

Living Our Story

EDELMAN FY17 CITIZENSHIP REPORT



Welcome to the stories that chronicle how we are living our Citizenship journey at Edelman.

Living with purpose. Living up to the guiding principles imparted by our founder, Dan Edelman. Ideals that embody giving back and acting as responsible citizens of the world.

Since Edelman opened its doors 65 years ago, our narrative of corporate responsibility has evolved through steady advances and innovation. At times, our journey has taken longer than anticipated. But the pace of progress accelerates this year as we launch 10 new ambitious goals, including several leading initiatives. Just as we bring our expertise, creativity, and fresh ideas to help our clients earn the trust of their audiences, we also apply these to the issues that our firm and our employees care about deeply.

In this report, we relate the many distinct ways we live our Citizenship story with our clients, our communities, our colleagues, and our world.

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A Letter from Our CEO

We live in a time of troubling distrust in societal institutions and a belief among people around the world that the system is failing to better their lives. Business has a responsibility to fill this leadership void and work to restore people's trust. In this context, I am pleased to present this report, which captures how we are doing our part through our Citizenship efforts.

Looking back at our fiscal year 2017 (FY17), I'm particularly proud of the vital role we played in helping companies and brands take a stand on pressing social concerns. Our annual Trust Barometer and Earned Brand studies guide our clients to a better understanding of what their audiences expect from them as social actors.

This past year, we worked with Heineken on its "Worlds Apart" campaign to establish meaningful dialogue on racial and ethnic issues. We continued our groundbreaking work with retailer REI, encouraging consumers to #OptOutside and enjoy nature instead of shopping on Black Friday, the biggest shopping day in the United States; and also helped KIND bars puncture people's self-referring social media "bubbles," among other exciting work.

We also are making progress internally. I'm happy to report that we continue to advance toward our goal, established in 2011, of 50:50 gender parity in senior leadership positions at our firm by 2020. As of the end of FY17, 41 percent of our most senior leaders are women. In total, our overall giving, encompassing nearly 26,000 hours of professional and general volunteerism, 42 community investment grants, and our matching of employee donations, reached \$4.2 million.

We updated our sustainable procurement policy to better reflect our commitment to responsible purchasing and supplier diversity. We also have aligned our Citizenship initiatives with UN Sustainable Development Goals, recognizing that Edelman is part of a global community with its own role to play in seeking positive social change.

Every day, we approach these efforts with the same dedication and commitment that we bring to work we do for our clients. Our Citizenship represents the very best of our people and our firm.



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 Compact and its goals.”

Dan Edelman's 65-Year Legacy of Doing Good

Public relations pioneer Dan Edelman began laying out – and living – our Citizenship principles practically from the day he established Daniel J. Edelman and Associates on Oct. 1, 1952. His credo of success, 10 core values that drive us today, underscored his deep interest in and forward thinking about sustainability and Citizenship. They encompass strong advocacy of volunteerism, business ethics, corporate responsibility, and of adopting a life of “we,” not “I,” as we strive to be a collective force for good. Early on, he advocated for and helped secure a stronger ethical code for the Public Relations Society of America, just one element of his lifelong effort to strengthen our profession.

“It’s great to be the biggest, but I always wanted to be the best.”

Daniel J. Edelman

Dan Edelman
Founder and Chairman
(1920-2013)



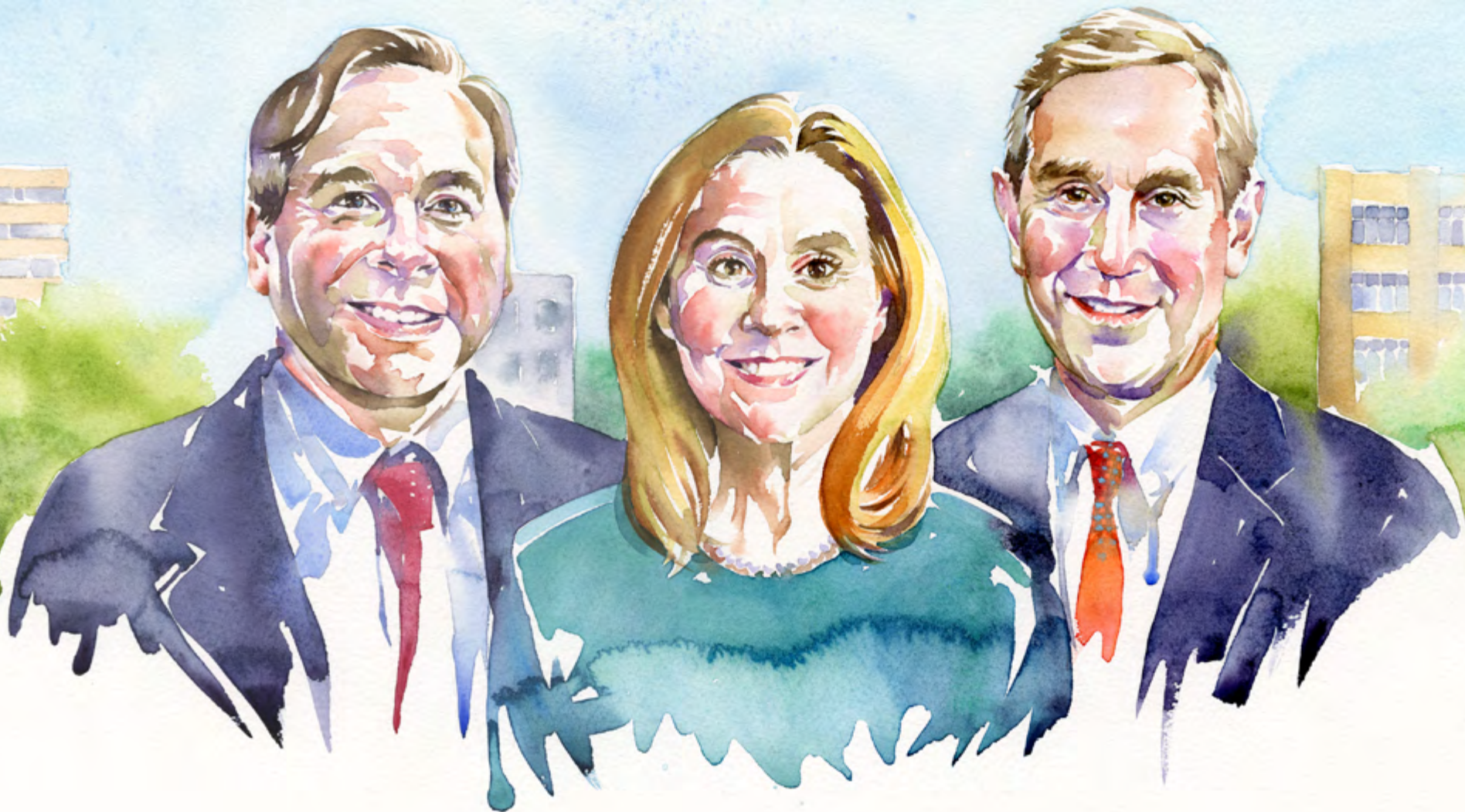
“Dan’s desire for total integrity is one of the big reasons the company began to succeed.”

