Act With Certainty

EDELMAN FY18 CITIZENSHIP REPORT
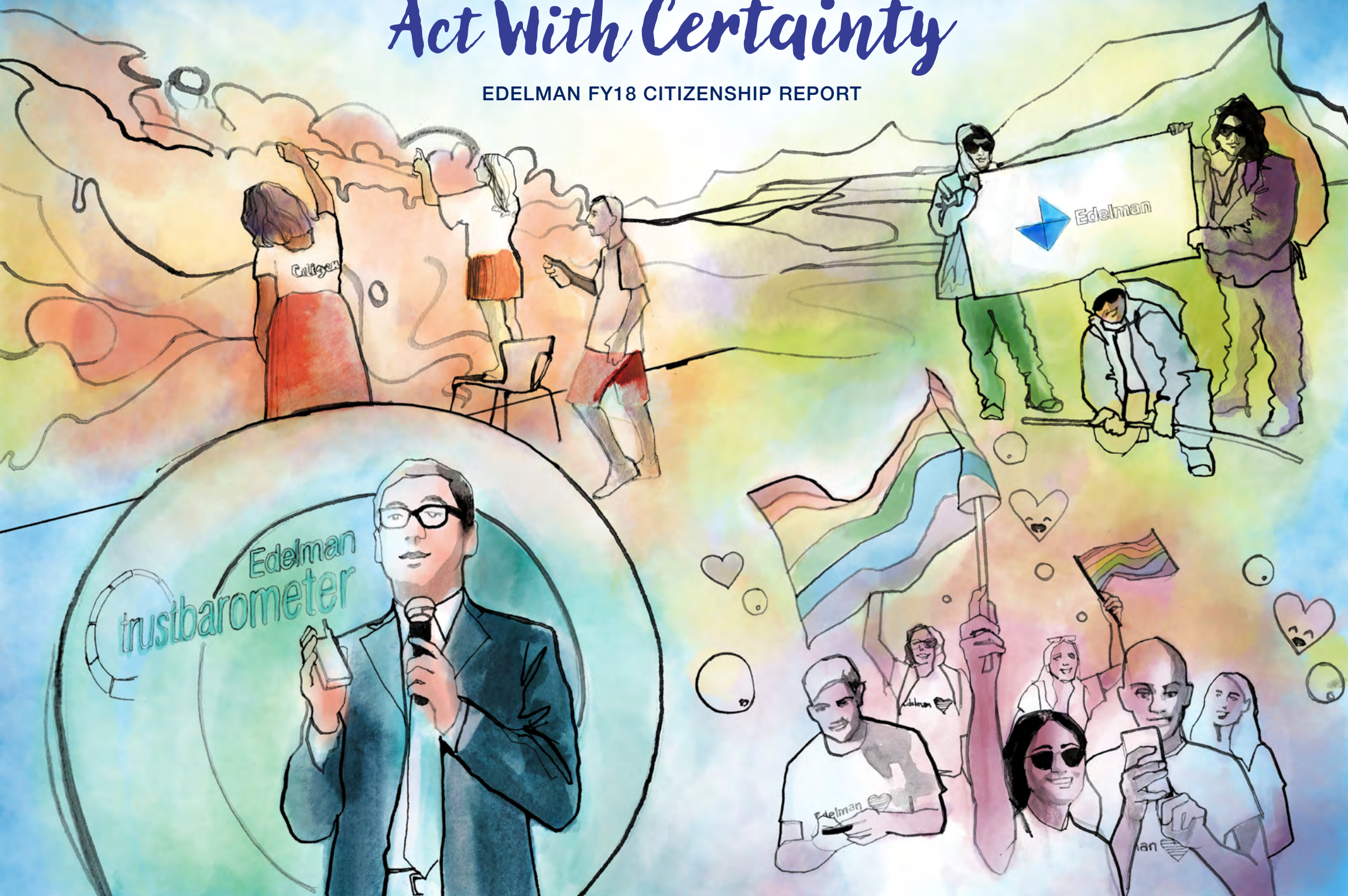
As Edelman travels along its global citizenship journey, we grow bolder in the confidence and conviction to achieve ever more ambitious objectives. Act with Certainty is our mantra.

This is possible because our global citizenship journey since 2010 has followed an evolutionary rather than revolutionary path – and we're still on our travels. We grasp that leaders take risks, learn from their mistakes and use them to take bolder steps by identifying and pursuing the right policies, programs and procedures. We gain executive committee approval, develop robust policies and increasingly set specific goals. This approach is critical in a global organization with more than five dozen offices – from Brussels to Buenos Aires, Jakarta to Johannesburg and Singapore to San Francisco.

Along the way, our nearly 6,000 employees increasingly relay their belief in and support of our citizenship initiatives. Eighty-five percent believe global citizenship is an important part of working at Edelman. Buoyed by such support, we seek to establish intrepid short- and long-term goals that we outline and update in this report. They encompass diversity and inclusion, sustainability, procurement and waste reduction, among other areas, and they follow the United Nations Sustainable Development Goals.

We don't always reach our objectives. Still, acting with certainty becomes increasingly essential, as employees and global consumers demand that in these uncertain times – as our respected annual Trust Barometer illuminates – organizations and their leaders take charge and make clear they need a partner who tells it like it is, cuts through the chaos and envisions the future.

We hope in reviewing our fiscal 2018 citizenship report, you will conclude that what we're doing in pursuit of corporate responsibility exemplifies leadership and underscores that **the goals we set are only as powerful as the change we make**. And, remember, our citizenship journey continues. Steadily and with certainty.

A Letter from Richard

We know from our own research that companies and brands must take action on issues that matter to their customers, not just communicate or advertise services or products. We also know people have new expectations for the roles companies and brands play in their lives and in society's future.

At Edelman, citizenship has always been central to who we are as a company. As a family-owned firm, we have believed from our founding in the value of being active and engaged members of our local and global communities and ensuring our footprint reflects our values.

This 2018 report highlights some of our initiatives on important global economic, environmental and societal issues. Top of mind for Edelman is diversity and inclusion because we know we consistently deliver better work for our clients when our teams reflect our communities. In the United States we have set a racial and ethnic workforce goal of 30 percent to reach by 2022 to reflect the diversity of our communities, and we expect to reach our objective of filling at least half of our leadership positions with women by 2020.

I am also particularly pleased by our assistance to organizations outside of Edelman and the professional services sector with their citizenship-related challenges. For example, I serve as a commissioner of the Business & Sustainable Development Commission helping align companies with the United Nations' Sustainable Development Goals, and as a member of the year-old Knight Foundation-funded commission addressing the problem of fake news and the declining trust in media institutions.

Edelman's global program to help employees quit smoking has long been in place as has our stand on climate change. I am equally proud we put our money where our mouth is and awarded over $100,000 in community grants in 2018 to local organizations and charities where our employees are active as volunteers.

My brother John Edelman, who oversees our global citizenship work, is actively involved in initiatives related to veterans, mental health and development of a sustainability standard for the professional services sector. And our employees around the world spent almost 20,000 hours on pro bono and volunteerism work last year.

It is not always easy to do the right thing, but we work hard at it day after day and year after year.

As we forge ahead on our citizenship journey, we are equally energized by the ideal and proud of the practical.

RICHARD EDELMAN
President and CEO

"Edelman has been a participant in the United Nations Global Compact since March 2001. I am proud to pledge Edelman's continued support to the Global Compact and its goals."

A Letter from John

At a conference not long after assuming leadership of our global citizenship efforts eight years ago, I asked how long it should take to embed a strong program of social and environmental purpose. The response: five to seven years. Self-confident, I responded, "We can do it in one to two years." Besides, for decades we have valued conducting ourselves in an ethical, sustainable, inclusive and transparent manner.
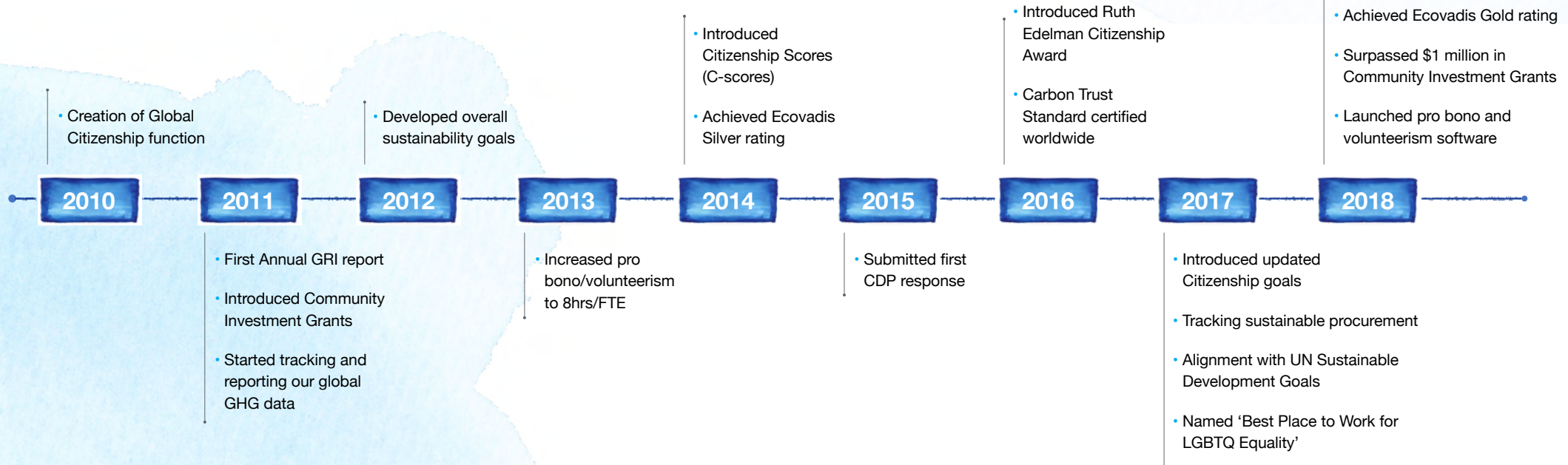
However, based on our own experience, I can now state with certainty that integrating citizenship into a company culture is a step-by-step process. Attaining real, measurable achievements in what is a complex, complicated journey requires an evolutionary, not revolutionary, approach. It entails setting objectives; putting policies, structures and measurements in place; often launching pilot programs before going global, gaining buy-in from employees and senior leadership; assessing progress and if goals are met, setting new targets. Our timeline below illustrates this incremental process.

We succeed best when we embed citizenship in everything we do, and it operates seamlessly as part of our culture. We are doing that by integrating citizenship initiatives into our global strategy and impacting how Edelman operates. We hope sharing the story about how we came to Act with Certainty will now inspire others that are starting their own citizenship journey.

John Edelman

JOHN EDELMAN
Managing Director, Global Engagement and Corporate Responsibility

---

2010
- Creation of Global Citizenship function

2011
- First Annual GRI report
- Introduced Community Investment Grants
- Started tracking and reporting our global GHG data

2012
- Developed overall sustainability goals

2013
- Increased pro bono/volunteerism to 8hrs/FTE

2014
- Introduced Citizenship Scores (C-scores)
- Achieved Ecovadis Silver rating

2015
- Submitted first CDP response

2016
- Introduced Ruth Edelman Citizenship Award
- Carbon Trust Standard certified worldwide

2017
- Introduced updated Citizenship goals
- Tracking sustainable procurement
- Alignment with UN Sustainable Development Goals
- Named 'Best Place to Work for LGBTQ Equality'

2018
- Named 'Top Company for Executive Women'
- Purchased Renewable Energy Credits for all U.S. operations
- Achieved Ecovadis Gold rating
- Surpassed $1 million in Community Investment Grants
- Launched pro bono and volunteerism software

FY18 Highlights

OUR CLIENTS

- Received EcoVadis Gold rating, placing Edelman among the top 5% of evaluated companies

- Launched privacy and data protection trainings

SDGs:

8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION *

OUR COMMUNITIES

- 50 Community Investment Grant winners

- Surpassed $1 million in total grants since program inception in 2011

- Launched global volunteer tracking software

- $3 million in total giving (time and cash donations)

- Nearly 20,000 hours community engagement

SDGs:

2 ZERO HUNGER
4 QUALITY EDUCATION
5 GENDER EQUALITY

6.4 Citizenship Score

Top three priority goals guiding our community engagement, as voted on by employees

OUR PEOPLE

- Introduced diversity and inclusion trainings

- Named 'Best place to work for LGBTQ equality'

- Named 'Top Company for Executive Women'

- Increase to 48% women in senior leadership positions

- 105,000+ hours of training

- 30 Edelman Escape winners

- Completed global gender pay analysis

SDGs:

4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

OUR WORLD

- Carbon Trust Standard recertification

- 2% absolute carbon emissions reduction

- Renewable Energy Credits for 100% of U.S. operations

- Updated Environmental policy

SDGs:

7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

The 10 Citizenship Goals

In 2017, the Edelman Executive Committee approved 10 specific Citizenship goals, covering environmental, economic and social areas. The goals were developed to embed sustainability in everything we do, and to hold ourselves accountable to keep taking steps forward.

GOALS	STATUS	UPDATE
1. Carbon Footprint: Edelman aims to realize a 10 percent decrease in carbon intensity emissions (tCO2e/FTE) in our 15 Carbon Trust-certified offices by 2020 (scope 1 + 2 emissions, compared to 2016 levels).	In progress	We added 5 new offices to our 2018 Carbon Trust Certification cycle to reach the 70 percent emissions verification threshold.
2. Carbon Footprint: Edelman commits to neutralize 100 percent of its U.S. operations' scope 2 emissions by purchasing Renewable Energy Credits (REC) for all U.S. offices in FY18.	Completed	Edelman purchased 5,747 MWh of renewable energy credits sourced from the United States by Renewable Choice Energy.
3. Carbon Footprint: Edelman aims to maintain our Carbon Trust Certification worldwide by applying for recertification in FY18.	Completed	Edelman successfully recertified in June 2018, based on a 6.4 percent absolute reduction in the compliance period of Jan. 1, 2016 to Dec. 31, 2017.
4. Business Ethics: Edelman seeks to align its business practices and corporate social responsibility program to the United Nations Sustainable Development Goals in FY18.	In progress	To date, we have applied the UNSDGs in our reporting, pro bono & volunteerism policy, Ruth Edelman Citizenship Award and Community Investment Grant program.
5. Responsible Procurement: Edelman will measure designated key business partners' compliance with its sustainable procurement policy, using leading independent third-party supply chain accountability and transparency platforms, starting in FY18.	In progress	In partnership with Ecovadis, we reached out to 68 suppliers in the U.S., Europe and China.
6. Responsible Procurement: Edelman seeks to measure, evaluate, and improve its spend with diverse suppliers in the U.S. in FY18, including Minority-, Women-, LGBTQ- and Veteran-owned businesses as well as Small Disadvantaged and HUBZone businesses.	In progress	We are in the process of beginning a vendor management system that lets us identify and track our diversity spending and search for diverse business suppliers.

The 10 Citizenship Goals, *continued*

	GOALS	STATUS	UPDATE
	7. Learning & Development Edelman is adding additional training modules, policies and investment in the Edelman Learning Institute to communicate with our employees on such relevant corporate social responsibility topics as sustainable procurement, diversity & inclusion and workplace behavior, among other topics.	In progress	We launched new employee trainings and workshops focused on Diversity & Inclusion and Information Security Awareness. We aim to implement Citizenship-specific modules for new employee trainings in FY19
	8. Diversity & Inclusion Edelman's goal is that by 2020, women will hold 50 percent of senior leadership positions (level 5+) globally.	In progress	As of June 30, 2018, 47.8 percent of senior leadership positions are held by women, up from 41 percent in 2017.
	9. Pro Bono: Edelman aims to deliver 50 percent of its pro bono hours against three UN Sustainable Development Goals as identified by our employees: Gender Equality, Quality Education and Zero Hunger, starting in FY18.	Initiated	We launched global volunteer tracking software to help measure our progress against these priority SDGs.
	10. Health & Well-Being Edelman will invest in a global culture of health & well-being intended to provide employees in all locations with access to a structured (local or regional) health & well-being program, supported by ongoing local initiatives.	In progress	We added two specific Health & Well-being targets to our global Citizenship C-score key performance indicators.

Updated Citizenship Goals

Over the past year, we made significant progress on most goals with some of them fully realized. Therefore, we are updating the goals to better reflect our enhanced ambition for the future. We also added two new goals to drive change in all the areas where we have an impact.

