towards sustainable procurement. Through our Sustainable Procurement Policy, we request our suppliers to uphold these commitments, and engage with us in a process of continuous improvement in responsible and sustainable purchasing.

Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Integrity and trust are at the heart of our business. Edelman does not pay, solicit, or accept bribes. This includes prohibition of providing payments or anything of value directly or indirectly to any government official, business partner, or individual for purposes of obtaining business or otherwise influencing their decisions in violation or applicable anti-corruption regulations and standards.

Our Code of Conduct provides a uniform understanding as to what is expected of our employees and embodies our commitment to excellent counsel and service to all stakeholders. The code is supplemented by our Day-to-Day Situation Guide, which addresses issues specific to our industry. Both were updated this past year.

Edelman requires all employees complete mandatory training related to ethics and anti-corruption. Courses include Data Processing Standards, Dignity at Work, Worldwide Anti-Corruption, Acceptable Use Policy, Information Security Foundations Training, Economic Sanctions, Identifying and Vetting Potential Client Conflicts, Resolving Potential Client Conflicts, and the Foreign Agent Registration Act (FARA). At the end of fiscal year 2020, 86 percent of employees were trained on compliance and ethics, 91 percent on data protection, 83 percent on workplace behavior, 83 percent on anti-corruption and 81 percent on IT security. These rates have drastically improved since last year due to new policies and procedures as well as a concerted effort by our Learning & Development team to target employees who had not completed their trainings. We are committed to further improving completion rates by continuing this practice and adoption new policies and procedures.

Finally, Edelman continues to be engaged in the World Economic Forum's Partnering Against Corruption Initiative (PACI), reflecting our commitment to the 10th Principle of the United Nations Global Compact.

More information about Edelman's citizenship efforts can be found on [Edelman.com](https://www.edelman.com).

As a company, we are committed to ensuring our business is run in a sustainable and ethical manner. We look forward to our continued partnership with the United Nations Global Compact as we move forward with our commitments to the Compact principles.

Sincerely,



Richard Edelman, CEO