Dan’s story was also that of his wife, Ruth, an essential and ever-present life partner in living the values of good citizenship. Led by Ruth, the Edelmans supported numerous health, cultural and civic organizations as well as other nonprofits. Our Ruth Edelman Citizenship Award, introduced in fiscal 2016, recognizes the agency’s pro bono project that demonstrates our global social responsibility to the highest extent.

Ruth Edelman
Deputy Chairman
(1929-2013)



Richard, John, and Renée Edelman continue the Citizenship journey of their parents, Dan and Ruth. Richard is our President and CEO, John is Managing Director of Global Engagement and Corporate Responsibility, and Renée is a Senior Vice President. Here, they discuss their family's Citizenship heritage and the social responsibility path they lead – and live – today.



Continuing the Citizenship Heritage: A Conversation with Richard, John and Renée Edelman

On how their parents implanted the importance of giving back.

Richard: From the age of four, I remember all the people my parents had over to the house – community leaders, politicians, heads of charities, and others. Those indelible memories imbedded the importance of community involvement and giving back.

Renée: Our parents led by example. For example, my mother, who suffered from bipolar disorder, was an activist for mental health and lobbied successfully for mental health research funds.

John: Dad considered volunteerism to be a principle of success for a business. That involvement includes doing pro bono work – and that work continues at Edelman as we provide every employee eight hours of paid time off annually for pro bono and volunteer activities.

On the Citizenship elements in Dan Edelman's 10 Principles of Success.

Renée: They dominate his principles: volunteering, doing what's right, focusing on well-being. And I pass them along. For instance, at their commencement, I urged Louisiana State University's communications school graduates to connect with their communities to stimulate action and help solve social issues.

Richard: In my first 6 A.M. blog in 2004, I talked about the new rules of engagement, and they included several of Dad's principles, such as taking an ethical approach to sourcing and business.

John: I became a veteran advocate in 2013 to honor the legacy of my dad, a World War II veteran. Now, having seen the positive contributions the veterans we employ have made, I am even more positive about the importance of hiring veterans at Edelman. They have the leadership, skills, knowledge, and experience to help employers to continue to grow.

On the importance of a company being a leader of change.

Richard: Our Global Trust and Earned Brand surveys illuminate the importance of standing up and being heard on societal issues. The 2017 Trust Barometer found that business is the last retaining wall of trust among major institutions, and our 2017 Earned Brand study underlines how belief-driven buyers will leave brands that don't take a stand on issues they care about and reward those that do.

John: Employees continuously favor Citizenship initiatives, especially relating to diversity, health & well-being, and volunteerism. Eighty-one percent of our employees view Edelman's Citizenship program as an important reason for joining us. Because of strong employee interest, we relaunched our global Diversity & Inclusion Council in FY17 and included the leaders of our employee resource groups.

Renée: We want to attract the best and brightest, and our Citizenship initiatives – especially GWEN, our women's resource group, and the other strong employee resource groups that help us succeed by engaging and recruiting diverse populations – help to distinguish us.



On the significance of establishing a formal Global Citizenship function.

Richard: It's essential. I applaud my brother and his team for helping us put Citizenship in operation. Among other things, we're moving to achieve sustainable procurement including supplier diversity, helping establish the first-ever sustainability standard for the professional services sector and contributing to a low-carbon future through the purchase of renewable energy credits.

John: Today, Citizenship is a strategic imperative and a "must have." We're embedding Citizenship and sustainability considerations in everything we do, as reflected in our 10 new Citizenship goals for FY18 and beyond.

On being a valuable partner with clients, others on Citizenship-related issues.

Richard: Helping companies navigate challenging social issues is a vital role for us. We're proud to work with clients such as Heineken on its "Worlds Apart" campaign to establish a dialogue on racial and ethnic issues. I'm also very proud of the work our team in Washington, DC has done in support of a new exhibition at Montpelier, home of James Madison, in Orange, Virginia. The provocative, interactive, and emotional exhibition "The Mere Distinction of Color," explores how the legacy of slavery impacts today's conversations about race, identity, and human rights.

Renée: It's heartening to see so many coalitions moving forward on societal and environmental issues, ranging from diversity and gender equality to climate change and other sustainability challenges. Several of our 10 new Citizenship goals reflect our desire to increase diversity among our employees and our suppliers.

John: I have been involved in an American National Standards Institute multi-stakeholder voluntary consensus process to develop NSF 391.1, the first-ever sustainability standard for professional services firms. It is a points-driven and results-based standard developed with participation

from the government, professional services firms, and other stakeholders. The General Services Administration (GSA) estimates the professional services sector accounted for \$66.9 billion of federal spending in fiscal 2016. The NSF 391.1 standard was made available for public comment in September 2017.

On how each continues their parents' Citizenship message.

Renée: I spread that message to young people as a member of the Board of Directors for the Children's Museum of Manhattan.