ENVIRONMENT

1. **Carbon footprint:** Edelman aims to realize a 10 percent decrease (scope 1 + 2 emissions, compared to 2016 levels) in carbon intensity emissions (tCO2e/FTE) in our 20 Carbon Trust certified offices and achieve recertification by 2020

2. **Carbon footprint:** Edelman commits to source 100% renewable electricity through Energy Attribute Certificates for all U.S. and EMEA offices by 2020.

3. **Waste Management:** Edelman commits to realizing a 50 percent diversion rate in all HUB-offices by 2020 and all global offices by 2025.

ECONOMIC

4. **Business Ethics:** Edelman seeks to align its business practices and Citizenship program to the United Nations Sustainable Development Goals (SDG) and present a '2030 SDG strategy' by 2020.

5. **Responsible Procurement:** Edelman aims to streamline its sustainable procurement processes and maximize its spend, by implementing vendor management systems and annually reviewing its sustainable procurement policies.

6. **Responsible Procurement:** By 2020, Edelman will measure designated key business partners in priority procurement categories on their compliance with our sustainable procurement policy.

7. **Responsible Procurement:** Edelman seeks to realize a 10 percent or more spend with diverse suppliers in priority categories in the U.S.

SOCIAL

8. **Learning & Development:** Edelman seeks to add additional training modules in the Edelman Learning Institute (ELI) by 2020 on relevant corporate social responsibility topics, such as sustainable procurement, diversity and inclusion, UN Sustainable Development Goals and IT security.

9. **Diversity & Inclusion:** Edelman's goal is that by 2020, women will hold 50 percent of local senior leadership positions (level 5+) globally.

10. **Diversity & Inclusion:** Edelman's goal is to reach a racially/ethnically workplace diversity ratio of 30 percent in the U.S. by 2022.

11. **Pro Bono:** Edelman aims by 2020 to deliver 50 percent of its pro bono hours against the three UN Sustainable Development Goals as identified by our employees: Gender Equality, Quality Education, and Zero Hunger.

12. **Health & Well-Being:** Edelman will develop a dedicated working group to elevate employee health & well-being programs. By 2020, we will deliver awareness programs and training modules to support these efforts.

Update on SDG Alignment

On September 25, 2015, world leaders adopted a set of goals to end poverty, protect the planet and ensure prosperity for all as part of a new sustainable development agenda for 2030. On January 1, 2016, the 17 Sustainable Development Goals (SDGs) officially went into effect, mobilizing efforts to end all forms of poverty, fighting inequalities and tackling climate change, while ensuring that no one is left behind.

For the goals to be reached, everyone must do their part: governments, the private sector, civil society and citizens. Edelman recognizes it has its own role to play in reaching the goals.

To maximize our impact, we follow guidelines as defined by the Global Reporting Initiative (GRI), UN Global Compact and the World Business Council for Sustainable Development. Last year, as a first step, we mapped where we already have an impact (see "SDG Alignment" grid) and defined priorities for our pro bono projects. Because these projects come to life through the enthusiasm and skills of our employees, we asked our global staff which goals they would like as priorities. As a result, we focus our pro bono efforts on Gender Equality, Quality Education and Zero Hunger.

Additionally, our Community Investment Grant applications and Ruth Edelman Citizenship Award submissions consider these three categories priorities.

Now that we have started conducting principled prioritization of SDG targets and defined SDG-related report content (as defined in *'Guidelines for Business Reporting on the SDGs'*), the next phase will focus on setting business objectives and strategies. This will help us define business objectives to contribute to the SDGs in addition to the pro bono and corporate giving priorities. The newly defined goals (see overview on page 8) shows how our business goals align with the U.N. SDGs.

Our goal is to present 2030 goals by 2020, elevate our efforts, maximize positive outcomes and support systemic and durable change.

# Aligning Citizenship with UN Sustainable Development Goals

The graph below shows how Edelman's material Citizenship topics (covered in this report) impact the UN Sustainable Development Goals.

MATERIAL TOPIC / UN SDG	1 No Poverty	2 Zero Hunger	3 Good Health and Well-Being	4 Quality Education	5 Gender Equality	6 Clean Water and Sanitation	7 Affordable and Clean Energy	8 Decent Work and Economic Growth	9 Industry, Innovation and Infrastructure	10 Reduced Inequalities	11 Sustainable Cities and Communities	12 Responsible Consumption and Production	13 Climate Action	14 Life Below Water	15 Life On Land	16 Peace and Justice Strong Institutions	17 Partnerships for the Goals
OUR CLIENTS																	
Business Ethics & Compliance							●		●								
Data Privacy & Information Security								●									
OUR PEOPLE																	
Employee Health & Well-Being			●		●			●				●				●	●
Diversity & Inclusion					●			●			●					●	●
Learning & Development				●				●									●
OUR COMMUNITIES																	
Pro Bono Initiatives	●			●	●												
General Volunteerism																	
Corporate Giving																	
OUR WORLD																	
Sustainable Purchasing						●					●	●			●		●
Supplier Diversity					●			●		●		●				●	●
Green Office Policies			●			●	●	●	●		●	●	●				●
Carbon Footprint			●				●				●	●	●				●

Our Clients

ACTING WITH CERTAINTY IN PARTNERSHIP WITH OUR CLIENTS

Increasingly, we assist clients with their purpose-driven campaigns, aided by our own leadership on varied citizenship-related fronts. This is a key principle of acting with certainty because to best advise and assist our clients, we must be at the forefront ourselves on important issues of social responsibility – from diversity and inclusion and gender equality to environmental stewardship and information privacy and security.
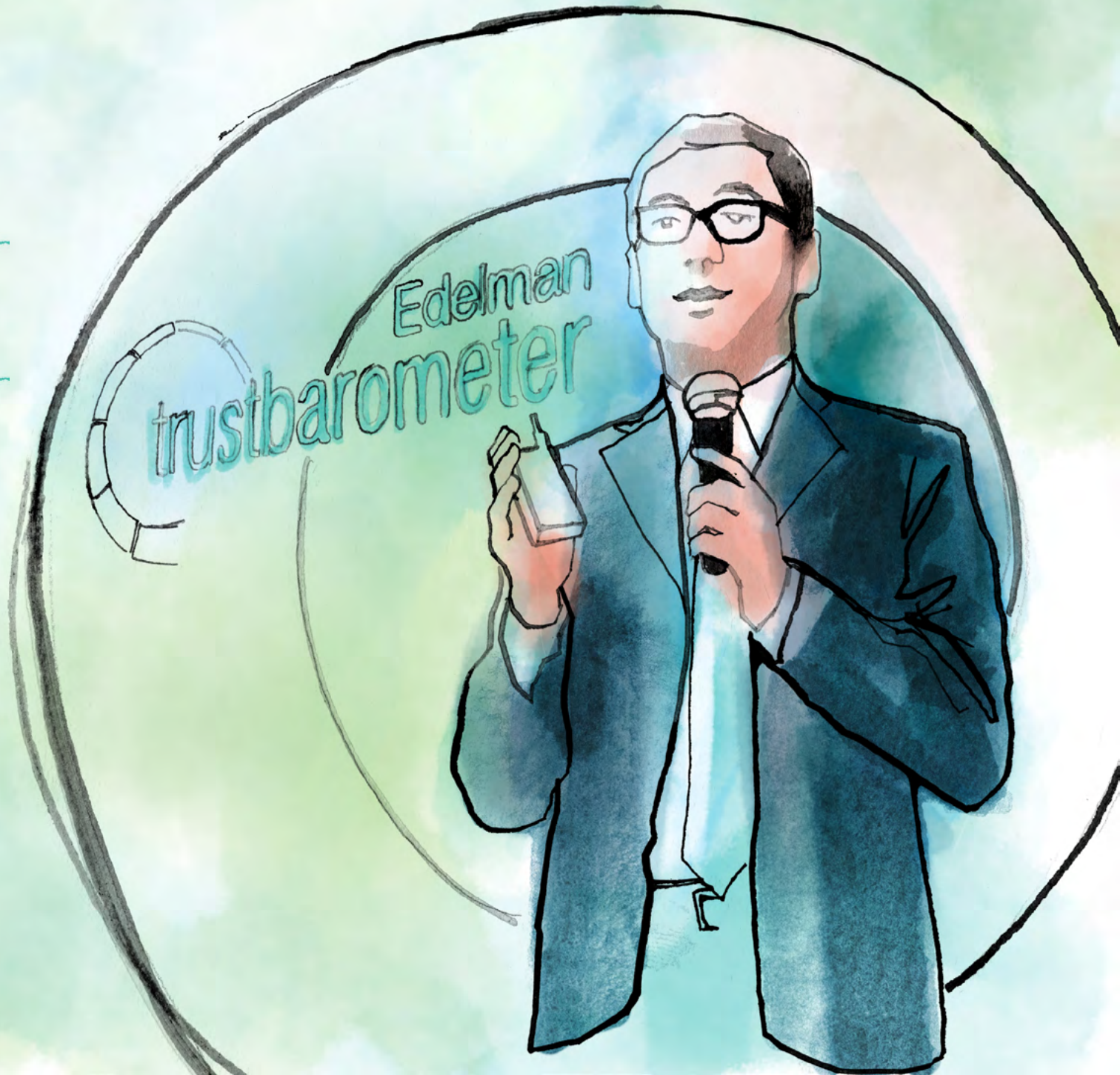
Acting with Certainty in Partnership with Our Clients

For our clients and many others, Edelman's intellectual property and counsel increasingly help them understand their expanding social role and act on how they can contribute social purpose to our world.

2018 EDELMAN TRUST BAROMETER

The Edelman Trust Barometer – now in its 19th year and covering 33,000-plus respondents in 28 global markets – generates important signals about the state of trust and distrust worldwide and the impact on countries, various industries, economic sectors and institutions outside of business, including government, the media and NGOs. The

research underlines the need for businesses and brands to take strong positions on social, economic and environmental issues, and for CEOs to be a driver for change and not wait for government.

The 2018 Trust Barometer findings reveal a significant change in the ecosystem of trust, as confidence in CEOs who speak out on issues and trust in experts, improved significantly, while trust in peers declined substantially.

CLIENT WORK

Global clients, both new and old, increasingly engage Edelman to advise them on and help plan, develop and execute cause-related initiatives. Often, they seek our assistance because they know of pro bono projects and campaigns we have been involved in that relate to issues from mental health and veterans' issues to global hunger, education and gender equality. We gain invaluable experience from the work we do with clients on such endeavors and, increasingly, we apply our communications marketing talents gleaned from cause-related client work to our own pro bono activities. The following case studies offer a glimpse at the broad range of client assignments we helped with in FY18. For more purpose-driven client work, please visit our Citizenship website.

2018 Trust Barometer

64%

of global respondents believe a company can take actions that both increase profits and improve economic and social conditions in the community where it operates

Edelman UAE

Linkedin: Hear it from me

LinkedIn wanted to strengthen its offering in Saudi Arabia in relation to Arabic-first job search websites. To build brand presence and increase sign-ups, Edelman UAE needed to connect LinkedIn to something bigger.

So, it used this ask as an opportunity to connect the act of signing up to making a statement: Adding more women into the work-force under the Saudi Vision 2030 mandate.

Edelman helped LinkedIn define its approach to market by providing a key insight of Saudi Arabian women professionals: In the shadow of their misrepresentation in the media, these women view their careers and achievements as invisible to the world and to recruiters.

Edelman helped LinkedIn define a meaningful role for its platform by using its data – along with the voices of Saudi career women – to tell their stories with authority and conviction. And they united these stories under an integrated campaign – #HearItFromMe.

Edelman helped package and launch LinkedIn research around the barriers and drivers to hiring Saudi women and engaged multiple influential Saudi Arabian business-women to blog about the data across a range of social media platforms.

Within the first four days, the campaign eclipsed regional records on social, generating over 20 percent engagement and more than 200,000 impressions. It has since generated 35 pieces of media coverage across print, online and broadcast – not to mention tweets from the Kingdom's top influencers who spoke about the findings and LinkedIn's efforts.
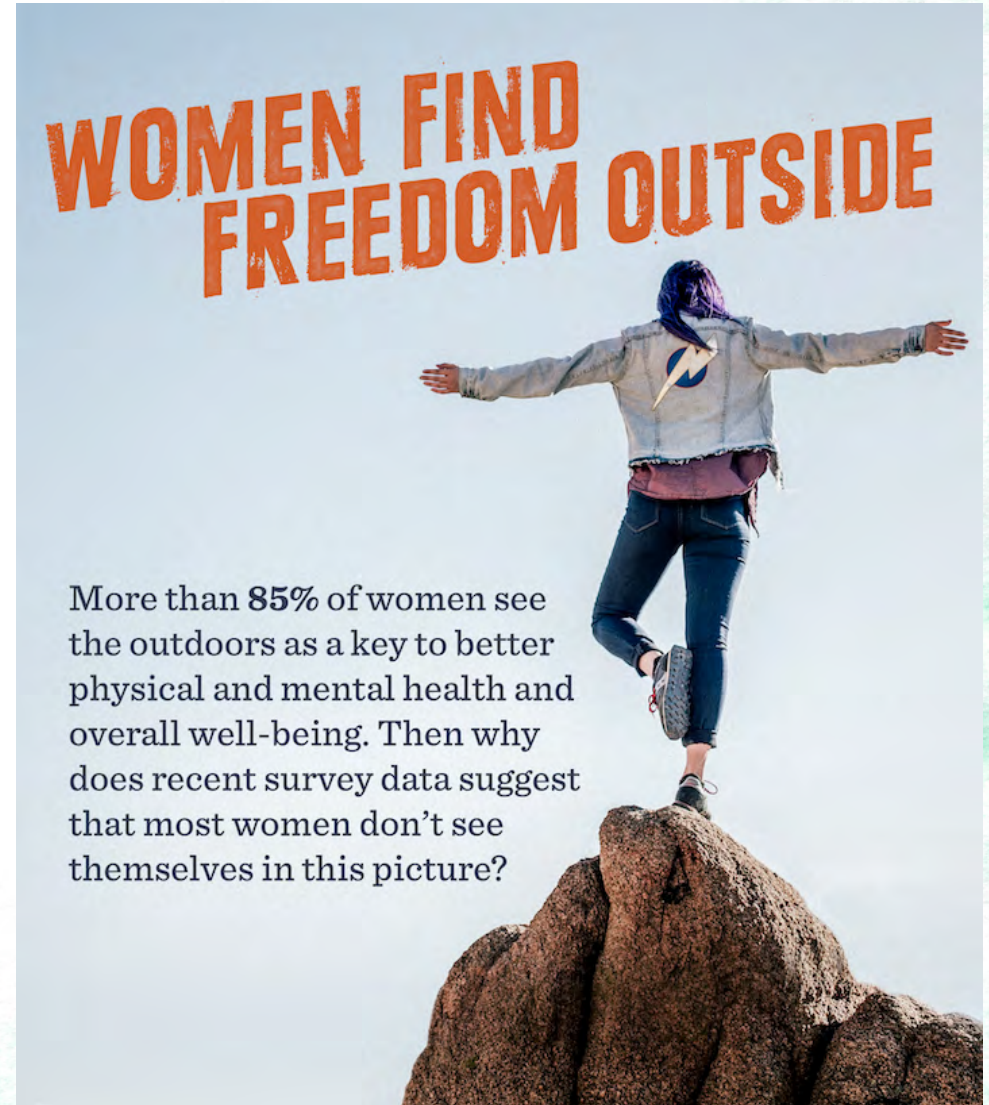
Edelman Seattle

REI: Force of Nature

REI, a purpose-driven outdoor retailer and the nation's largest consumer cooperative, has never shied away from its belief that a life outdoors is a life well lived – for all. Edelman partnered with REI to help them take a stand during a time of ignited activism, awareness and conversation around gender inequality and barriers that exist to equal opportunity.

REI partnered with Edelman to launch #ForceofNature in April 2017, a long-term effort that continues to the present, to make the outdoors the world's largest level playing field, resetting gender perceptions and ensuring that women and girls are just as inspired and equipped as men to embrace life outside.

REI, Edelman and Edelman Intelligence conducted a survey of 2,000 women to unearth the societal truths about the relationship women have with the outdoors and provide newsworthy data that illustrated the outdoor gender gap. The findings proved that too many women believe the outdoors isn't for them, with 84 percent of women calling themselves "active" but only 32 percent identifying as "outdoorsy." This data grounded the campaign and positioned REI to take action.

Edelman launched #ForceofNature as an integrated, insight-driven campaign to media, consumers and the public at large. Edelman secured a strong line-up of interviews with REI women leaders resulting in launch day placements in Forbes, Fast Company, Gear Junkie and Fortune. The team also helped REI partner with Outside Magazine to create the outlet's first all-women's issue. Following the initial launch, Edelman took the integrated media push from national to REI's key markets and helped drive attendance to 1000+ events and classes specifically designed for women.

Beyond initial curtain-raiser stories, Edelman secured coverage in top-tier outlets, and the campaign also garnered 45 million social impressions, 15 million of which came from REI employees. Nearly 48,000 women have participated in local events across the country, and the waitlist for ongoing events has reached nearly 15,000. The work also won a Bronze Lion in the Glass: The Lion for Change category at the Cannes Lions Festival, not to mention several public relations industry honors including winning the 2018 Gold Sabre Awards for Retail. But perhaps most importantly, the campaign continues to incite conversation and action from consumers, retailers and the outdoor industry to address the outdoor gender gap.

WOMEN FIND FREEDOM OUTSIDE

More than **85%** of women see the outdoors as a key to better physical and mental health and overall well-being. Then why does recent survey data suggest that most women don't see themselves in this picture?

Edelman Singapore + Shanghai

J&J Vision: Help Children See

With nearly 90 percent of China's youth suffering from myopia, or near-sightedness, it has become a growing issue of concern in the country. To draw public attention to this issue and raise funds to bring more early vision screenings to children in need, the Edelman teams from Singapore and Shanghai produced the Help Children See purpose marketing campaign for Johnson and Johnson Vision in APAC, built around helping each child live up the full potential of their names on National Eye Care Day in China.

Led with the insight that Chinese parents attach hopes and aspirations of desired futures encapsulated in the names of their children, the team created a viral film that explored the story of a young boy as he tries to live up to the vision behind his name while struggling with poor eyesight. The film led viewers to the popular Chinese gaming platform QQ, featuring a game that also doubles as an eye exam, after which they are prompted to donate to the Sight for Kids school-based vision screening partnership program. As part of the integrated campaign, the team didn't just produce the viral film – they also created content for the game, as well as web banners and posters.

ACUVUE® presents

THE BOY WHO IS AFRAID OF THE OUTSIDE

Within the first few hours of launch, the film garnered more than 1.5 million donations, and within 48 hours, over 413 million views. In total, the campaign led to an increase of 16 percent in brand love for Johnson and Johnson Vision's ACUVUE® brand, 11 percent in brand consideration and 10 percent in myopia awareness. Help Children See inspired a whole new generation of Chinese parents to truly see the importance of early eye checks for their children and to understand how myopia can affect their lives.

Data Privacy & Information Security

Edelman is a client-focused and ethical organization that represents some of the leading organizations and companies in the world. We take the privacy and security of personal data seriously and have adopted global privacy policies consistent with our high standards. Learn more about our global privacy principles and policies on our on our website' with 'on our Citizenship page on Edelman.com.

GDPR

We have always considered data privacy and confidentiality critical to handling our clientmatters. Like many of our international clients, we believe it makes sense to use the European Union's recently activated General Data Protection Regulation (GDPR) as a guidepost for our global privacy and security compliance program.

We developed and rolled out training materials and customized mandatory data privacy and protection training in support of these materials that all employees were expected to complete before May 25.

We revisited our data privacy and security policies and procedures and made changes as appropriate to our practices to meet expectations of our global clients and of regulators. We increased our IT network protection capabilities by adding advanced threat protection which scans email attachments and hyperlinks to identify malicious attacks while delivering additional email user identity validation through multifactor authentication.

We also began a new employee training system that revamped our compliance training and introduced new Information Security training modules, tools and online features to help employees be vigilant and prevent phishing attacks, among other things.

BUSINESS ETHICS

EcoVadis provides an independent CSR analysis covering 21 criteria across four themes of environment, fair labor practices, ethics/fair business practices, and supply chain. The methodology is built on international CSR standards including the Global Reporting Initiative, the United Nations Global Compact and the ISO 26000, covering 190 spend categories and 150 countries.

This year marks the first time Edelman achieved an EcoVadis Gold rating. This result places Edelman among the top 5 percent of performers evaluated by EcoVadis.

90%
of employees trained on general data protection (GDPR)

62%
of employees (level 4+) trained on Anti-Corruption

85%
of employees trained on compliance and ethics

59%
of employees trained on workplace behavior

Our People

PROVIDING OUR EMPLOYEES WITH RESPONSIBLE CHOICES

An overwhelming majority of our nearly 6,000 employees – 85 percent – say our Citizenship efforts are a key reason they work at Edelman. This is why we consider it essential to adopt meaningful actions that contribute and improve their lives at work, at home, in their communities and more broadly. We believe that our employees increasingly value our Citizenship initiatives because ours has been an evolutionary journey that continues, and they've seen our yearly progress.

Importance of Citizenship to Our People

Our Citizenship efforts continue to gain the support of our employees worldwide and they play a significant role in acquiring and retaining talent. All our regions reported moderate to significant progress in citizenship in FY18 as well as in volunteerism, green initiatives and pro bono work.

Eighty-five percent of our employees (up from 81 percent the year before) believe that citizenship is important in deciding to work at Edelman and that percentage is consistent across regions and levels.

We believe this increasing level of engagement spotlights the success we see in our Citizenship approach. But we always are seeking fresh ways to connect with our global community because, as the Edelman Trust Barometer makes clear, employees – and indeed citizens worldwide – want their organizations and CEOs to take stands on important societal, environmental and economic issues. They want us to support diversity and inclusion initiatives and promote health and well-being while also providing effective professional training and development.

This is why we continue to introduce new Citizenship goals and policies, including efforts to center our employees' talents and skills to advance the UN Sustainable Development goals of Gender Equality, Zero Hunger and Quality Education — three goals identified by our employees as priority focus areas.

85% of employees

believe that citizenship is important in deciding to work at Edelman

⬆ Up from
81% in FY17

63% of employees

seek more information about potential opportunities, indicating they have a clear desire to become more engaged.

⬆ **9%** increase
in interest from FY17

Health & Well-Being

Health and well-being continue to rank among the most important values to our employees, and in fiscal 2018, it ranked as the top issue around nearly all of our global offices. However, only 47 percent of employees believe that Edelman has created a culture that promotes healthy living.

From supporting physical and mental health in the workplace, to organized activities, access to resources and policies that encourage flexibility, we continue to evolve the way we address this important value globally to ensure employee health and satisfaction and secure a culture that places wellness at the center.

This past year, we undertook a large project to change our paid time off policies in the U.S. to allow for more flexibility by providing buckets of PTO and a PTO bank of time for employees to use. The project required considerable time and resources to ensure changes met legal requirements and to ensure they were right for Edelman.

We also began to broaden the Edelman Escape program, a widely popular U.S. program that awards winners one week and $1500 to pursue a once-in-a-lifetime experience, to eventually make it global by budgeting for it in Canada and then elsewhere. Edelman also moved to make a tobacco cessation program a global one within the Employee Assistance Program.

VETERANS WELL-BEING SURVEY

We conducted our third annual Veterans Well-being Survey in partnership with more than 15 veteran service organizations. The survey engaged 2,000 veterans, 1,075 employers, 250 educators and 500 military spouses, and focused on tracking changes in veterans' well-being metrics over time assessing perceptions of employment readiness and potential for success; diving deeper into the civilian/military divide and the issues perpetuating this; and assessing military spouse employment as well as perceptions of access to care.

In FY18 offices in the Europe and the United Kingdom created a program focused on five pillars of well-being, which include:

1. **Career**
   - **Barcelona:** Planned a "Clear-out Day," where employees cleared their desks to "clear their minds."

2. **Social**
   - **Paris:** Organizes monthly afternoon tea sessions, encouraging employees to practice their English, and hosts a monthly healthy breakfast social get-together.

3. **Financial**
   - **U.K.:** Hosted financial education seminars run by HSBC Bank.

4. **Physical**
   - **Madrid:** Offered a five-week Pilates class.
   - **UK:** Offers guided mediation, resilience and stress management workshops, biweekly massages.
   - **Belgium:** Offers desk yoga classes.
   - **Germany:** Offers massages across all country offices.

5. **Community**
   - **Cologne and Paris:** Organized office-wide charity runs.
   - **Madrid:** Encourages employees to take time off to donate blood.

Diversity & Inclusion

Diversity and Inclusion (D&I) are an extension of our values and are core to our culture. We recognize the critical importance of employing a diverse workforce and senior management and in maintaining an inclusive workplace by setting firm objectives and holding ourselves accountable to exceed them.

In January 2018, our U.S. Executive Committee set a racial and ethnic workforce goal of 30 percent by 2022 (from 24 percent). At the end of the fiscal year, our diverse workforce percentage was 25 percent and it has continued to increase in the current fiscal year.

Additionally, we expect to meet our 2020 goal of achieving 50 percent representation of women in leadership roles firmwide. That percentage increased to nearly 48 percent in FY18. Of note, the four largest U.S. offices – New York, Chicago, Washington, D.C. and the Bay Area – are headed by women.

To drive this work, we have several programs underway and more work to be done. We continue to enhance our diversity recruit-ment efforts by strengthening partnerships with key organizations, universities/colleges and communities to develop a more diverse candidate pipeline. To drive retention and promotion of our work, we expect to introduce a D&I-focused mentoring program, especially for mid-level employees, and provide program-ming through our five employee networks.

In FY18, we held over 50 D&I trainings throughout the U.S. offices and beyond, and required U.S. employees to participate in the ongoing trainings. We completed a companywide pay equity analysis to identify and take steps to eliminate gaps, which underlines our commitment to equal pay.

Edelman completed a gender pay analysis which found that Edelman pays women 99% of what their male counterparts are paid for similar job functions, experience and geographies.

48%
Women now hold 48% of Senior Leadership positions (Executive Vice President and up).

Gender Breakdown by Region

Region	Female	Male	Total
APACMEA	855	403	1,258
Canada	167	70	237
Europe & CIS	924	431	1,355
LatAm	248	94	342
U.S.	1,804	805	2,609
Total	3,817	1,803	5,801

Age Breakdown by Generation

Generation	Female	Male	Total
Silent	3	2	5
Boomer	139	106	245
Gen X	624	490	1,114
Millennial	3,179	1,195	4,374
Generation Z	53	10	63
Total	3,398	1,803	5,801

Diversity & Inclusion, continued

Our five employee networks were increasingly active in FY18. The groups include Edelman Equal, our LGBTQ network; Forward, our veterans' network; Griot, our African American network; GWEN, our global women's network; and Inclusivo, our Hispanic/Latino network.

GWEN

The Global Women's Empowerment Network continued to launch bold initiatives and engage women across Edelman's global offices. In FY18, it launched Opportunity Talks, a global mentorship program, to connect employees across the network, and Lean In Circles, another mentorship program to empower women colleagues across all levels through group mentorship and peer coaching. Throughout international Women's Day, the group planned festivities and awareness activities in offices across the globe; in Chicago, the group hosted a guest speaker and raised funds for a local nonprofit that helps empower women to secure employment.

GRIOT

To build momentum around racial diversity and inclusion through internal and external programming. In FY18, the group celebrated Black History Month and continued to offer open forums to engage diverse media and journalists, and supported black artists in their communities. To continue to build community support and encourage education throughout local black communities, Griot raised money for local school and community centers and joined in on service projects for local charities.

INCLUSIVO

Edelman's Hispanic network group expanded its impact, hosting workshops, panels and fundraisers to celebrate Latino pride. In New York, the group hosted a hip hop and culture workshop in collaboration with Griot NY as well as a food and culture panel, a fundraiser for a Puerto Rican school damaged by Hurricane Maria and a creative lifestyle design workshop with actress Joselyn Martinez. In Chicago, the group celebrated Dia de los Muertos, and partnered with local organizations to give back, including sponsorship of the El Futuro High School Leadership program, to help the city's Latino community achieve better college entrance and completion rates.

EQUAL

Edelman Equal celebrated PRIDE month around the world, including participating in marches in Mexico City and London; hosting fundraisers for homeless LGBTQ youth initiatives in the U.S. and the AIDS committee of Toronto in Canada; and cultivating partnerships as the U.K. did with Intermedia UK, an organization that strives to build a more LGBT-inclusive media industry.

FORWARD

Edelman has made its first two veteran hires through a partnership with United States Chamber of Commerce Hiring Our Heroes program, and has also hired several military spouses, marking the first steps in our journey toward creating a more inclusive workforce bolstered by the experiences and skillsets veterans and military spouses offer.

Learning & Development

UNLOCKING CLIENT VALUE BY INVESTING IN OUR EMPLOYEES

We pride ourselves in our learning and development efforts and consider them representative of our culture of continuous improvement and dynamic learning environment, which adds new online and in-class training modules regularly.

But it's the on-the-job experiences that make Edelman special. We estimate that our employees learn about 70 percent of their knowledge on the job, which underlines why our career development program combines formal training, coaching and mentoring, and distinct professional experiences:

- **Edelman Learning Institute:** This corporate "virtual campus" addresses personal and professional growth through a robust, global training system that supports lifelong development and social learning.

- **Leadership Academy:** This program offers select client-facing leaders the global opportunity to participate in an intensive educational three-day program conducted by experts from both within and outside Edelman.

- **Targeted Learning Programs:** As part of our commitment to develop targeted skills and experiences, we design custom learning solutions by region, office and team.

- **Mentor Programs:** Most global offices offer a mentor program with active partnerships that connect experienced employees with junior colleagues. Other programs link minority talent with senior managers, newer women employees with women leaders and new parents with longtime Edelman parents.

- **Performance Reviews:** These annual and mid-year reviews evaluate skills, provide strategic goal development and career planning opportunities.

105,161 hrs

In FY18, employees recorded a total of 105,161 hours of training, an average of 16.5 hours per person.

EDELMAN LEADERSHIP ACADEMY EVOLVES

This year, 70 of our top leaders from 32 global offices gathered in Montreal to participate in a distinct, leader-led coaching experience. More than 30 Edelman executives and internal experts conducted small groups in learning structured around three pillars of *Courage, Collaboration* and *Operational Excellence*, guided by a thematic construct of *Unlocking Value for Clients.*

Our Communities

IMPACTING OUR
LOCAL COMMUNITIES

Acting with Certainty extends beyond our and our clients' business. It applies to the way we conduct ourselves as world citizens – in the places where we live, work and play. Our employees use their skills, talents and time to make a positive impact through community involvement. Again, it has proven important to evolve our global citizenship efforts as volunteerism and pro bono initiatives change emphasis. For instance, we are aligning our efforts more closely with three U.N. Sustainable Development Goals favored by our employees: Zero Hunger, Quality Education and Gender Equality.
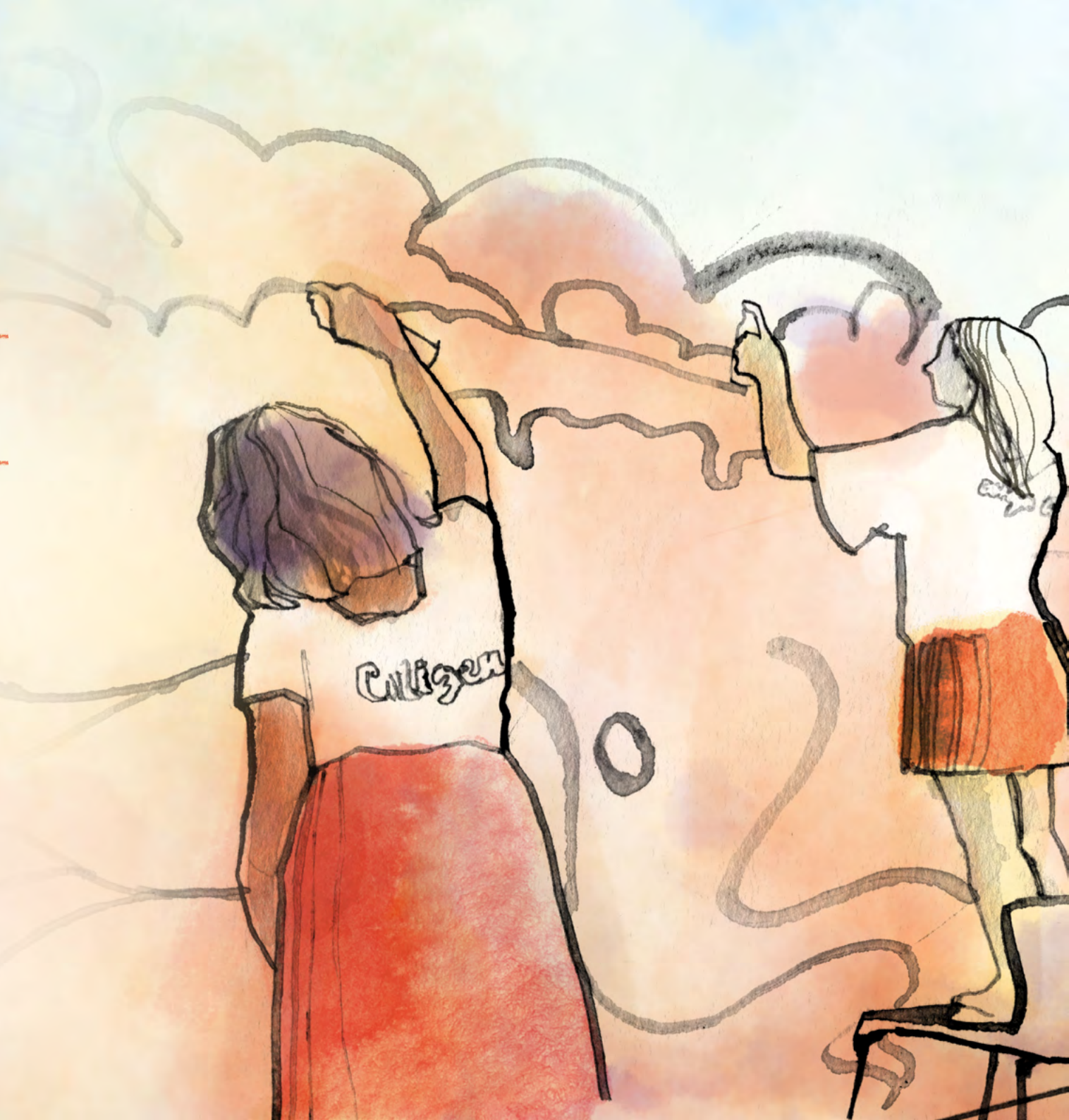
Employee Giving & Volunteerism

Being active and engaged participants in society is a core value to Edelman employees. In fact, 80 percent of employees say volunteering and pro bono opportunities are important factors in choosing to work at Edelman.