John: I am on the Student Veterans of America's advisory board and also a member of the United Nations Global Compact action platform called "Reporting on SDGs." This platform aims to leverage the GRI Standards and the Ten Principles of the UN Global Compact to enable businesses to incorporate SDG reporting into their existing processes.

Richard: I am a commissioner of the Business and Sustainable Development Commission. And as our parents did, I try to pass along the Citizenship imperative to my three daughters through witnessing it. I am proud that my daughter Amanda has joined Grameen, the microfinance organization that makes small loans to the impoverished without requiring collateral.

FY17 Highlights

6.5/10
Citizenship Score

Introduction of a sustainable procurement policy

UN Sustainable Development Goals alignment

112,695
hours
of Training

“Best Places to Work for LGBT Equality”
(Human Rights Campaign Foundation)

7%
carbon intensity
(tCO₂e/FTE) reduction

\$4,176,099
total giving
(time and cash donations)

Introduced **Edelman Inclusivo**, our Employee Resource Group for Hispanic/Latino employees

25,760 hours
of pro bono and general volunteerism

42
Community Investment Grants awarded

10 new
Citizenship goals

Introduced **Edelman Forward**, our Employee Resource Group for veteran employees

30 employees
participated in the Edelman Escape program

41% Women
in senior leadership positions
(50% target)

8 UN Sustainable Development Goals impacted by the Community Investment Grant program

The 10 Citizenship Goals

Our formal Citizenship program has been an evolutionary one. In FY17 the Edelman Executive Committee signaled its desire to accelerate the program by approving 10 specific Citizenship goals. The initiatives cover environmental, economic, and social areas.

“With these goals, we are on our way to successfully embedding sustainability in everything we do – and that has been our vision of living our Citizenship story.”

- John Edelman

Environment

- 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).
- 2. Carbon Footprint:** Edelman commits to neutralize 100 percent of its US operations' scope 2 emissions by purchasing Renewable Energy Credits (REC) for all US offices in FY18.
- 3. Carbon Footprint:** Edelman aims to maintain our Carbon Trust Certification worldwide by applying for recertification in FY18.

Economic

- 4. Business Ethics:** Edelman seeks to align its business practices and corporate social responsibility program to the United Nations Sustainable Development Goals in FY18.
- 5. Sustainable 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.

- 6. Sustainable Procurement:** Edelman seeks to measure, evaluate, and improve its spend with diverse suppliers in the United States in FY18, including Minority-, Women-, LGBTQ-, Veteran-owned, Small Disadvantaged, and small HUBZone businesses.

Social

- 7. Learning & Development:** Edelman seeks to implement additional training modules, policies and investment in the Edelman Learning Institute to communicate with our employees on relevant corporate social responsibility topics, such as sustainable procurement, diversity & inclusion, workplace behavior, and other topics.
- 8. Diversity & Inclusion:** Edelman's goal is that by 2020, women will hold 50 percent of senior leadership positions (level 5+) globally.
- 9. Pro Bono:** Edelman aims to deliver 50 percent of its pro bono hours against the following UN Sustainable Development Goals as identified by our employees: Gender Equality, Quality Education, and Zero Hunger starting in FY18.
- 10. Health & Well-being:** Edelman will invest in a global culture of health & well-being that is intended to provide employees in all locations with access to a structured (local or regional) health & well-being program, supported by ongoing local initiatives.

Aligning Citizenship with UN Sustainable Development Goals

Joining many other organizations, we are connecting and aligning our corporate Citizenship efforts with the United Nations Sustainable Development Goals (SDGs). The alignment generates a shared global framework for addressing society's biggest challenges, while also viewing our own activities in a broader context.

Seventeen goals and 169 associated targets comprise the SDGs adopted as part of the UN's 2030 Agenda for Sustainable Development.

Applying the SDGs enables us to:

- Map our existing efforts against the SDGs for global reporting purposes;
- Leverage the SDGs to evolve our own approach;
- Help us extend their broad-reaching impact across our agency as well as to our clients and suppliers.

More broadly, it recognizes that Edelman is part of a global community with our own role to play in contributing to that community's shared agenda for seeking positive social change.



THE GLOBAL GOALS For Sustainable Development

Edelman follows the SDG Compass process as developed by GRI, UN Global Compact, and WBCSD:





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

Driving Change in Partnership with Our Clients

The Edelman Trust Barometer captures the strong belief held by the general public worldwide that Citizenship matters. In the 2017 study, three-of-four respondents agreed that a company can take actions that both boost profits and improve economic and social conditions in the community where it operates. They want companies and their leaders to live Citizenship by actively addressing the critical issues that matter deeply to their employees and society.

We work hard to demonstrate this belief within Edelman and to share it with our clients. In this section, we show how we assist clients with purpose-driven campaigns that make a real difference on many varied fronts.



The Social Role of Business

Our intellectual property serves as a valued resource for our clients and others, encouraging them to think about how they contribute to the greater good of our world.

Working with our research arm, Edelman Intelligence, we develop annually two major pieces of intellectual property: the annual global Edelman Trust Barometer, which studies trust in government, business, media, and NGOs, now entering its 18th year; and our Earned Brand study of consumer attitudes toward brands.

The Trust Barometer sparks important conversations in dialogues that we host in over 50 major markets. In 2017, our survey was the first to provide research that revealed a wide global disconnect in trust between the general public and our major institutions.

Our global Earned Brand study surveys consumer attitudes toward brands. The 2017 Earned Brand study illustrates how consumer expectations of businesses can inform marketers' strategies and how they think about purpose. One finding shows that it's the new normal for global consumers to make belief-driven purchase decisions.

Some highlights of the 2017 Edelman Trust Barometer and 2017 Earned Brand study:

2017 GLOBAL TRUST BAROMETER

- Revealed the biggest drop in trust across the institutions of government, business media, and NGOs in the study's 17-year history. The research shows that 20 out of the 28 countries we surveyed are now "distrusters" (under 50 percent trust in the mainstream institutions to do what is right).
- As trust in institutions erodes, the basic assumptions of fairness, shared values, and equal opportunity traditionally upheld by "the system" are no longer taken for granted. The 2017 research finds that only 15 percent of the general population believe the present system is working, while 53 percent do not, and 32 percent are uncertain.
- Found that a lack of trust in the system is fueled by economic and societal fears that include corruption (40 percent), immigration (28 percent), globalization (27 percent), eroding social values (25 percent), and the pace of innovation (22 percent).