Globally, one-quarter of employees have volunteered through Edelman-sponsored opportunities, and 43 percent were involved outside of the office. More than one in 10 has engaged in pro bono work either inside or outside the firm.

In total, we've given back nearly 20,000 hours and $3 million in time and talent in FY18. Our ultimate goal is that every employee gives back the eight hours they're allotted for a total of 40,000 hours of pro bono and volunteering time.

63%
of employees would like to receive more information about pro bono and volunteerism opportunities

60%
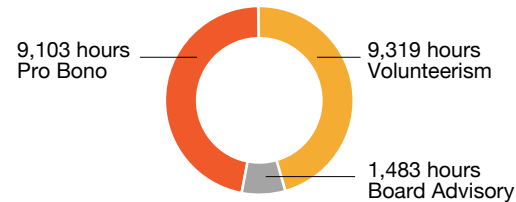of employees would like to hear from local leadership about opportunities

While we continue to prioritize pro bono and volunteerism across our offices, we also continue to assess where we're falling short and how we can empower employees to give back.

1. **Volunteering and Pro Bono Policy.** Over half of our global employees report that making time available during work hours would help increase participation. Our recently updated volunteering and pro bono policy encourages offices to take the lead in creating opportunities for their employees, from volunteer days to pro bono partnerships. The policy provides clear guidance on minimal time investments, U.N. SDG priorities and logging hours efficiently.

2. **Streamlining reporting.** A challenge to accurate reporting lies in volunteering and pro bono hours tracking. We launched a global software to help simplify and streamline this process across offices, which we will discuss on page 25.

3. **Formalizing involvement.** Our policy adds structure to Edelman-sponsored volunteerism and we continue to build out our pro bono guidelines for involvement, ensuring that the work leverages communications marketing skills and produces top-tier case studies.

19,907 hrs
total volunteerism

9,103 hours
Pro Bono

9,319 hours
Volunteerism

1,483 hours
Board Advisory

$3 million
total giving

$1.4 million
Probono

$1.2 million
Sponsorship, Grants, Contributions

$222,548
Board Advisory

$227,499
Volunteerism
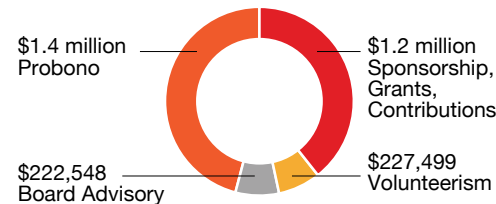
Employee Giving & Volunteerism

CHALLENGES AND OPPORTUNITIES

Though employee interest in and passion for community engagement remains high, hurdles exist to involvement. While 82 percent and 79 percent of employees, respectively, believe that volunteerism and pro bono are important in choosing to work at Edelman, only about 25 percent of employees have engaged in Edelman-sponsored volunteering, and only 10 percent have engaged in Edelman-sponsored pro bono work, citing **time** and **awareness** as their biggest barriers.

50%

Time: Fifty percent of all employees acknowledge time is the biggest factor affecting their Citizenship involvement. This statistic is especially common in the U.S., with 67 percent of employees struggling to make time to engage in volunteer and pro bono projects.

31%

Awareness: Nearly one-third (31%) of employees are not aware of opportunities to get involved. This is particularly apparent in the APAC region, followed by Canada and Latin America.

YOURCAUSE

We launched YourCause software globally to address these concerns and encourage Citizenship engagement at all levels. The software centralizes all volunteer and pro bono opportunities, streamlines signup and simplifies hours tracking. Transition to this full-service site enables the Global Citizenship team to obtain an accurate sense of employee involvement, and it empowers employees around the world to give back in the best way for them.

82%

of employees say that volunteerism is important in choosing to work at Edelman

79%

79% say pro bono is important in choosing to work at EdelmanYet globally, only 39% of employees volunteer through Edelman

78%

Level 1 and 2 employees (78%) are most interested in service-related opportunities

58%

Level 4 and 5 (58%) as well as Level 6+ (81%) are more interested in professional/skilled-based opportunities
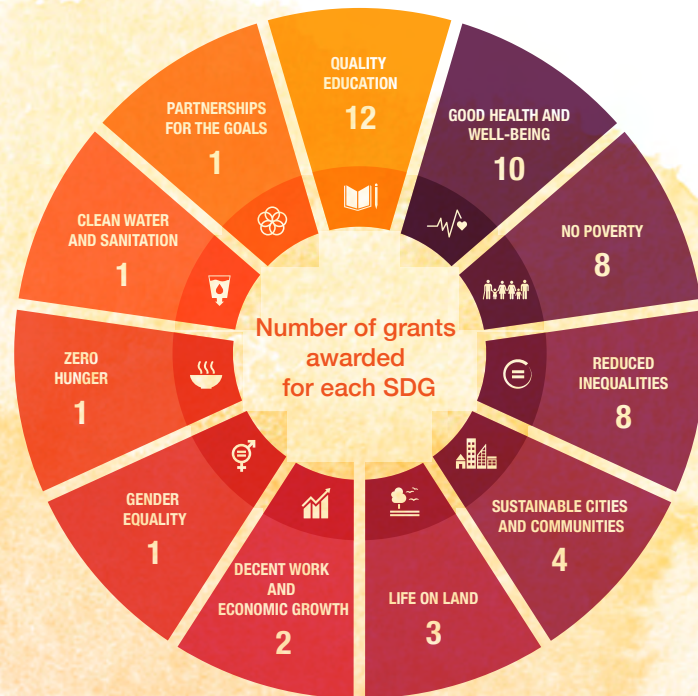
Community Investment Grants

We're proud of the myriad ways employees give back outside of the office on their own time, and we're also proud to help support this involvement.

As one of the Global Citizenship team's signature programs, our Community Investment Grants have a direct and meaningful impact on organizations with which employees are engaged across the world. For the past seven years, this grant program has supported causes that matter most to employees and their communities.

This year we awarded 50 grants, totaling $101,500, across 18 offices globally. Organizations ranged from a sustainable coffee collective in Uganda to an adaptive winter sports nonprofit in Vancouver; from a program that unites magic with motor skills therapy in London to an arts organization that helps facilitate an understanding of diversity in Connecticut; from a project to build vegetable gardens for sustainability and biology education at a school in Illinois to a project to cultivate a more walkable community in Maryland. The list goes on – and so does the impact.

50 grants
awarded in FY18

14 grants
impacted one of Edelman's priority sustainable development goals

$101,500
awarded in FY18

The Community Investment Grants program has totaled more than $1.1 million USD in charitable giving – in more than 750 separate grants – since the program's inception in FY11.

Number of grants awarded for each SDG

- QUALITY EDUCATION — 12
- GOOD HEALTH AND WELL-BEING — 10
- NO POVERTY — 8
- REDUCED INEQUALITIES — 8
- SUSTAINABLE CITIES AND COMMUNITIES — 4
- LIFE ON LAND — 3
- DECENT WORK AND ECONOMIC GROWTH — 2
- GENDER EQUALITY — 1
- ZERO HUNGER — 1
- CLEAN WATER AND SANITATION — 1
- PARTNERSHIPS FOR THE GOALS — 1

Volunteerism

LONDON'S CHALLENGE DAY

Edelman London colleagues participated in the office's first Challenge Day on May 3. As an alternative to the office's biannual company offsite, this day aimed to shine a spotlight on the opportunities around pro bono and volunteerism at Edelman.

The huge effort connected 500-plus colleagues with 24 community charities and causes. Teams were tasked with assisting a range of projects both small and large from across the U.K. Some teams developed a digital skills workshop and helped organizations rebrand and activate. Others spent the day outdoors on large community projects – whether tending gardens, preparing and serving hot meals or engaging with diverse community members, among others.

PARIS CITIZEN DAY

All 140 Paris employees participated in their office's second annual Citizen Day on June 27. Office involvement focused on volunteering and pro bono work for three local charities, totaling more than 1,000 hours.

Some employees assisted an employment service agency by developing communications materials and conducting interview workshops, resume and curriculum vitae workshops and job coaching workshops. Others helped at a homeless shelter with various tasks including basement cleaning, wall painting, lunch preparation, building patio furniture and creating a beautiful piece of wall art. Still others aided a humanitarian emergency service organization, sorting more than 2,200 articles of clothing for those in need. For Paris, this was a day of solidarity – of uniting time and talent to give back in a truly meaningful way.

CANADA'S LITTLE GIVE: Vancouver Edition

"We connected with inspiring people in our community, challenged ourselves and embraced the opportunity to work alongside our colleagues in a new environment, whether it was through power washing or line dancing, 'The Little Give' is one of the most enriching experiences that we, as Edelman employees, take part in as a collective group."
- Vanessa Mora, Vancouver Citizenship Lead

Inspired by Oprah Winfrey's Big Give initiative, The Little Give is Edelman Canada's annual corporate social responsibility project that dedicates a little bit of seed money and a whole lot of time and energy to worthy, local nonprofit organizations. Established in 2008 by Edelman Vancouver, The Little Give taps into employees' diverse skillsets and passions to make a difference in the communities around them.

In June 2018, the Vancouver office celebrated its 11th anniversary by collaborating with three local charities: Mount Pleasant Neighbourhood House, Whole Way House and a Loving Spoonful. These organizations supply needed services, empowering those struggling with family issues and in need of daycare and counselling services. Edelman Vancouver's "Little Givers" got involved in cleaning, crafting, dancing, cooking, painting and projects involving manual labor.

Volunteerism, continued

Each year, Edelman Chicago dedicates a week to give back to the community. Employees are encouraged to sign up for various volunteer activities throughout the week, which in FY18 included: sorting donations at Cradles to Crayons, making chew toys for animals at the Anti-Cruelty Society, packaging food donations at Lakeview Pantry, mentoring middle schoolers with Junior Achievement, playing bingo with seniors for Meals on Wheels, and much more.

More than one third of the office engages with these activities throughout the week, and employee participation created the following

tangible results: Packaged 2,000 pounds of food at Lakeview Pantry; made nearly 100 chew toys for animals the Anti-Cruelty Society; sorted donations for 192 children at Cradles to Crayons; mentored nearly 200 middle school students with Junior Achievement; organized and stocked linen and toiletry closets for Ronald McDonald House families; and played bingo and served lunch to 160 seniors with Meals on Wheels.

The Bay Area offices comprising San Francisco, Silicon Valley and Sacramento close down for an afternoon each summer for an offsite celebration to wrap up the fiscal year and start the next on a positive note.

In August 2017, the Bay Area offices canceled their morning work hours to provide several volunteer opportunities to enable employees to give back to their local communities. More than 80 employees engaged in these events, impacting five UN Sustainable Development Goals through the Alameda Food Bank, Project Open Hand, Botanical Garden at Golden Gate Park, The Arc and the East Bay College Fund.

Pro Bono Work

In addition to empowering employees to give back with time, Edelman also encourages them to give back with talent. Our Pro Bono and Volunteerism policy prioritizes pro bono work, or "professional volunteerism," defined as skilled work performed by a professional, done free of charge to serve the public good.

When considering pro bono opportunities, we seek to apply employees' unique communications marketing talents to create campaigns that make a sustained impact for organizations and causes in their communities. But there's work to be done. In FY18, only roughly one-in-10 employees reported pro bono involvement through Edelman, although 79 percent consider these opportunities important in choosing to work at the firm.

RUTH EDELMAN AWARD

Throughout her life, Ruth Edelman supported numerous health organizations and nonprofits. Her commitment to helping others proved an inspiration to all who knew and loved her. From Ruth's involvement in the community to the tens of thousands of volunteer hours that Edelman employees complete every year, Citizenship has always been core to who we are.

In its third year, the Ruth Edelman Citizenship Award recognizes the pro bono project that demonstrates Edelman Citizenship to the highest extent. The recognition is part of Edelman's larger Culture Awards initiative – which celebrates the achievements of teams and individuals who have made a positive impact for the firm, clients and one another – and grants $5,000 to the winning team.

Top-ranking entries closely emulated the beginning-to-end communications marketing work we do for clients regularly, including: collaboration across practices; clear goals, objectives and tactics based on research and insights; full-circle campaign execution; compelling case study and video development; lasting and measurable impact; and demonstrating our third core value – *the courage to do the right thing.*

The following pages outline Edelman's best-in-class pro bono work. For more examples of our nonprofit partnerships at work, please visit our Citizenship page on Edelman.com.

9,000 hrs
In FY18, employees completed more than 9,000 hrs of pro bono activity, valued at nearly $1.4 million

Edelman's goal is to deliver 50 percent of its pro bono hours against the top UN Sustainable Development Goals (SDG) as identified by our global employees:

Edelman London:

Malaria No More

In 2017, progress on malaria – a disease affecting 216 million people, and which kills nearly a half a million each year – stalled. Malaria No More UK, a nonprofit whose goal is to end the disease, enlisted Edelman to help seize a huge opportunity to regain momentum. The task was to secure action at the Commonwealth Heads of Government meeting in London.

Commonwealth countries carry more than half the global burden of malaria, so getting its leaders to commit to ending the disease by 2030 and halve malaria deaths within the next five years would make a major impact.

The campaign had two goals – first we worked with Malaria No More UK to win support to put malaria at the heart of CHOGM; and once that goal was achieved we had to build public and stakeholder support for major action.

Edelman put together a team of political and consumer communications experts to develop a plan, and working with Dentsu and R/GA, create the "Malaria Must Die So Millions Can Live" campaign.

Over the course of the campaign, Edelman earned coverage in every top-tier publication and broadcast outlet in the United Kingdom, including both political and consumer media.

David Beckham agreed to be part of the campaign, and the launch video – of him in a glass box filled with mosquitos – had more than 6 million views. The digital campaign earned over 200 million impressions. The hashtag #MalariaMustDie started trending in the U.K. on launch day and continued throughout the day. Additionally, #MalariaMustDie was the No. 1 trend on Twitter in Nigeria.

The campaign culminated with the Malaria Summit in April 2018 – an event that saw keynote speeches from Bill Gates, HRH The Prince of Wales, WHO Director General Tedros Ghebreyesus and prominent Nigerian novelist Chimamanda Ngozi Adichie; a series of commitments from Heads of States from Commonwealth Countries and major companies; and widespread support from global ambassadors against malaria.

Edelman worked with news crews from international broadcasters and controlled the registration of over 60 accredited journalists. Coverage reached over 150 million people. Moreover, #ReadyToBeatMalaria trended fourth in the UK and sixth in the US on Twitter.

During the summit, the Commonwealth leaders committed to halving malaria deaths in the Commonwealth by 2023 and backed their commitment with £2.9 billion in new spending pledges. GSK, Novartis and Bill Gates also made significant commitments, among others.

Campaign results will deliver a tangible transformational impact on the lives of people in Commonwealth countries. Halving malaria in the Commonwealth will prevent 350 million cases of the disease in the next five years and save 650,000 lives across commonwealth countries. The commitments are step-changes toward Malaria No More UK's goal to end a disease that has killed more people than any other disease in history.