THE 2017 EARNED BRAND STUDY

- Found that 57 percent of consumers worldwide will buy or boycott a brand solely because of its position on a social or political issue, with 30 percent making these belief-driven purchase decisions more often than they did three years ago.
- Found that 23 percent of consumers will pay at least a 25 percent premium when a brand speaks out and they agree with its stance, and 48 percent will advocate for and defend the brand and criticize rivals.
- Revealed that belief-driven buyers are most active in development countries, including China and India, and comprise around half of consumers in established markets such as the US (47 percent).

CLIENT CASE: NEW YORK

KIND: Pop Your Bubble

The KIND Foundation created Pop Your Bubble, a first-of-its-kind social experiment featuring a tool to help people triumph using the power of technology. The secret was the “anti-algorithm” that matched users with people who were most different from them (rather than simply showing them more of what they already “like”). The tool was the centerpiece of the experiment, giving anyone access to a personalized array of strangers who would “pop their bubble.” To find these strangers, we analyzed a user’s Facebook profile (age, location, likes, shares, etc.) and served up people that were the most different from them. Once a user followed 10 new people, they could pop their bubble, populating their news feed with perspectives from outside their worldview.

In the first two weeks, Pop Your Bubble resulted in more than 140 million earned media impressions – including coverage in The Washington Post, Fast Company, and CNN, among others – as well as 25 million Twitter impressions. The tone was overwhelmingly positive, positioning Pop Your Bubble as a solution to the problem everyone talks about. Within the same time period, users established over 40,000 new relationships, furthering the KIND Foundation’s mission to connect people from all walks of life.



Our Clients

CLIENT CASE: CALGARY

Alberta Securities Commission: One Good Scam

Across Canada, investment scams are on the rise, causing great financial hardship and emotional distress. This is especially true in the province of Alberta where the oil recession left many people desperate for supplemental income. The Alberta Securities Commission (ASC) partnered with Edelman to create a campaign to educate the public about how to protect themselves from investment fraud.

During ASC's annual Fraud Prevention Month, Edelman and ASC engineered an investment scam featuring a fictional financier, Jonathan Fisher, who worked for a fictional investment company, Maplestock Investments. Albertans were seduced to attend a lunch seminar to hear the investment pitch and midway through the seminar, the scam was revealed by an ASC representative who took the stage to explain the importance of vigilance when it comes to investing money.

Through the fake seminar and subsequent earned media strategy, Edelman and ASC captured the attention of its key audience and secured 14 million earned impressions, 60 media hits, coverage by Vice, CBC, the Global Morning Show, and the National Post, and a 400 percent increase in traffic to the ASC's investor education website during Fraud Prevention Month 2017. As Alberta struggles with a poor economy, the need for fraud awareness is great. By showing Albertans just how easy it is to get scammed, rather than just telling them, ASC created an emotional and resonating impact on its audience.



Our Clients

CLIENT CASE: STOCKHOLM

Adidas: #InYourName

Despite strong recent Olympic and World Cup performances by Sweden's women's national football team, 60 percent of Swedes cannot name a single female football player. Half of Swedish girls quit football by age 14. Adidas wanted to shift this inequality around the women's national team and inspire young girls to believe in themselves and their aspirations.

Each year, the Swedish Women's Football Team debuts a new team jersey that usually goes unnoticed by the public. But the 2016 national team jerseys swapped the names of the players on the back with empowering Tweets along with the hashtag #IDittNamn (#InYourName). The jerseys debuted 10 days before they were to go on sale on International Women's Day. Images of the jersey went viral, causing the women's national team jerseys to sell out for the first time and the message #IDittNam (#InYourName) to earn more than 1 billion earned media impressions. More importantly, 76 percent of those exposed to the campaign considered the jersey to be a symbol of pride and 83 percent considered the women's team members to be role models.



CLIENT CASE: SEATTLE

Savers: “I Give a Sh!rt”

Americans throw away roughly 26 billion pounds of clothing every year. Savers, the retailer best known for thrift shopping, tasked Edelman with helping to expose the clothing industry’s environmental impact and highlight ways to offset the clothing footprint. Our research showed that while socially engaged people love both fashion and the environment, they don’t weigh the impact their personal clothing decisions have on the world. Armed with this insight, our team – which spanned consumer, corporate, creative, and digital – brought the campaign to life on Earth Day in the most dramatic way possible: massive art installations that portrayed clothing as waste spills.

We invited consumers to be part of the solution through a movement dubbed I Give a Sh!rt where we asked consumers to forgo one new t-shirt purchase and instead buy a thrifted one. We combined those efforts with Upworthy, Triple Pundit partnerships, and a first-of-its-kind paid campaign with Amazon that created a mock shopping page for the most sustainable shirt in the world: a used tee. We also drove conversations among policymakers and environmental stakeholders, launching the first-ever State of Reuse Report to shed light on reuse misconceptions.

The campaign reached over 800,000 video views, 175,000 social engagements and 340 million overall impressions, including placements in The Huffington Post, The Seattle Times, and Seattle Magazine. The movement even expanded into Savers’ own stores with 22,000 employees creating custom T-shirts – prompting a new employee uniform program. Most importantly, 2 million people chose to purchase a used shirt and helped save over 1 billion gallons of water – surpassing our goals by 142 percent.



Our Clients

CLIENT CASE: LONDON

Heineken: Open Your World

2016: a year where the world seemed to be closing down. Could a campaign with a simple message strike a chord to break down dividing barriers and prove there is more that unites than divides us? For more than 150 years Heineken has stood for openness, believing that the simple act of sitting down and having a conversation over a beer helps bring people together. But if your brand line is “Open Your World,” you have to do more than simply say it. You have to bring meaning to it. As human beings, we are never as open as we think we are. We look for views that correspond and reinforce our own, fuelling our preconceptions for the kind of people we’ll like and those we won’t. These pre-conceptions are the enemy – they stop us looking for what unites us and shut us down from each other. Our idea was to prove, with real people and real conversations, that there is more that unites than divides us and that despite our differences, we can always find something connecting us.

The viral *Worlds Apart* film ignited consumers with a meaningful story about polar opposites finding something in common, proving that when you see past the labels, even the most divided can come together. The film served as the catalyst for a movement leading to internal events at Heineken where colleagues found common ground with people they would not normally interact with and external customer events in partnership with the Human Library – a global organization that uses conversation to challenge stereotypes.

With 17.7 million views, 324,000 engagements, 138,000 shares across 150 countries, and more than 625 published articles, *Worlds Apart* inspired widespread global engagement with Heineken’s ongoing commitment to drive change by taking action both at a corporate and brand level.





Compliance & Ethics: Dan Edelman Embedded Ethics into Our Business

When he founded our company 65 years ago, Dan Edelman established a strong code of business ethics and conduct, recognizing that reputation is our most valuable asset. We have a Client Portfolio Management Committee that oversees ethics issues as well as a Conflict Committee that works to resolve issues that emerge. We also update our Digital Code of Conduct biannually because of the fast pace of change across the digital world.

We understand the importance of making sure our employees gain the knowledge and support they need to address challenging issues and environments. All employees are expected to complete our workplace behavior training. In addition, new employees complete an introductory compliance course while compliance & anti-corruption training is mandatory for all vice presidents and above and all Financial Group employees.

Data Privacy, Information Security & Online Behavior

Edelman is committed to focusing on data privacy, information security, and online behavior through the lens of “doing the right thing.” 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.

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.

ETHICS AND ANTI-CORRUPTION TRAINING

Goal:

85%
of employees trained
on Intro to Compliance
& Ethics

Results:

86%
completion rate

Goal:

85%
required employees
(All level 4+ and all
of finance) trained
on Worldwide
Anti-Corruption

Results:

71%
completion rate

In FY18, we are implementing a new platform for the Edelman Learning Institute which will enhance our monitoring and follow-up capabilities to drive improvement in training results.

SDGs:



Our People

Creating a Better Future for Our Employees

In living our Citizenship story, it is increasingly essential to recognize the role we play in creating a better tomorrow for our more than 5,500 employees and their families. This explains why we strive to take meaningful actions that improve their lives and well-being at work and, more broadly, at home and in their communities.





Strengthening Employee Trust

Our employees worldwide are actively engaged with Citizenship. Our annual Citizenship survey shows that 81 percent of our employees say that Citizenship is an important reason in choosing to work at Edelman. Edelman’s annual culture survey shows that 70 percent of our employees consider Citizenship as one of our key strengths. Yet only 51 percent feel empowered to contribute to Citizenship, with 48 percent saying that they don’t have the time to participate. Fifty-eight percent want to receive more information on our Citizenship activities, and the majority (51 percent) wants to hear from local office leadership.

We believe that the success of our Citizenship approach can be measured by the level of engagement of our people. We are looking into new ways to connect with our global community. This includes the introduction of a local Citizenship team toolkit, featuring Citizenship (and how to get involved) more prominently in our onboarding programs, and interacting with local offices through our internal Workplace by Facebook platform.

In addition to listening to our employees, we follow the signal from our 2017 Edelman Trust Barometer that responsible organizations must promote and strengthen trust in an increasingly distrustful world. This includes treating our people well, delivering better professional training & development, and heeding our employees’ top survey priorities – enhancing their health & well-being and supporting diversity & inclusion initiatives.

Breakdown of Gender by Region

	Female	Male	Total
APACMEA	978	526	1,504
Canada	156	79	235
Europe & CIS	796	361	1,157
LatAm	255	97	352
U.S.	1,632	718	2,350
Total	3,817	1,781	5,598

Breakdown of Age by Generations

	Silent (Born before 1946)	Boomer (1946-1965)	Gen X (1966- 1979)	Millennial (1980- 1995)	Gen Z (Born after1995)	Total
APACMEA	0	33	232	1,236	3	1,504
Canada	0	11	58	166	0	235
Europe & CIS	1	68	270	818	0	1,157
LatAm	0	8	50	290	4	352
U.S.	3	154	556	1,637	0	2,350
Total	4	274	1,166	4,147	7	5,598

FY17 CITIZENSHIP SURVEY RESULTS

81%
of employees

say that Citizenship is an important reason in choosing to work at Edelman

75%
of employees agree

as a firm, Edelman role models good corporate citizenship by acting with a social purpose and contributing to the greater good.

65%
of employees agree

Edelman encourages me to contribute to my community outside of work by empowering me to participate in Citizenship-related activities (e.g. pro bono work, volunteering, green teams).

Our People

Health & Well-Being: Creating a Culture of Well-Being, Tailored by Location

We are committed to enhancing our health and well-being programs – our employees’ most important Citizenship issue (with 47 percent of survey respondents ranking it Number one). Reflecting the increased interest in well-being, in FY17 our Executive Committee pledged to invest and develop a global culture of physical and emotional health that seeks to provide employees in all locations access to a structured well-being program, either local or regional, and with ongoing local initiatives. In FY16, a task force established by our Global HR, Wellness360, and Global Citizenship teams determined what programs exist across our network and made global policy recommendations for employee well-being to senior leadership.

Consequently, in FY17, we improved our US parental leave offerings, nearly doubling the amount of paid time off provided to new parents. A birth mother with short-term disability insurance will receive 12-14 weeks of paid leave, and those not enrolled or eligible for short-term disability now will receive six weeks of paid leave. Spouses will continue to get three weeks of paid parental leave. In FY18, we intend to introduce supplementary parental leave benefits in other markets.

Key to our well-being pursuit is identifying the right balance between our personal and working lives. Already, we offer health & well-being-related programs. Examples from various locations include flexible work arrangements and family leave, Edelman Escape and sabbatical programs, health checks and free flu shots. In FY17, we extended the “Well-Being Wednesday” program established by our UK office to our continental Europe network. This program ensures that our employees have access to regular wellness-related activities and resources like workshops and health checks.