Edelman Miami:

#RebuildingWithLove in Puerto Rico

In September 2017, hurricanes Irma and Maria ravaged Puerto Rico, causing thousands of casualties. Life remains far from normal for many on the island and some areas still lack basic services.

In FY18, Edelman Miami partnered with *Mentes Puertorriqueñas en Acción* (MPA), a nonprofit focused on developing the next generation of Puerto Rican leaders. After the hurricanes, MPA took on an additional mission to help rebuild communities devastated by the natural disasters. This partnership allowed the Miami office to execute an integrated citizenship program focused on providing hands-on assistance in the clean-up and beautification efforts in affected communities in Puerto Rico; generating awareness of the dire situation Puerto Rico faces to raise funds for rebuilding efforts; and helping Puerto Rican youth develop skills to find meaningful jobs or re-enter the education system.

Five employees flew to Puerto Rico and volunteered for a week helping to rebuild four houses. The employees clocked 315 hours and in the course of the year, the full office has put in 735 hours and $110,000 in service.

The Edelman Miami team also launched the creative campaign "Rebuilding with Love" *(Reconstruyendo con amor)* to connect people emotionally. The campaign showcases real-life stories of those who survived the disasters. Edelman Miami organized an art exhibit as part of the campaign that connected more than 70 guests, ranging from journalists, bloggers, influencers and local business leaders. The art exhibit received national and international media coverage and helped raise an additional $1,000 for MPA to continue rebuilding efforts.

Edelman also developed a toolkit with guidelines for resume building and interview preparation, which was deployed by MPA and is used to mentor dozens of Puerto Rican students.

Edelman Hong Kong:

The Women's Foundation

To tackle the issue of gender inequality in Hong Kong, The Women's Foundation (TWF) – Hong Kong's leading nonprofit organization fighting for this cause – collaborated with male business leaders to form Male Allies, a group of men that advocates with women for change. Male Allies use their influence to promote gender equality and sign a personal pledge to make a real difference by changing their behavior and that of those around them, as well as improving the culture and policies of the businesses they manage.

Edelman Hong Kong partnered with TWF to take Male Allies from idea to action. Guided by the insight that "gender equality is not just a women's issue; male allies are needed, and not just to give support but to take real action," the Edelman Hong Kong team began work on developing the organization's foundations to help prepare it for going public and recruiting.

It conducted a half-day narrative development workshop, which led to a creative brief for a visual identity and coherent look and feel. These workshops were followed by media training and message testing with six of the most senior Male Allies members to inform collateral development.

Edelman's work with Male Allies has resulted in the creation of a Male Allies brand and presence – including a logo, visual identity, collateral templates, narrative and organizational structure, a website and LinkedIn community of 410 followers. Edelman also developed a plan for the soft launch of Male Allies to the public, including a digital strategy, and secured media placements that demonstrate thought leadership in the space.
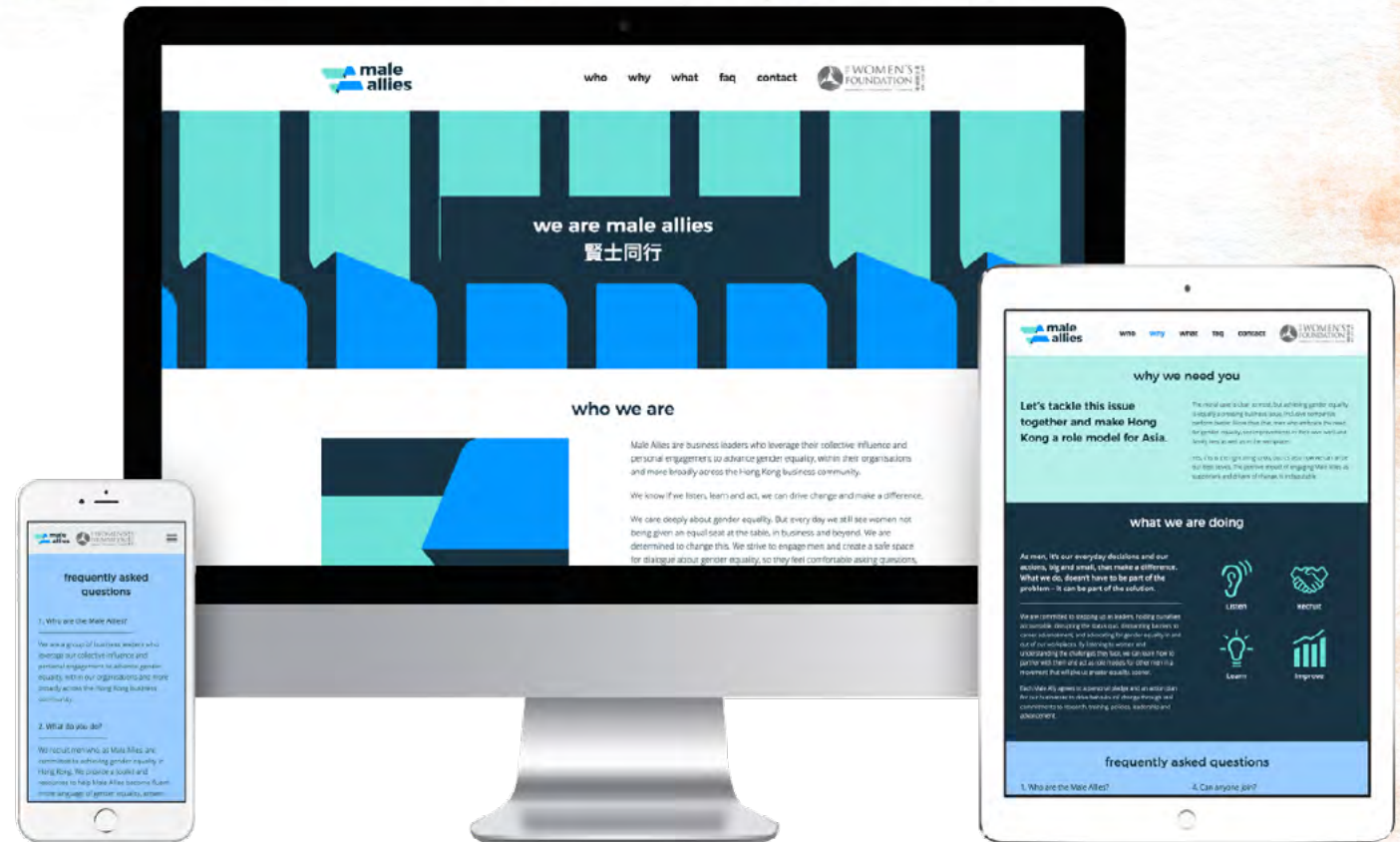
Our World

HELPING LEAD THE WAY AS A RESPONSIBLE BUSINESS

Our sphere of influence reaches beyond the offices we work at and the markets we operate in. And our responsibilities are greater than just those to our direct stakeholders. Edelman recognizes that we need to Act With Certainty within our supply chain in areas that require constant monitoring, transparency and collaboration – from measuring and improving our own social and environmental impacts to tracking, reporting and supporting our business partners to improve their social responsibility performance. Together we can realize the change we seek in our world.
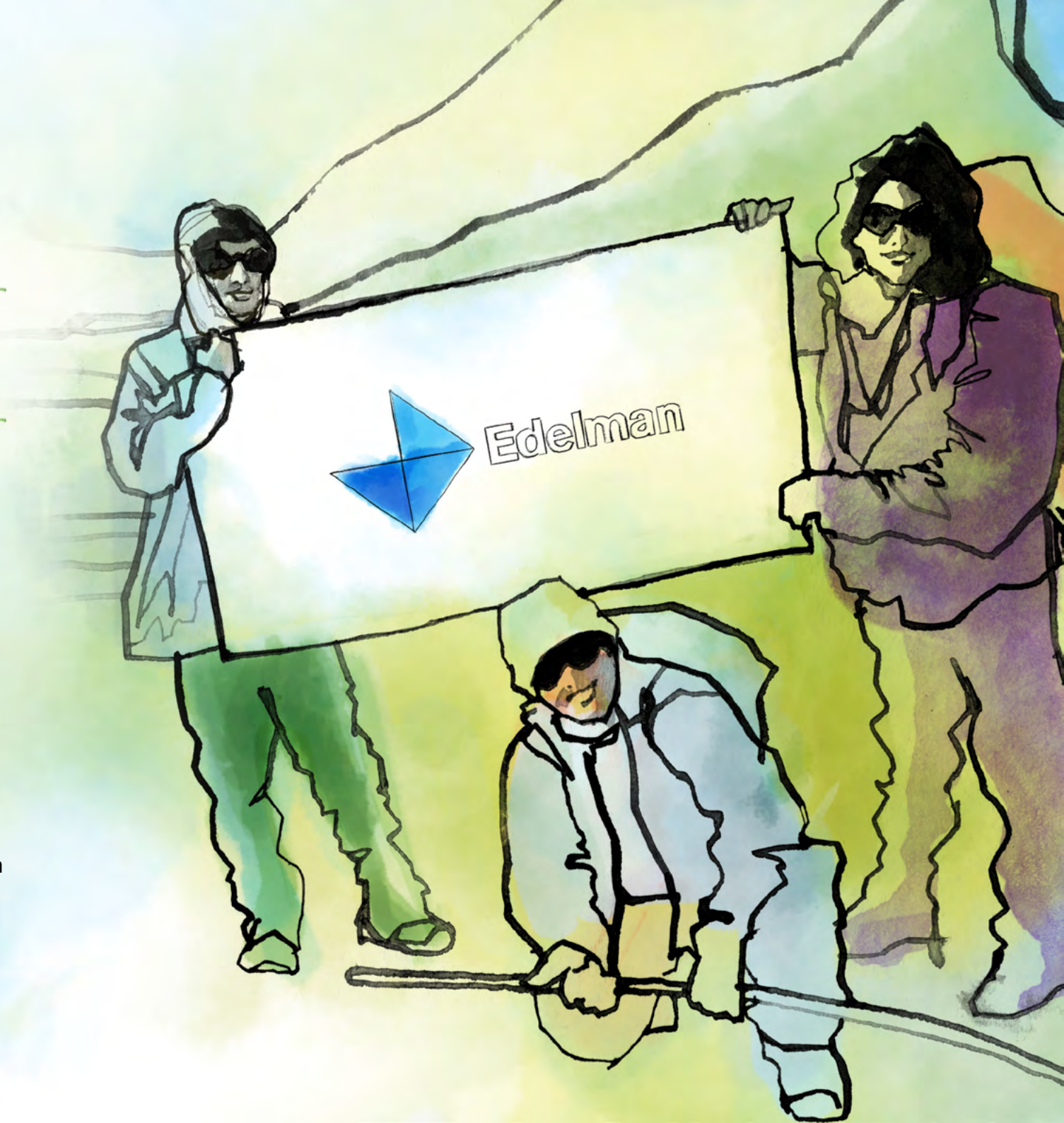
Our Environmental Footprint

Today's reality continues to involve a public discussion of the causes and effects of climate change. As stated in our updated environmental policy, Edelman recognizes the reality of, and science behind, climate change. We consider it among the most important global challenges. We believe companies, including ours, have a role to play in achieving the goals defined in the Paris Climate Accord. For our part, for instance, we neither accept client assignments that aim to deny climate change nor work with coal producers.

While we must keep improving our environmental sustainability efforts, we are proud of our investments, progress and FY18 milestones:

- Carbon Trust Standard recertification, demonstrating that Edelman continues to deliver carbon reductions annually and realizes the benefits of associated efficiencies.

- Neutralization of 100 percent of our U.S. operation's scope 2 emissions by purchasing Renewable Energy Credits (REC) for all offices.

- Our Ecovadis GOLD rating recognizing a comprehensive policy on environmental issues, quantitative objectives set on greenhouse gas emissions and initiatives to promote greater environmental responsibility.

- Completion of our fourth Carbon Disclosure Project response, for which we consistently outperform the average score in our industry. As of FY19 our CDP score will be publicly available.

- Development of a waste management and energy efficiency benchmarking tool to realize a shared baseline of policies and procedures across the Carbon Trust Standard certified offices.

CARBON TRUST STANDARD

In FY18, Edelman secured Carbon Trust Standard (CTS) recertification that is obtained every two years. This achievement builds on our continuous efforts and commitment toward sustainability, as Edelman became the first professional services company globally to attain CTS certification in FY16[1]. The Carbon Trust Standard is a world-renowned independent certification that recognizes organizations that take a best practice approach to managing their environmental impacts.

To achieve Carbon Trust Standard certification, organizations are required to set up a system to measure and monitor carbon emissions and, more importantly, to demonstrate year-on-year reductions in carbon emissions. Carbon Trust Standard Certification demonstrates our ongoing commitment to reducing the negative environmental impacts from our operations, and we will seek recertification in 2020.

RENEWABLE ENERGY CREDITS

To reduce our carbon footprint, we purchase Renewable Energy Credits for all of our operations in the United States. We purchased more than 5,700 Megawatt-hour (MWh) of RECs certified by Renewable Choice Energy. We are steadily expanding to other offices. As of December 2017, all our offices in Germany source 100 percent renewable energy, and we are investigating purchasing Energy Attribute Certificates (EACs) in other regions in which we operate.

1. A total of 15 offices, including our six hub offices and contributing to over 70% of our global footprint, were awarded the Carbon Trust Standard certification in FY16. In FY18, five additional offices Bangalore, Cologne, Frankfurt, Munich and Sao Paolo) were selected based on their contribution to our global carbon footprint and included (to increase the coverage of CTS certified offices.

Our Environmental Footprint

BUSINESS TRAVEL

As business air travel continues to be our most significant source of emissions, we established a working group to address business travel issues, promote more flexible working conditions and explore partnership innovations.

We invested in video-conferencing technologies to reduce the need for travel, as well as to enhance work-life balance for our employees. We strive to further engage our global offices to encourage the use of video-conferencing in place of business travel, when possible.

This year we started our green hotel program to include "green option" hotels as preferred options in our travel booking system. As a first step, we secured 30 "green option" hotels in the U.S., and we will continue to secure additional green properties to add to the program.

We updated our Corporate Travel Policy to better manage our travel emissions in a systematic manner, by restating the appropriate classes for air travel, promoting video-conferencing and rail travel over air travel, and including the green hotel program.

GREEN OFFICES

To create more sustainable offices, we continue our global efforts to transition to energy-efficient lighting, promote green meetings, integrate pulled-print capacities and improve our waste diversion rates. We also continue to migrate key business applications to the cloud, making our datacenter footprint smaller and more efficient.

Responding to employees' emphasis to operate our offices more sustainably, we plan to transition all office kitchenware to reusable, recyclable and compostable materials. We have started this process in the 20 offices involved in our Carbon Trust Standard certification process and will scale this program globally.

LOOKING FORWARD

In line with Carbon Trust Standard certification, we have strived to and will continue to reduce our environmental footprint toward a low-carbon economy, with a strong focus on business air travel and renewable energy. The Business Air Travel working group is developing a strategy to reduce business travel by air and improve work-life balance.

We are in the process of setting a longer-term carbon reduction target beyond 2020 that will accurately capture and reflect the nature of our business, material carbon emission sources and level of ambition on decarbonization.

Our Environmental Performance

This report includes our carbon emissions inventory and material use data for the fiscal period from July 1, 2016, to June 30, 2017, henceforth referred to as FY17. There is a one-year delay for environmental data reporting due to the timing of our publication.

RESULTS

In FY17, our absolute Scope 1, 2 and 3 global carbon emissions decreased by 2 percent compared to FY16, despite an increase in carbon emissions from business air travel. This marks the fourth consecutive year of reduction in absolute emissions at the group-level.

Our carbon intensity per full-time equivalent (FTE) has decreased year-on-year since FY12, reaching a 41 percent reduction in FY17 compared to FY12. This significant reduction is attributable to a reduction in absolute emissions from ongoing investments in energy efficiency and coupled with a relatively constant global employee headcount.

Scope 1 Emissions

Scope 1 emissions decreased by 14 percent from FY16 to FY17, and carbon intensity per FTE decreased by 13 percent over the same period. Edelman continued to reduce emissions from mobile combustion by limiting company-owned cars globally to thirteen offices[1].

Scope 2 Emissions

Our scope 2 emissions have decreased by 11 percent in FY17. The reduction was primarily driven by energy efficiency and physical improvements at the office-level, office reloca-tion to certified green buildings[2] and improved access to primary electricity consumption[3]. Energy efficiency and physical improvements at the office-level include improving lighting efficiency and conducting lighting audits to identify additional energy reduction opportu-nities, purchasing energy-efficient equipment and investing in energy-efficient technologies.