Offices across our network promote health & well-being in a wide variety of ways. Examples from various locations include the rollout of an Employee Assistance Program across the network, incentives to encourage physical and mental well-being, free healthy nutrition items, and access to free or discounted health services, athletic teams, and clubs.



Outdoor Office Day 2017

In May we supported our client Unilever’s Dirt is Good Campaign by hosting our very own Outdoor Office Day. Our 5,500+ employees around the globe were encouraged to take at least one hour outside during the working day: a walking meeting, a park-based brainstorm, or an alfresco client catch up. After all, fresh air fuels fresh thinking!





Diversity & Inclusion: Continuing Progress Toward Our Diversity Goals

Inclusion is an extension of our values and underscores a commitment to develop a diverse workforce and inclusive workplace. Our employees consider Diversity & Inclusion (D&I) to be our second most important Citizenship issue (after health & well-being), and we continue to make progress while recognizing and seeking to surmount challenges in meeting bold goals.

In FY17, women in senior leadership roles around the globe increased to 41 percent and moves closer to reaching our goal of 50 percent by 2020. Currently our U.S. workforce is 24 percent racially and ethnically diverse.

In FY17, we also:

- Launched two new employee networks in the US – **Edelman Inclusivo**, our Hispanic/Latino network, and **Edelman Forward**, our veterans’ network – bringing the total number of employee networks to five.
- Piloted a new company-wide four-hour D&I training program in multiple cities.
- Began a company-wide pay equity analysis to identify and tackle potential challenges to underscore our commitment to equal pay.
- Piloted a training program in Asia to address unintentional unconscious gender bias.
- Included for the first time two D&I-related questions in our employee engagement survey. They identified the need to apply as much focus on inclusion as we do on diversity in our offices. It also reflected the desire for further mentoring, leadership involvement and support, and guest speakers to promote and foster improved diversity & inclusion.

In FY18, we intend to:

- Roll-out our new D&I training program throughout the US network.
- Develop additional and deeper programming for our five employee network groups.
- Build upon our partnership with HR, recruitment and account teams to increase diversity recruitment, retention, and inclusion efforts.
- Launch a D&I mentoring program.
- Enhance and formalize key organizational, university/college and community partnerships to create a more diverse candidate pipeline.

Edelman Recognized as Best Place to Work for LGBT Equality

The Human Rights Campaign Foundation recognized Edelman for earning a top score of 100 percent on its 2017 Corporate Equality Index relating to corporate policies and practices pertinent to LGBT employees. Edelman was among 515 businesses that made its roster of “Best Places to Work for LGBT Equality.”

Edelman Joins Legal Effort in Support of Workplace Equality

Edelman joined Freedom for All Americans and many of our clients in signing an amicus brief to support workplace equality for the LGBTQ community by overturning an exclusionary 17-year precedent that discriminates based on sexual orientation and that is being reviewed by a federal appeals court.

SDGs:




 Our People

Learning & Development: A Culture of Continual Improvement

In today's dynamic workplace and marketplace, we offer our employees learning & development opportunities that are essential to thrive. This generates an inclusive environment that celebrates every person's contribution and well-being, helping to enhance Edelman and our industry.

We maintain a global learning management system that regularly adds new online and in-class training modules that we design. Yet it's the routine, on-the-job experiences that make Edelman special. We estimate that employees learn about 70 percent of their knowledge on the job, which underlines why our career development combines formal training and distinct professional experiences.



In brief, learning and development builds knowledge and skills through:

- **Edelman Learning Institute:** This corporate “virtual campus” addresses personal and professional growth through a robust, global training and development learning management system that supports lifelong learning and builds meaningful careers.
- **Leadership Academy:** This offers select client-facing leaders the unique, global opportunity to participate in an intensive educational three-day program conducted by experts from both within and outside Edelman.
- **Regional Exchange Programs:** As part of our commitment to develop skills and experience through international assignments, we have started a number of different exchange programs designed to give employees working experience in other countries and with new colleagues.
- **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 Assessments:** These annual reviews evaluate skills, provide strategic goal development, and career planning opportunities.

Formal Training Hours

Our goal is for employees to complete an average of 24 hours of training annually per employee, which also includes any learning that takes place outside the Edelman Learning Institute and the learning management system, such as classroom training and external seminars. In FY17, employees recorded a total of 112,695 hours of training; an average of 20 hours per employee. While this is short of our 24 hours/FTE target, we are confident that better tracking systems will lead to more reliable and higher numbers in FY18.

Edelman Leadership Academy Evolves

Edelman's longstanding Leadership Academy has been updated to be even more client-centric. Participants include client-facing employees to provide them with specialized training & development to excel in managing global client relationships. In FY17, 68 of our top client-facing leaders, 20 faculty members, and several senior clients focused on delivering an exceptional experience and developing the best client-facing leaders in the industry.

SDGs:



Our Communities

Contributing to Our Local Communities

Edelman's standard for leadership encompasses more than just talking about doing what's right. We step up and seek to be a part of the solution. Our employees especially let us know they appreciate our efforts to let them live and experience their desire to help others. Four in five – 79 percent – say our volunteerism program helped attract them to Edelman.





Employee Giving and Volunteerism

Our employees are passionate about giving back to their communities and supporting the causes and organizations that matter to them. Whether building homes, making charitable gifts, serving on nonprofit boards, tutoring children, or raising funds through weekly snack carts at work, Edelman employees actively give back.

They tell us it improves their morale, enhances their skill development, and generates a sense of community. That's why we provide each employee with eight hours of paid time off to participate in skills-based or general volunteerism. Our Citizenship Teams in local offices also help plan and coordinate pro bono partnerships and general volunteerism projects.

In FY17, nearly two-in-three employees participated in volunteer work, completing more than 6,000 hours of general volunteerism valued at \$147,000.

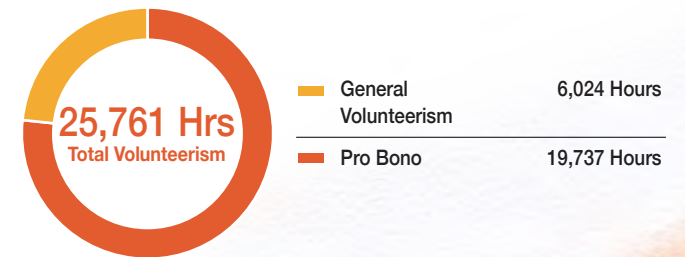
But our employees also told us that they are interested in learning more about volunteer opportunities in their community and would like to receive this information from a variety of sources. Fifty-eight percent say that they would like to receive more information, and 51 percent say they would like to hear from local office leadership. To better facilitate our employees and local leadership, Edelman will be implementing an online employee engagement platform that will help identify local opportunities, better track our time, simplify grant applications, and structure our matching programs.

The platform will also improve our reporting capabilities through visually engaging charts and dashboards, providing insights on global results and initiatives. As a result, we will be able to fully manage and report the extent of our social impact and overall employee engagement.

FY17 CITIZENSHIP SURVEY RESULTS

58% say that they would like to receive more information

51% say that they would like to hear from local leadership





Volunteerism Cases

APACMEA

KOREA/MUMBAI: The Street Store

In Korea and India, Edelman volunteers organized “street stores” in low-income neighborhoods and areas with high prevalence of homelessness. These one-day pop-up stores give homeless customers the opportunity to shop for free items. The street location makes it accessible and the store environment brings dignity to the experience. The concept began in Cape Town, South Africa to provide clothing and boost confidence for the city’s homeless population, quickly becoming a global effort. Edelman Korea’s street store serviced the Jong-ro neighborhood while Mumbai organized an office donation drive for their store. Edelman India employees collected clothing, shoes, toys, jewelry, and toiletries for their store and serviced around 500 customers in 2.5 hours.



EUROPE

FRANCE: Citizen Day

On June 28, 2017, Edelman Paris closed the office for its first Citizen Day. Teams dispersed across the city to work with various nonprofits including The Nicolas Hulot Foundation, Europa Donna, and Action Froid. The Nicolas Hulot Foundation team worked with La Haie Magique to remove weeds and support biodiversity during the restoration of a peri-urban wetland. The Europa Donna team brainstormed ways to encourage women to get breast cancer screenings and the Action Froid team helped the organization identify ways to alleviate homelessness.

LATAM

BRAZIL: CTC Digital Mentoring

After working on pro bono projects for CTC Digital, which combats high unemployment rates for recent high school graduates through free vocational courses, Edelman Significa (our Brazil business unit) furthered its involvement with the organization by creating a mentoring program. The Citizenship team, in partnership with HR, matched Edelman employees with CTC Digital students, forming 13 pairs. Each pair met once a month over the course of a semester and completed assignments meant to help prepare the students for entering the workforce and life after school.





Volunteerism Cases

USA

WASHINGTON, DC: Refugee Day of Service with Catholic Charities Diocese of Arlington (CCDA)

Edelman DC participated in a Refugee Day of Service with Catholic Charities Diocese of Arlington (CCDA). Thousands of refugees are relocated to the DC-Maryland-Virginia area every year and CCDA's migration and refugee service supports the transition to the US using a "job-first" approach. Many of the arriving refugees have never developed a resume, applied for a job, or conducted a job interview, so one-on-one mentorship is a critical success factor. Edelman volunteers worked with 12 refugees and together developed five resumes, six LinkedIn profiles, and conducted six interviews while speaking three different languages (Arabic, English, Spanish).



CANADA

10th Annual Little Give

Now in its 10th year, The Little Give dedicates time and energy to nonprofit organizations that make a difference in the lives of local communities. Edelman Toronto focused all their efforts on the YWCA Toronto, preparing meals, completing renovations, and providing communications planning and mentoring support for marginalized women and girls.

The Edelman Montreal team helped organize the 25th anniversary event for l'Ancre des Jeunes and organized Halloween activities for the children of La Maison Oxygène and the Carrefour Familial Hochelaga.



Edelman Calgary split its time with two non-profits fighting against hunger, preparing over 350 lunches for the Calgary Drop-In & Rehab Centre Society and planting approximately 1,000 tomatoes at an urban farm that would eventually be given to the Calgary Food Bank.

Three Edelman Vancouver teams each volunteered time at a Neighbourhood House seeking to improve the quality of community and family life, helping to make each location even more welcoming for its patrons by performing renovations, gardening, sandbox maintenance, and painting.

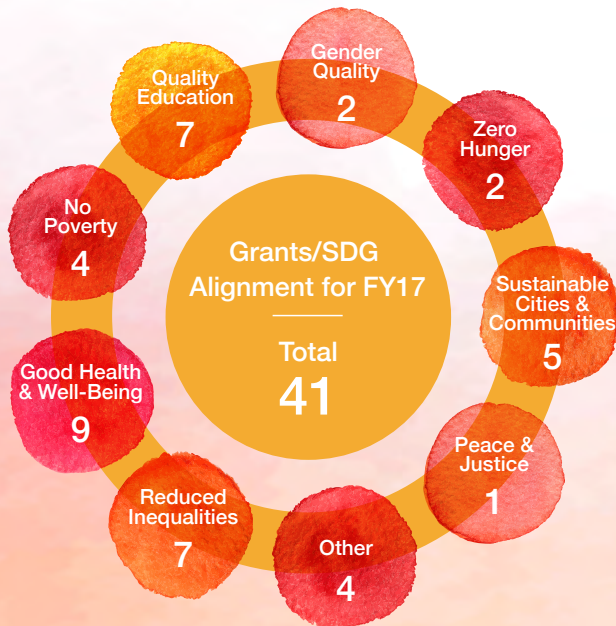


Corporate Giving

For the past six years, Edelman has offered a Community Investment Grant program to further support employee contributions to organizations that matter most to them. In FY17, we awarded 42 grants – which generally provide \$2,500 of funding each – raising the number of grants awarded since FY11 to over 700, totaling \$970,000. Still, our Citizenship Survey revealed that nearly half – 47 percent – of employees were unaware of the program, so we will continue to seek ways to improve awareness.