Note that the purchased RECs will be featured as part of our FY18 market-based emissions.

Scope 3 Emissions

Scope 3 emissions increased by two percent from FY16 to FY17, with business air travel as the most significant source of emissions.

Through our updated corporate travel policy and the business travel working group, we aim to further engage our other offices to encourage the use of lower-class cabins, selection of green hotels and utilization of video-conferencing in place of business travel, when possible.

For more information on our performance and emissions reporting methodology, please see Appendix B and C.

Global Absolute and Intensity Carbon Emissions
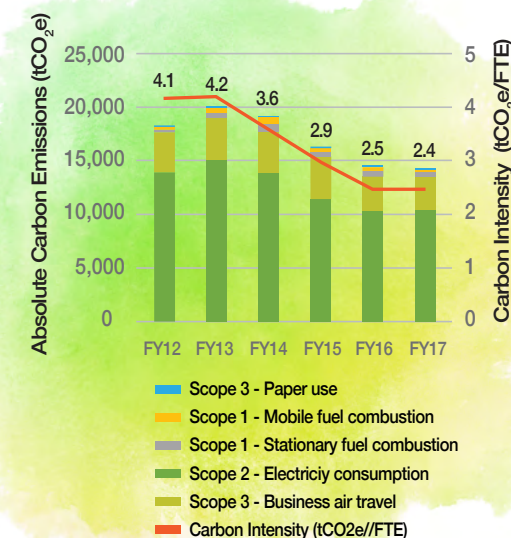
41%
Achieved 41 percent carbon intensity reduction at the group-level against FY12 levels.

Achieved a reduction in absolute Scope 1, Scope 2 and selected Scope 3 emissions at the group-level for the fourth consecutive year.

1. Thirteen Edelman offices own company-owned cars: Amsterdam, Bangalore, Beijing, Berlin, Brussels, Cologne, Frankfurt, Hamburg, Jakarta, Mumbai, Munich, New Delhi and Shanghai.

2. Most offices in the United States and Australia offices are based in LEED (Leadership in Energy and Environmental Design) and NABERS (National Australian Built Environmental Rating System) certified buildings. The Amsterdam office is located in The Edge since FY15, considered as the greenest building in the world by achieving a rating of 98.4%, the highest sustainabil-ity score ever awarded by BREEAM (Building Research Establishment Environmental Assessment Method).

3. Note that some of our offices do not have access to actual electricity consumption. For these offices only, a monthly electricity consumption proxy is estimated based on the average monthly electricity usage of offices with actual electricity consumption data in the same region, in kilowatt-hour per square foot (kWh/ft2).

Responsible Procurement

Responsible procurement and supply chain accountability are becoming an increasingly material topic in many industries, including our own professional services sector. Clients use corporate social responsibility criteria in selecting their business partners. Governments increasingly incorporate sustainable purchasing into their contracts and bid processes and establish requirements around everything from minimum wage and human rights to recycling and energy efficiency.

SUSTAINABLE PURCHASING

Edelman is dedicated to sourcing goods and services from sustainable sources and collaborating with partners who share our values about and commitments to sustainable procurement. As a result, we have updated our sustainable procurement policy and started our first campaigns to evaluate the environmental, economic and social impacts of our own business partners.

In collaboration with Ecovadis – our sustainable procurement partner – we reached out to 68 suppliers in the U.S., Europe and China. Although the average score of our suppliers was slightly above the Ecovadis average, we are not content with the overall performance and response rate.

We intend to review our suppliers' selection process and prioritize supplier categories to improve our sustainable purchasing program results.

Ecovadis score distribution
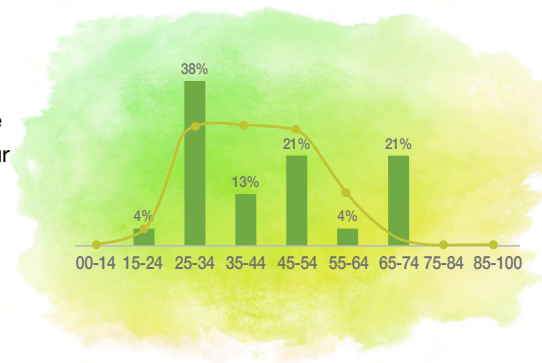
66
suppliers invited in 3 regions

34%
response rate

44.1
overall average score (above Ecovadis average: 42.1)

24
score suppliers

SUPPLIER DIVERSITY

We commit to supplier diversity as part of our sustainable procurement policy. Aligned with U.N. Sustainable Development Goal No. 8, we focus on promoting inclusive and sustainable economic growth, full and productive employment and decent work for all.

For Edelman, inclusive growth includes supporting job creation in communities where we operate while reinforcing human rights and fair wages for women and men. In the U.S., we seek to increase our spending with local businesses owned by women, minorities including LGBTQ, the disabled and veterans as well as small businesses in Historically Under-utilized Business Zones (HUBZones). A complete overview of diverse supplier categories can be found in Appendix A (page 56).

In FY19, we will begin implementing a vendor management system that will allow us to identify and track our diversity spending by suppliers' certification type and supplier category. Also, in future phases of the project, the portal will allow Edelman employees to search for diverse business suppliers and vendors and aim for a 10 percent or more spend with diverse suppliers in priority categories in the United States.

International Regulations & Partnerships

Maintaining our firm's reputation and position as a global leader in our industry demands a commitment to excellence in service, ethical business practices and compliance with the law. As a signatory of the U.N. Global Compact, we support internationally accepted principles regarding human rights, labor standards, the environment and anti-corruption, including the Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

We continue to see an increasing number of local, regional and national laws and regulations adopted to hold companies accountable for their economic, social and environmental behavior. These requirements range from the European Union's Modern Slavery Act to mandatory quotas for women on boards of directors, and from France's Duty of Care act to India's enactment of Section 135 of the Indian Companies Act, mandating corporate giving.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE

G20 Finance Ministers and Central Bank Governors asked the Financial Stability Board (FSB) to review how the financial sector can take account of climate-related issues. The FSB's Task Force on Climate-related Financial Disclosures (TCFD) developed recommendations on climate-related financial disclosures that are applicable to organizations across sectors and jurisdictions.

International organizations have begun to respond to climate risks, notably through TCFD. Established by the Financial Stability Board, the TCFD has moved the climate disclosure agenda forward by emphasizing the link between climate-related risk and financial stability. The British parliament's Environmental Audit Committee calls for mandatory public reporting by large companies and asset managers on their exposure to climate change by 2022.

This year Edelman's Board of Directors has asked the Global Citizenship team to work with the Executive Committee to see what elements of the TCFD are applicable to and can be implemented by the company.

THE 10 PRINCIPLES		
Human Rights	Principle 1	Business should support and respect the protection of internationality proclaimed human rights and
	Principle 2	make sure that they are not complicit in human rights abuses
Labour	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 complusory labour;
	Principle 5	the effective abolition of child labour;
	Principle 6	the elimination of discrimination in respect of employment and occupation.
Environment	Principle 7	Businesses are asked to support a precausionary approach to environmental challenges;
	Principle 8	undertake initiatives to promote greater environmental resposibility; and
	Principle 9	encourage the development and diffusion environmetally friendly technologies
Anti-Corruption	Principle 10	Businesses should work against corruptiion in all its forms, including extortion and bribery.

UN GLOBAL COMPACT

International Regulations & Partnerships

PARTNERSHIPS

We continued to partner with NSF International, governments, professional services firms and others to develop an American National Standards Institute NSF 391.1 standard, the first to apply to the professional services industry. The draft standard was publicized, and the final standard is anticipated to be published in 2019.

We work together with other companies worldwide on Impact 2030, the private sector-led initiative to mobilize employee volunteers to help combat our most critical global issues, as defined by the U.N. Sustainable Development Goals.

Edelman also is a founding member of the Professional Services Sustainability Roundtable (PSSR), an affinity group of the Boston College Center for Corporate Citizenship (BCCCC). Started in 2014, the PSSR provides BCCCC members from nonmanufacturing firms with a collective voice about their unique role and position related to corporate citizenship.

We continue to partner proudly with the International Women's Forum, committed to advancing female leadership globally. Through it, we encourage our rising talent to engage with the IWF training programs and conferences. We invited international delegates representing the five regions to participate in the 2018 IWF Cornerstone Conference in Melbourne, Australia.

A complete list of our partners and memberships can be found in the GRI Standards Index (page 43).

The IWF conference brought together more than 600 women leaders from 30 nations, and provided a unique forum for our Edelman delegation to explore global issues in a local context through a woman's lens.

Sheila Mulligan
Chicago
U.S. Delegate

Kristina Duff
Paris
European Delegate

Jenny Peters
Vancouver
Canadian Delegate

Medha Girotta
Delhi
APACMEA Delegate

Daniela Ferreira
Sao Paulo
LatAm Delgate

Our Citizenship Approach

C-SCORE

The Citizenship Score, or C-Score, we apply to our citizenship efforts uses uniform metrics to evaluate progress toward our sustainability objectives over time for our offices and entire business. The overall score reflects each of our office's performance against more than a dozen key indicators.

Our FY18 score of 6.4/10 fell short of our 8.0/10 goal. This was especially evident through volunteerism and pro bono KPIs. Every employee receives eight hours to give back, and our goal is an 80 percent participation rate as outlined by our policy. Yet every year we continue to see lower-than-anticipated numbers in this category – as mentioned earlier, likely due to a lack of time, awareness and reporting. We've worked to address this issue by implementing YourCause software, a global platform that allows employees to create, sign up for and track hours through volunteerism events in their local markets. We also updated our Pro Bono and Volunteerism policy to add clarity to employee requirements.

CITIZENSHIP NETWORK

Our core Global Citizenship team in Chicago, led by Managing Director John Edelman, is assisted agency wide by a Citizenship Advisory Board, a Local Citizenship Network with a representative in each office and other Edelman colleagues who cooperate to provide creative, media, editorial services, digital and other specialty assistance.

The Global Citizenship team monitors key developments and opportunities closely, sharing information and updates monthly with our Local Citizenship Network and Citizenship Advisory Board. We consider what other professional services firms are doing as we determine what new issues we should explore around the world.

Citizenship Score Breakout by Region

6.4	7.3	7.0	6.6	5.9	5.1
GLOBAL	U.S	CANADA	LATAM	APAC	EMEA

About this Report

Global Reporting Initiative
This report has been prepared in accordance with the GRI Standards: Core option.

Reporting year
Edelman's fiscal year 2018, from July 1, 2017, through June 30, 2018, unless otherwise noted.

Currency
All amounts in this report are expressed in U.S. Dollars.

More Information
For more information please visit www.edelman.com/about-us/citizenship

Contact
For questions or to give feedback, please contact Citizenship@Edelman.com

GRI Content Index

GRI Standard	Disclosure Title	Page number(s), URL(s) and/or Direct Response
General Disclosures		
GRI 102: General Disclosures	102-1 Name of the organization	Daniel J. Edelman Holdings, Inc ("Edelman" within this document, limited to the scope descirbed in 102-45)
	102-2 Activities, brands, products, and services	Please visit edelman.com/who-we-are/practices-specialties-dje
	102-3 Location of headquarters	Chicago & New York
	102-4 Location of operations	Edelman is actively operating in more than 65 cities in 28 countries. For more detail, please visit www.edelman.com/offices.
	102-5 Ownership and legal form	DJE Holdings owns specialty firms such as Edelman, Edible, Krispr Communications, Assembly, Salutem, Revere, United Entertainment Group, and Zeno. For more information, please visit https://www.edelman.com/about-us/dje-holdings
	102-6 Markets served	Geographically, Edelman's operations are managed through five regions: the European Union, Middle East and Africa (EMEA), Asia Pacific (APAC); Latin America; Canada; and the United States. For more information, please visit www.edelman.com/global-network
	102-7 Scale of the organization	• Total number of employees: 5,801 • Total number of operations: active in more than 65 cities • Edelman Revenues for Fiscal 2018: $900.9 million • Quantity of products or services provided: 28 areas of expertise For more information, please visit https://www.edelman.com/expertise
	102-8 Information on employees and other workers	• Total number of employees: 5801 • Total full time employees (Male: 1,782, Female: 3,856) • Total part-time employees (Male: 21, Female: 142) • Total level 1-2 (Assistant Account Executive - Senior Account Executive) Male: 604, Female: 181 • Total level 3 (Account Supervisor - Senior Account Supervisor) Male: 481, Female: 1,134 • Total level 4-5 (Account Director/Vice President - Executive Vice President): Male: 614, Female: 986 • Total level 6+ (General Manager/Managing Director/Global or Regional Practice Chair) Male: 104, Female: 68 • Total Infrastructure employees (non-PR): Male: 372, Female: 694 Updated gender breakdown by region (chart on page 20) - All employees disclosed their gender Updated breakdown of age by generations (chart on page 20) - All employees disclosed their birth date

GRI Content Index

GRI Standard	Disclosure Title	Page number(s), URL(s) and/or Direct Response
General Disclosures		
GRI 102: General Disclosures 2016	102-9 Supply chain	See 'Our World - Responsible Procurement' (page 37)
	102-10 Significant changes to the organization and its supply chain	Closed office locations: 3 New office locations: Shenzhen, China New affiliate locations in: none For more information, please visit https://www.edelman.com/offices
	102-11 Precautionary Principle or approach	Edelman supports the precautionary approach as described in the United Nations Rio Declaration but, as a professional services firm, its application is not significant to our business.
	102-12 External initiatives	• Carbon Trust Standard • CDP • Chicago Minority Supplier Development Council • Clinton Global Initiative • Committee Encouraging Corporate Philanthropy • European Commission's Energy Efficiency Directive • Ecovadis • Freedom for All Americans • Food Reform for Sustainability and Health (FReSH) • Global Reporting Initiative (GRI) • Human Rights Council Corporate Equality Index • Illinois Joining Forces • Points of Light (corporate service council) • Sedex B Member • The Bunker • UN Food Security and Sustainable Agriculture • UN Global Compact • UN Global Compact Reporting on the SDGs Action Platform • UN World Food Programme • World Economic Forum (WEF)

GRI Content Index

GRI Standard	Disclosure Title	Page number(s), URL(s) and/or Direct Response
General Disclosures		
GRI 102: General Disclosures	102-13 Membership of associations (main memberships of industry or other associations, and national or international advocacy organizations)	• Boston College Center for Corporate Citizenship • Chicago Minority Supplier Development Council • Elite Service Disabled Veteran Owned Business Network • Impact 2030 • International Women's Forum • National Gay & Lesbian Chamber of Commerce • NSF International - Member of Joint Committee fro NSF 391.1 • Social and Human Capital Coalition • Student Veterans of America • Sustainable Purchasing Leadership Council (SPLC) • U.S. Chamber of Commerce (Veteran Employment Working Group - Hiring Our Heros Foundation) • WEF Partnering Against Corruption Initiative • Women's Business Development Council • World Business Council for Sustainable Development
	102-14 Statement from senior decision-maker	See 'Letter from our CEO' (page 4) and 'Letter from our Corporate Responsibility Director' (page 5)
	102-16 Values, principles, standards, and norms of behavior	Our Values: • The Relentless Pursuit of Excellence • The Freedom to be Constantly Curious • The Courage to do the Right Thing For more information on our principles, standards and ethics, please visit www.edelman.com/who-we-are/about-us For more information about our Code of Ethics and Business Conduct and its sister document, the Day-to-Day-Situation Guide, please visit www.edelman.com/who-we-are/code-of-ethics-and-business-conduct
	102-18 Governance structure	In addition to Edelman's board of directors the firm is managed by an Executive Committee who oversees the execution of the firm's strategy. This group also enlists the support of individuals who serve in a variety of capacities whether via the Operations Committee or Strategy Committee. Members of these committees are responsible for Edelman's citizenship performance in a variety of ways. Each region (please see GR102-4) operates under the leadership of its own president and chief financial officer. Managing directors oversee strategy, service and operations in 65 cities around the world. For more information, please visit www.edelman.com/who-we-are/people
	102-40 List of stakeholder groups	See Appendix A - GRI 103: Materiality & Management Approach
	102-41 Collective bargaining agreements	No employees are covered by collective bargaining agreements.
	102-42 Identifying and selecting stakeholders	See Appendix A - GRI 103: Materiality & Management Approach

GRI Content Index

GRI Standard	Disclosure Title		Page number(s), URL(s) and/or Direct Response
General Disclosures			
GRI 102: General Disclosures	102-43	Approach to stakeholder engagement	See Appendix A - GRI 103: Materiality & Management Approach
	102-44	Key topics and concerns raised	See Appendix A - GRI 103: Materiality & Management Approach
	102-45	Entities included in the consolidated financial statements	a. Please visit https://www.edelman.com/about-us/dje-holdings b. This report is about Edelman, including the following specialty firms within DJE Holdings: Edelman Intelligence, Edible, Krispr Communications, Assembly, Salutem and Revere, but excluding United Entertainment Group and Zeno.
	102-46	Defining report content and topic Boundaries	See and Appendix A - GRI 103: Materiality & Management Approach
	102-47	List of material topics	See Appendix A - GRI 103: Materiality & Management Approach
	102-48	Restatements of information	We rephrased our 10 Citizenship goals to better reflect our growing ambition (page 8).
	102-49	Changes in reporting	None
	102-50	Reporting period	Fiscal Year 2018 (July 1, 2017 - June 30, 2018)
	102-51	Date of most recent report	November 2017
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	Citizenship@edelman.com
	102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
	102-55	GRI content index	This Index covers both the General Standard Disclosures as well as the Specific Standard Disclosures.
	102-56	External assurance	Edelman has not sought assurance for the data in the report, but we did certify our carbon data through the Carbon Trust Standard. We are the first public relations firm to achieve the Carbon Trust Standard certification worldwide. It certifies that we have reduced our carbon footprint and are committed to further annual reductions. 20 offices globally were involved in the certification process. These 20 offices account for over 75% of our global carbon emissions. Carbon Trust is an external party. Senior executives were involved in the process.

GRI Content Index

GRI Standard	"Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here"	Page number(s), URL(s) and/or Direct Response
General Disclosures		
GRI 103: Management Approach	103-1 Explanation of the material topic and its Boundary	See Appendix A - GRI 103: Materiality & Management Approach
	103-2 The management approach and its components	See Appendix A - GRI 103: Materiality & Management Approach
	103-3 Evaluation of the management approach	See Appendix A - GRI 103: Materiality & Management Approach
Material Topics		
Economic		
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	The total global revenue of Edelman in FY18 was $810.5 million. See 'Our Community - Corporate Giving' (p. 24) for our community investments.
	201-2 Financial implications and other risks and opportunities due to climate change	Edelman reports financial implications and specific risks and opportunities as part of our annual CDP Supply Chain submission, including risks & opportunities • driven by changes in regulation • driven by changes in physical climate parameters • driven by changes in other climate-related developments Our CDP score is currently only available to clients that invited us to respond to CDP.
	201-3 Defined benefit plan obligations and other retirement plans	A majority of our benefits are tailored by location to meet the specific needs of our people, their families and their communities, but a few highlights can be found here: www.edelman.com/careers-and-culture/culture/employee-benefits
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	Edelman made no significant infrastructure investments in FY18.
Procurement Practices		
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	Edelman does not currently track proportion of spending on local suppliers. Edelman has updated its procurement policy to better reflect our commitment to responsible purchasing and supplier diversity. We started monitoring the social and environmental performance in our supplier management process using the EcoVadis CSR monitoring platform. This platform combines CSR assessment expertise and data management tools which will allow companies to demonstrate their sustainability best practices in the years to come. Edelman started monitoring suppliers in the U.S., U.K., Germany, France and China.

GRI Content Index

GRI Standard	"Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here"	Page number(s), URL(s) and/or Direct Response
Material Topics		
Anti-corruption		
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	A full time compliance program assesses corruption-related risk in Edelman operations and provides support to the organization globally in mitigating such risks.
	205-2 Communication and training about anti-corruption policies and procedures	85% of employees completed the Intro to Compliance and Ethics training module (Goal is 85% of all employees). 62% of required employees completed the Worldwide Anti-Corruption training module. (Goal is 85% of Level 4+ employees and all Finance employees). 59% of employees trained on workplace behavior 90% of employees trained on general data protection
Anti-competitive Behavior		
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	No legal actions are pending or were completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation in which Edelman has been identified as a participant.
Materials		
GRI 301: Materials	301-1 Materials used by weight or volume	Copy paper purchased for office use: 27 tonnes (Material weight estimated based on assumption that all paper weigh 80 gram/sq. meter, unless specified by local offices). Data for other non-renewable and renewable materials used is not available.
	301-2 Recycled input materials used	45% of copy paper purchased was with post-consumer recycled content by weight. (Material weight estimated based on assumption that all paper weighs 80 gram/sq. meter, unless specified by local offices).
Energy		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	See Appendix B: GHG Emissions Reporting Methodology and Environmental Metrics and Appendix C: Environmental Performance Data Table.
	302-3 Energy intensity	See Appendix C: Environmental Performance Data Table.
	302-4 Reduction of energy consumption	See Appendix C: Environmental Performance Data Table.

GRI Content Index

GRI Standard	"Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here"	Page number(s), URL(s) and/or Direct Response
Material Topics		
GRI 303: Water	303-1 Water withdrawal by source	Water consumption data includes water purchase records from 11 Edelman offices (Beijing, Berlin, Cologne, Hamburg, Jakarta, Los Angeles, Munich, New Delhi, Sao Paulo, Shanghai and Silicon Valley), amounting to a partial water consumption footprint of 5,489 cubic meters in FY17. The lack of metering data and water purchase records from the majority of the offices imposed significant data limitation for the calculation of total water consumption. For the currently available data, it is believed that all water consumed is withdrawn from municipal water supplies or other public or private water utilities.
Emissions		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	See Appendix B: GHG Emissions Reporting Methodology and Environmental Metrics and Appendix C: Environmental Performance Data Table.
	305-2 Energy indirect (Scope 2) GHG emissions	See Appendix B: GHG Emissions Reporting Methodology and Environmental Metrics and Appendix C: Environmental Performance Data Table.
	305-3 Other indirect (Scope 3) GHG emissions	See Appendix B: GHG Emissions Reporting Methodology and Environmental Metrics and Appendix C: Environmental Performance Data Table.
	305-4 GHG emissions intensity	See Appendix B: GHG Emissions Reporting Methodology and Environmental Metrics and Appendix C: Environmental Performance Data Table.
	305-5 Reduction of GHG emissions	See Appendix B: GHG Emissions Reporting Methodology and Environmental Metrics and Appendix C: Environmental Performance Data Table.
Environmental Compliance		
GRI 307: Environmental Compliance	307-2 Non-compliance with environmental laws and regulations	Edelman has not identified any non-compliance with environmental laws and/or regulations.
Supplier Environmental Assessment		
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	In FY18 Edelman started monitoring the social and environmental performance in our supplier management process using the EcoVadis CSR monitoring platform. This platform combines CSR assessment expertise and data management tools which allows companies to demonstrate sustainability best practices in the years to come. Edelman started monitoring suppliers in the U.S., U.K., Germany, France and China.

GRI Content Index

GRI Standard	"Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here"	Page number(s), URL(s) and/or Direct Response
Material Topics		
Employment		
GRI 401: Employment 2016	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	A majority of our benefits are tailored by location to meet the specific needs of our people, their families and their communities, but a few highlights can be found here: www.edelman.com/careers-and-culture/culture/employee-benefits
	401-3 Parental leave	• Total number of employees that were entitled to parental leave (Male: 875, Female: 2,000) • Total number of employees that took parental leave (Male: 41, Female: 113) • Total number of employees that returned to work in the reporting period after parental leave ended (Male: 41, Female: 106) • Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work (Male: 32, Female: 91) • Return to work rate of employees that took parental leave (Male: 100%, Female: 94%) • Retention rate of employees that took parental leave (Male: 78%, Female: 81%)
Occupational Health and Safety		
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Edelman had 6 worker's compensation claims during the time period consisting of the following injuries: 4-Back and Neck Strains 1-Knee Contusion/Bruise 1-Repetitive Motion Hand Edelman had no claims relating to occupational diseases or work-related fatalities. Edelman had 1 claim with lost days and absenteeism with the employee not returning to work at Edelman.
	403-3 Workers with high incidence or high risk of diseases related to their occupation	As a professional services firm our employees generally not involved in occupational activities that have a high incidence of or high risk of specific physical diseases. However, we will increase our efforts to address and measure possible mental health related illnesses (e.g. high stress levels).

GRI Content Index

GRI Standard	"Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here"	Page number(s), URL(s) and/or Direct Response
Material Topics		
Training and Education		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	See 'Our People - Learning & Development' (Page 25). In FY17, 112,695 training hours were completed globally; 20 hours/FTE.
	404-2 Programs for upgrading employee skills and transition assistance programs	See 'Our People - Learning & Development' (Page 25). For more information, please visit: www.edelman.com/careers-and-culture
	404-3 Percentage of employees receiving regular performance and career development reviews	All review-eligible, global employees receive performance reviews to provide them with regular opportunities to assess career direction and receive feedback and direction. This is managed through a sophisticated career tracking software tool.
Diversity and Equal Opportunity		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	See 'Our People - Diversity & Inclusion' (Page 24).
	405-2 Ratio of basic salary and remuneration of women to men	Edelman is committed to equal pay and is conducting a company-wide pay analysis to identify and tackle any potential gaps.
Local Communities		
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	100%; All Edelman employees can take paid time off to volunteer and participate in community engagement in meaningful, locally relevant way.
	413-2 Operations with significant actual and potential negative impacts on local communities	Edelman operations do not have a negative impact on local communities. Around the world, our business supports local economies through jobs that provide competitive pay and benefits, employee training anddevelopment, use of local subconsultants and suppliers, and volunteering and/or philanthropic support.
Supplier Social Assessment		
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	We started monitoring the social and environmental performance in our supplier management process using the EcoVadis CSR monitoring platform. This platform combines CSR assessment expertise and data management tools which allows companies to demonstrate their sustainability best practices sustainability best practices in the years to come. Edelman started monitoring suppliers in the U.S., U.K., Germany, France and China.

GRI Content Index

GRI Standard	"Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here"	Page number(s), URL(s) and/or Direct Response
Material Topics		
Marketing and Labeling		
GRI 417: Marketing and Labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	Edelman has not identified any non-compliance with regulations and/or voluntary codes.
Customer Privacy		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Edelman assesses the success of management systems and procedures relating to data protection. Edelman has self-certified under the E.U. Privacy Shield in regards to the protection of personal information. The firm's commitments and management approach in this regard are stated in its Global Privacy Principles (https://www.edelman.com/privacy-policy/global-privacy-principles/) and overseen by the firm's Chief Privacy Officer and compliance team.
Socioeconomic Compliance		
GRI 419: Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	Edelman has not identified any non-compliance with laws and/or regulations.

Appendix A - GRI 103: Materiality & Management Approach

The GRI Standard management approach disclosures enable us to explain how we manage the economic, environmental, and social impacts related to our material topics. This provides narrative information about how Edelman identifies, analyzes, and responds to its actual and potential impacts.

This section covers:

• Disclosure 103-1 'Explanation of the material topic and its Boundary';

• Disclosure 103-2 'The management approach and its components', and;

• Disclosure 103-3 'Evaluation of the management approach'.

DISCLOSURE 103-1: EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

The Global Citizenship team, with assistance from local Citizenship liaisons, regularly monitors key sustainability risks and opportunities and shares updates during monthly Local Citizenship Network and Citizenship Advisory Committee meetings. Following these ongoing dialogues, we benchmark our initiatives against other service providing firms, global trends, client and employee expectations and existing and new regulations. This is how we determine the relevant topics that our Citizenship program focuses on.

Proritization

Although all of the topics that we address throughout the year are relevant for our ongoing Citizenship strategy, we only report on those topics that our internal and external stakeholders have pointed out as most relevant and, therefore, material. We conduct a global Employee survey every year, and an in-depth materiality assessment every two years. The last assessment was conducted in 2017. This process consisted of:

• Senior leader interviews: Edelman's top executives, including CEO, CFO, COO, were interviewed by the global Citizenship team

• External stakeholder interviews: We interviewed 13 external stakeholders (Clients, Academics, NGOs)

• Global Citizenship survey; We asked all 5,500+ colleagues around the world to rank topics that are most important to them in a global survey (1,501 responded).

Selection

Based on the results of the four research elements we identified the following topics (and boundaries) as being material to report on:

1. Business Ethics (Internal/Global)

2. Employee Health & Wellbeing (Internal/Global)

3. Pro Bono Initiatives (Internal/Global)

4. Diversity & Inclusion (Internal/Global)

5. Volunteerism (Internal/Global)

6. Corporate Giving (Internal/Global)

7. Employee Training & Development (Internal/Global)

8. Sustainable Purchasing (External/US)

9. Data Privacy and Information Security (Internal/Global)

10. Green Office Policies (Internal/Global)

11. Supplier Diversity (External/US)

In line with our commitment to maintaining our Carbon Trust Certification and submit our carbon data to CDP, we will also report on our carbon footprint (Internal/Global).

Appendix A - GRI 103: Materiality & Management Approach

The results of our 2017 analyses appear on the prioritization matrix, which shows the relative significance of each topic from these diverse perspectives.

DISCLOSURE 103-2: THE MANAGEMENT APPROACH AND ITS COMPONENTS

Business Ethics

Our culture has evolved over the more than 60-year history of the firm, but we are still driven by Dan Edelman's founding principles including entrepreneurship, independence and the idea that everyone is an account executive. Core to our culture are our values. They guide our behavior and influence the way we work with each other, our clients, and the community. Excellence, curiosity, and courage are very much at the heart of who we are and drive our continued evolution as a firm. They describe us at our very best and ensure we remain distinctive to our clients and to the industry.

Edelman's Code of Ethics and Business Conduct provides a uniform understanding as to what is expected of Edelman 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.

We're also committed to maintaining high ethical standards externally by the third parties that we engage. As a result, we developed a Code of Ethics for Suppliers and Service Providers to ensure that subcontractors, freelancers, suppliers, and other third parties understand and agree to comply with our expected standards in all business dealings related to Edelman.

Edelman is committed to focusing online behavior through the lens of "doing the right thing." We have a Digital Code of Conduct that is updated annually, as our online behavior policies closely mirror the dramatic pace of change that has occurred across the digital world. Our guidelines have been constructed to reflect the evolving norms of online community behavior, especially as it pertains to how corporations, and the agencies acting on their behalf, comport themselves online.

For more information on our values, mission, and ethics, please visit www.edelman.com/about-us

Appendix A - GRI 103: Materiality & Management Approach

Employee Health & Well-being

Finding the right balance between our personal and working lives is key to our well-being journey. At Edelman, we provide a safe and healthy workplace that promotes the health and well-being of our employees.

A majority of our benefits are tailored by location to meet the specific needs of our people, their families, and their communities. Some examples of programs that focus on our employees' health & well-being include:

- **Edelman Escape**: For more than a decade, our Edelman Escape program has provided select employees with a mini, one-week sabbatical and $1,500 to escape from their work duties to pursue a dream, goal, or experience that will enrich their lives.

- **Flexible Work** Arrangements and Family Leave: Edelman offers flexible work time, telecommuting and reduced workweek arrangements in most of our offices. In addition, Edelman gives extended parental leave to new biological and adoptive parents, as well as family leave for eldercare emergencies. Edelman also has a child and pet adoption assistance program that provides financial support for the adoption process.

- **Service Year Award and Sabbatical Program** Edelman rewards employees who achieve tenure milestones, beginning at five years, with a monetary gift. In select offices across the globe, we also offer a sabbatical program that includes up to six additional weeks of paid time off. Sabbaticals are offered when an employee has been with the company ten years and again at every five-year interval thereafter.

- **Community Investment Grants** The Edelman Community Investment Grant program takes our employee's involvement with nonprofit organizations one step further by making an investment in their causes and, in turn, an investment in our communities. Since this program began in 2011, Edelman has awarded more than $1,100,000 in grant funding to more than 750 organizations that support causes from education, to community development, to health. In FY18 alone, we awarded $101,500 to 50 organizations worldwide.

- **Well-being Wednesday** Edelman extended the UK's successful Well-being Wednesday program to the rest of the European Region. 'Well-being Wednesday' is an initiative to ensure that our employees have access to various wellness-related activities and resources. As part of the updated Citizenship Scores, health and well-being activities should be organized by each office at least quarterly.

Pro Bono Initiatives, Volunteerism & Corporate Giving

Giving back is part of our culture—and always will be. Around the world, employees assisted those in need through pro bono campaigns and volunteering activities in every region.

For more than 60 years, Edelman has helped employees make the most of opportunities to strengthen the communities where they live and work. Through service and donations, our generous employees are helping local communities around the globe.

Through strategic and creative storytelling, we seek to influence the conversation about society's critical challenges and solutions, and we use our communications marketing principles to make an impact. Exemplifying our commitment to pro bono work was the creation of the Ruth Edelman Citizenship Award.

Diversity & Inclusion

Edelman believes in and champions diversity in thought, perspective, and background. As pioneer thinkers, our success lies in the ability to innovate and identify solutions for our clients. We are committed to providing the best counsel available. We can offer our clients rich and grounded counsel by including diverse counselors in our employee population, locally, regionally and globally. Further, a diverse workforce contributes to a richer, and more enjoyable and innovative work environment.

We actively seek to hire and promote individuals representing a variety of heritages and experiences. Through proactive talent management and mentorship programs, we educate and help grow our employees by nurturing a culture where diversity and inclusion is championed, valued, and expected.

We aim to create an inclusive environment where equity of opportunity exists for all employees, allowing them to maximize their talents and reach their full potential. We take advantage of their unique perspectives and celebrate all the things that make each person unique including race, religion, gender, gender identity or expression, nationality, sexual orientation, physical abilities, age, parental status, work and behavioral style. Our employee affinity groups include networks for LGBTQ, Veteran, female, African American, and Latino employees.

Further, we aim to equip employees to help clients respond to an increasingly global society through inspired counsel and innovative solutions. Our diversity drives an inclusive environment wherein differences are valued and integrated into every part of our organization's operation.

Appendix A - GRI 103: Materiality & Management Approach

Employee Training & Development

Each year, every Edelman employee is required to complete 24 learning hours, with an organization- wide goal of 120,000 learning hours per year. In addition to workshops, lunch & learns and all-staff presentations, the Edelman Learning Institute (ELI) is the primary go-to source for all Learning & Development at the firm.

Continuously evolving, ELI is built to address both personal and professional growth through a robust, global training and development management system that enhances employees' skills, supports lifelong learning and helps build more meaningful careers. ELI encompasses global online sessions, external development resources, and core in-house skills training.

Sustainable Purchasing

To Edelman, working in a socially responsible manner means doing business ethically, and treating people and the environment with respect throughout all our operations. These commitments also extend to our supply chain. We are dedicated to sourcing goods and services from sustainable sources and collaborating with partners who share our values and commitments towards sustainable development. Through the present policy, we request our suppliers to uphold these commitments, and engage with us in a process of continuous improvement.

As a professional services firm and a relatively small purchaser of goods and services, Edelman has a limited purchasing footprint. However, we expect our suppliers to respect our Sustainable Procurement Policy and support our effort in making responsible purchasing a way of doing business.

Our company's value to act with the courage to do the right thing, drives the development a responsible and sustainable supply chain that encompasses sustainable purchasing, supplier diversity, and supplier accountability. We embrace our responsibility as a business and seek to continue to operate our business in a manner that upholds our values and principles.

Data Privacy and Information Security

Daniel J. Edelman Holdings, Inc. and its family of companies (collectively, Edelman) understands the importance of fair information privacy practices and individual privacy. Edelman helps its clients maintain and grow their relationships with stakeholders, and a key part of a brand's relationship with its stakeholders involves a stakeholder's confidence in the privacy practices associated with the brand.

Privacy is good corporate citizenship, and Edelman has adopted privacy principles consistent with its leadership position in the industry and applicable laws and regulations.

We continually review and update our data privacy and information security practices to make sure we effectively safeguard personal and business data for our clients and for ourselves.

Green Office Policies & Carbon Footprint

With more than 5,500 employees in 65 cities, we are proud to be one of the largest communications marketing firms in the world. With our size comes opportunity, but also responsibility. Responsibility to drive down our carbon footprint by making smart decisions about travel, office space, lighting, technology, office supplies, and furnishings.

Our climate change position and environmental statement guide our environmental approach. To ensure our environmental policies and practices continue to reflect our commitments, we're taking a closer look at what's working and what else we can do. We anticipate focusing on business travel and employee commuting, making our office kitchen practices more sustainable, implementing our green meeting policy globally and transitioning to green electricity in our US offices.

Appendix A - GRI 103: Materiality & Management Approach

Supplier Diversity

To align with U.N. Sustainable Development Goal #8 – which is focused on promoting sustained, inclusive and sustainable economic growth as well as full and productive employment and decent work for all-Edelman is also committed to supplier diversity.

Inclusive growth includes supporting job creation in communities where we operate while reinforcing human rights, fair wages for women and men, and capacity-building of local women-owned, minority-owned, LGBT-owned, disabled-owned, veteran-owned, and disadvantaged HUBZone businesses.

Edelman seeks to realize a 10 percent or more spend with diverse suppliers in priority categories in the U.S., across the categories as mentioned below (as defined by NSF 391.1):

1. Small business concern

2. Small disadvantaged business

3. Woman-owned small business

4. HUBZone small business

5. Veteran-owned small business

6. Service disabled veteran owned business

7. Disabled business enterprises certified by US Business Leadership Network (USBLN)

8. LGBT business enterprises certified by National Gay Lesbian Chamber of Commerce (NGLCC)

9. Women Business Enterprise (WBEs) certified by Women's Business Development Center (WBDC)

10. Minority Business Enterprises (MBEs) certified by National Supplier Minority Development Council or local council (NSMDC)

DISCLOSURE 103-3: EVALUATION OF THE MANAGEMENT APPROACH

The Global Citizenship team works in close collaboration with topical leadership teams (e.g. Diversity & Inclusion leadership team, global Compliance team, global Finance team, global HR) to manage and evaluate our material aspects. While some of the identified aspects are mostly managed through these leadership teams (e.g., business ethics), all are evaluated on specific 'Citizenship Score' (C-score) KPIs.

Through our C-Score we provide accountability on Citizenship-related policies and projects. Our goal is to achieve an annual global C-Score of 8 out of 10.

Citizenship Scores are updated quarterly and shared with the company's senior leadership in order to update them about local office Citizenship progress.

The C-Score KPIs are reviewed annually in partnership with the above-mentioned leadership teams, the Citizenship Advisory Committee, and the Local Citizenship Network.

Appendix B: GHG Emissions Reporting Methodology and Environmental Metrics

GHG Emissions Reporting Methodology

Edelman's carbon footprint was consolidated in accordance with the World Resources Institute/ World Business Council for Sustainable Development's The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, revised edition (March 2004), referred to as The Greenhouse Gas Protocol in this document.

Organizational Boundary and Reporting Period

Edelman's organizational boundary of its carbon inventory is determined based on operational control approach in accordance with The Greenhouse Gas Protocol. The inventory accounts for 100 percent of carbon emissions of business activities and operations in which Edelman has direct operational control and the full authority to introduce and implement operating policies. The current carbon inventory accounts for the carbon emissions of Edelman's operations for FY17 (1 July 2016 – 30 June 2017).

Edelman operates in over 30 countries with over 65 offices under five operation regions, namely the United States, Canada, Europe, the Middle East and Africa (EMEA), Asia Pacific (AP) and Latin America. Carbon emissions from 60 local offices were reported for FY17[1].

Operational Boundary

The carbon footprint includes Scope 1, Scope 2, and selected Scope 3 emissions that were reported for operations within the organizational boundary.

Operational boundary	Emission source
Scope 1 Direct carbon emissions	Natural gas consumption for stationary combustion
	Diesel consumption for mobile combustion
	Petrol consumption for mobile combustion
Scope 2 Energy indirect carbon emissions	Office energy consumption
Scope 3 Other indirect carbon emissions	Staff business air travel
	Office copy paper use

GHG Quantification Methodology and Emission Factors

All carbon emissions include three of the seven greenhouse gases covered by the Kyoto Protocol, namely carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_2O). Hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3) are omitted from our reporting as they are not a material source of greenhouse gas for Edelman.

Carbon emissions are calculated by multiplying activity data with published emission factors. Carbon emissions from multiple gases are standardized to a carbon dioxide equivalent (CO_2e) by applying the corresponding Global Warming Potential (GWP). The general calculation formula and global warming potentials used are:

Total GHG emissions (tCO_2e) = Σsources (Activity data x Emission factor x GWP)

GHG	Global Warming Potential (GWP)	Reference
Carbon Dioxide (CO_2)	1	Fourth Assessment Report published by Intergovernmental Panel on Climate Change (IPCC AR4)[2]
Methane (CH_4)	25	
Nitrous Oxide (N_2O)	298	

[1] There were six offices excluded as the data quality from these offices is deemed to be insignificant for Edelman's global footprint.

[2] As of FY17. Previously, Edelman referred to GWPs from IPCC AR2. Edelman conducted a materiality assessment to assess if base year carbon emissions should be recalculated. The change is insignificant and base year emissions do not need to be recalculated as the transition from AR2 to AR4 results in a change in total carbon emissions inferior to 0.01%.

Appendix B: GHG Emissions Reporting Methodology and Environmental Metrics

Published emission factors were identified for all emission sources. They specify the amount of emissions per unit of activity.

Emission source	Source of emission factor
Scope 1 – Global	GHG Protocol (March 2017). WRI Emission Factors from Cross-Sector Tools (March 2017)
	Defra (2015). 2015 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting; Table 6a & 7a, Burning oil.
Scope 2 – U.S.	US Environmental Protection Agency eGRID2017. Most recent year: 2014.
Scope 2 – Other	OECD/IEA (2016) World edition of CO2 Emissions from Fuel Combustion. The source of Emission Factor has switched from Defra to IEA since Defra no longer provides publicly available data and suggested organizations to purchase directly from IEA.
Scope 3 Air Travel – Global	Defra GHG Conversion Factors for Company Reporting (2015). In line with international good practice, a Radiative Forcing Index (RFI) multiplier of 1.9 is used to represent the impact of non-CO2 gases from aviation when calculating emissions from flights.
Scope 3 Paper Global	Environmental Paper Network Paper Calculator Version 3.2.1.

Carbon emissions data is reported in both absolute and normalized values. Full-time equivalent (FTE) at fiscal year-end (i.e. 30 Jun 2017) is used to calculated carbon intensity (tCO2e/FTE). FTE covers permanent full-time and part-time employees only (interns, trainees, contractors and temporary employee are excluded).

Base Year GHG Emissions and Recalculation

The carbon emissions for FY12 were set as the base year for comparing our emissions performance over time. It is the suggested base year in which carbon emissions data is available. The base year carbon emissions apply to Scope 1, Scope 2 and Scope 3 emissions associated with staff business air travel and office copy paper use.

Data Collection and Reporting Tools

Primary usage data is used to calculate carbon emissions through the application of relevant emission factors. The primary data obtained from electricity bills, fuel and paper purchase records, and flight ticket information are collected via a web-based carbon data management software. For offices for which primary data is not available, a proxy is estimated based on the average of offices with primary data in the same region on a monthly basis. For example, the average monthly energy consumption per square foot is applied to estimate electricity and natural gas consumption.

Edelman's business air travel data comes from a combination of internal booking receipts, data provided by external travel agents as part of the company's airline procurement process and flight itinerary records. A proxy built from average air travel emissions per employee is applied to calculate carbon emissions only to cases where booking receipts, data from external travel agent, and employee who book on their own is applied to calculate carbon emissions.

Supporting documents such as copies of purchase invoices were maintained by local offices for internal data verifications. At the time of footprint calculations, invoices were checked against the input data based on sampling for electricity, fuel and paper purchases. Raw data and emissions calculation tools are properly documented and archived for future reference.

Appendix C: Environmental Performance Data Table

Environmental metric	FY17	FY16	FY15	FY14	FY13	FY12	%Change FY16-17
Carbon emissions by source	Tons of CO2 equivalent (tCO2e)						
Business air travel	10.389	10,184	11,376	13,755	15,081	13,823	2%
Electricity consumption (location-based)	3,087	3,471	3,819	4,132	3,982	3,580	-11%
Electricity consumption (market-based)	3,719	3,866	3,903	4,132	3,982	3,580	-4%
Stationary fuel combustion	440	476	394	609	501	359	-8%
Mobile fuel combustion	214	282	402	492	448	287	-24%
Office paper use	82	68	70	79	87	140	21%
Total	**14,212**	**14,482**	**16,061**	**19,067**	**20,099**	**18,189**	**-2%**
Carbon emissions by region	Tons of CO2 equivalent (tCO2e)						
United States	8,292	8,791	8,856	10,849	12,475	11,326	-6%
APACMEA	3.075	3,333	3,424	3,437	3,162	2,742	-8%
Europe	2,195	1,647	2,959	4,204	3,949	3,621	33%
Canada	370	416	471	388	340	322	-11%
Latin America	281	294	350	189	173	179	-5%
Total	**14,212**	**14,482**	**16,061**	**19,067**	**20,099**	**18,189**	**-2%**
Carbon emissions by scope	Tons of CO2 equivalent (tCO2e)						
Scope 1 emissions	654	758	795	1,101	949	646	-14%
Scope 2 emissions (location-based)	3,087	3,471	3,819	4,132	3,982	3,580	-11%
Scope 2 emissions (market-based)	3,719	3,866	3,903	4,132	3,982	3,580	-4%
Scope 3 emissions	10,471	10,252	11,446	13,834	15,168	12,963	2%
Total	**14,212**	**14,482**	**16,061**	**19,067**	**20,099**	**18,189**	**-2%**

Appendix C: Environmental Performance Data Table

Environmental metric	FY17	FY16	FY15	FY14	FY13	FY12	%Change FY16-17
Carbon emissions intensity	Tons of CO2 equivalent per full-time equivalent (tCO2e/FTE)						
Scope 1 and 2 emissions per headcount	0.643	0.718	0.830	0.992	1.022	0.963	-10%
% change compared to FY12	-33%	-25%	-14%	3%	6%		
Scope 1, 2 and selected 3 emissions per headcount	2,443	2,458	2,889	3,614	4,165	4,146	-1%
% change compared to FY12	-41%	-41%	-30%	-13%	0%		
Carbon emissions: percentage by source	% of total						
Business air travel	73%	70%	71%	72%	75%	76%	
Electricity consumption	22%	24%	24%	22%	20%	20%	
Stationary fuel combustion	2%	2%	3%	3%	2%	2%	
Mobile fuel combustion	2%	2%	3%	3%	2%	2%	
Office paper use	1%	0%	0%	0%	0%	1%	
Total	100%	100%	100%	100%	100%	100%	
Carbon emissions: percentage by region	% of total						
United States	58%	61%	55%	57%	62%	62%	
APACMEA	14%	16%	17%	15%	16%	16%	
Europe	15%	11%	18%	22%	20%	20%	
Canada	3%	3%	3%	2%	2%	2%	
Latin America	2%	2%	2%	1%	1%	1%	
Total	100%	100%	100%	100%	100%	100%	

Appendix C: Environmental Performance Data Table

Environmental metric	FY17	FY16	FY15	FY14	FY13	FY12	%Change FY16-17
Carbon emissions: percentage by scope							
Scope 1 emissions	5%	5%	5%	6%	5%	4%	
Scope 2 emissions	22%	24%	24%	22%	20%	20%	
Scope 3 emissions	74%	71%	71%	73%	75%	77%	
Total	100%	100%	100%	100%	100%	100%	
Energy usage by source				**Megajoules (MJ)**			
Electricity	25	75	54	19	60	06	-7%
Natural gas	2	2	0	52	1	0	-8%
Diesel	2,000	1,987	1,789	1,077	9991	687	1%
Petrol	1,007	2,072	4,145	6,351	5,767	3,633	-51%
Total	04	16	47	99	78	66	-7%
% change compared to FY12	6%	14%	13%	26%	16%		
Energy usage intensity				**Megajoules per square foot (MJ/ft^2)**			
Total energy consumption per FTE (GJ/FTE)	37	41.46	43.22	55.35	58.62	50.51	-12%
% change compared to FY12	-27%	-18%	-14%	10%	16%		
Energy usage: percentage by source							
Electricity	80%	80%	84%	77%	80%	83%	
Natural gas	19%	20%	16%	23%	20%	17%	
Diesel	0%	0%	0%	0%	0%	0%	
Petrol	0%	0%	0%	0%	0%	0%	

Appendix C: Environmental Performance Data Table

Footnotes

1. Some values may not sum exactly to total number due to rounding.

2. Detailed methodology for carbon emissions and energy usage calculations is available in Appendix – GHG Emissions Reporting Methodology and Environmental Metrics.

3. The estimation methodology for all emission sources if no primary data is available was revised this year (which resulted in a recalculation of historical carbon emissions) and verified by Carbon Trust Standard. For more details regarding the methodology, please refer to Appendix – GHG Emissions Reporting Methodology and Environmental Metrics.

4. Edelman reports Scope 2 emissions using both the location-based and market-based consolidation approach, in accordance with The Greenhouse Gas Protocol. Carbon emissions classified as "Total carbon emissions", "Scope 2 emissions" and "Electricity consumption" reflects the location-based carbon accounting approach.

5. The boundary of our inventory covers Edelman's global operations - a total of 66 offices in five operating regions. There were six offices excluded as the data quality from these offices is deemed to be insignificant of Edelman's global footprint.