In addition, for over a decade, our Edelman Escape program provides selected employees with funds – now \$1,500 – and a one-week mini-sabbatical to either Live a Dream to achieve a personal or professional goal or to Give a Dream for philanthropy, a charity, or family. In FY17, 30 employees were selected. Among them, one employee will help her brother film their first-person story about being undocumented immigrants in the US and another will help a nonprofit in India that helps educate underprivileged girls.

Further, Edelman and its Foundation matched employee donations to help communities in need worldwide after a devastating event. Most recently, and through our partnership with the American Red Cross, we’ve raised nearly \$40,000 for hurricane relief in the devastated communities in and around the US. The impact of these employee donations will go even further since the Daniel J. Edelman Family Foundation committed to make dollar-for-dollar matches up to \$50,000.



COMMUNITY INVESTMENT GRANTS

42 grants

awarded in FY17

8 UN Sustainable Development Goals

impacted in FY17

700+ total grants

awarded since FY11

\$970,000

total awarded since FY11



Pro Bono: Volunteering Our Expertise to Drive Social Impact

In addition to the many employees who sit on nonprofit boards and the financial and in-kind contributions we make, Edelman provides pro bono assistance to nonprofits and causes.

We employ the same communications marketing approach and mindset that we do for our work with clients. Locally, our offices helped many organizations as well as municipalities, especially after a natural catastrophe or devastating event.

In FY17, employees completed more than 18,500 hours of general volunteerism valued at \$2,778,797.

Going forward Edelman aims to deliver 50 percent of its pro bono hours against the top UN Sustainable Development Goals as identified by our employees:

- Gender Equality
- Quality Education
- Zero Hunger

Ruth Edelman Citizenship Award

To honor our employees' and offices' work, we award the coveted Ruth Edelman Citizenship Award as part of our annual internal Culture Awards, honoring the legacy of founder Dan Edelman's wife and life partner and a major supporter of health organizations and nonprofits. The award recognizes the pro bono project that best illustrates how we can impact a specific societal issue in partnership with a nonprofit client.



SDGs:



PRO BONO: FY17 RUTH EDELMAN CITIZENSHIP AWARD WINNER

HONG KONG: #MyRealCareerLine

In Hong Kong, the colloquial Cantonese term “career line” (事業線) refers to a woman’s cleavage. The phrase is widely used across media and in casual conversation, legitimizing the objectification of women and diminishing a woman’s professional achievement by attributing success to her appearance. Casual sexism is so deeply embedded into local language that more than 60 percent of locals fail to see the term as derogatory or harmful. The Women’s Foundation sought to make people stop and rethink the use of the term “career line” and change attitudes about casual sexism in Hong Kong.

To make the campaign more relevant to Hong Kong residents, the team dug deeper to truly understand public perception of the issue. Edelman Hong Kong developed an integrated communications marketing approach – combining research and insights, brand narrative development, communications support, and digital amplification.

Implementation of this approach began with the creation of a fake plastic surgery firm – Career Line Cosmetic Surgery – that advertised that better cleavage leads to career advancement. The ads and storefront provoked outrage. On International Women’s Day, the Women’s Foundation revealed that the plastic surgery firm was indeed fake and held a press conference. There, Edelman Intelligence unveiled findings about the perceptions of the term “career line” and debuted a promotional video featuring some of Hong Kong’s most recognizable women sharing their #MyRealCareerLine and tearing in half a printed illustration of cleavage –

literally tearing apart the casual sexism invoked by the term “career line.” Supporters were encouraged to download their own copy of the illustration to rip in half as they shared their real career lines.

Throughout the campaign, #MyRealCareerLine became the top Google result for the search term, “career line,” creating the opportunity to change the perception of the phrase. The campaign generated more than 100 pieces of positive to neutral coverage in Hong Kong, Taiwan, China, and Canada; and 900 million unpaid media and social media impressions in total.



PRO BONO

NEW YORK: Hetrick-Martin Institute

The Hetrick-Martin Institute is the nation's oldest and largest organization helping gay, lesbian, bisexual, transgender, and questioning (LGBTQ) youth to reach their full potential. In 1979, Dr. Emery Hetrick, a psychiatrist, and Dr. Damien Martin, a professor at New York University, who are life partners and educators on gay and lesbian issues, heard the heartbreaking story of a homeless 15-year-old boy who had been beaten and thrown out of his emergency shelter because he was gay.

The Institute believes all young people, regardless of sexual orientation or identity, deserve a safe and supportive environment to help achieve their potential. Through a comprehensive package of direct services and referrals, Hetrick-Martin seeks to foster healthy youth development. Its staff promotes excellence in delivering youth services and uses its expertise to create innovative programs that other organizations may use as models.

In FY17, Edelman's ongoing partnership with the Hetrick-Martin Institute (HMI) included LGBTQ youth engagement, executive thought leadership and strategic counsel. This included the creation of quarterly roundtables on important topics (e.g., LGBTQ youth in public education) with thought leaders, media, stakeholders and prospective donors. The Edelman team also advised the organization on its annual citywide youth initiative – funded by the New York City Council – that provides mental health and support services for LGBTQ youth in all five boroughs.



PRO BONO

HAMBURG: Global Citizen Festival 2017 Hamburg

The Global Citizen Festival 2017 united musicians, activists, and political leaders to celebrate a campaign urging leaders to work toward an equitable world for every person. The festival is organized by Global Citizen, a social action platform for the global generation trying to solve the world's most pressing issues.

In early 2017, Andrew Kirk, Global Citizen's Global Director of Communications, contacted Edelman Hamburg for local media expertise. The office partnered with Global Citizen and its lead agency to build awareness around the festival's ticketing policy (attendees must earn tickets by completing Global Citizen tasks), generate buzz before the festival, and provide on-site support.

Edelman provided support for the launch, lead-up, and execution of the 2017 Global Citizen Festival in Hamburg with tactics that included CEO and spokesperson positioning, media training, on-site festival support, post festival follow-ups, and more. The team worked across agencies and continents to garner over 3,000 media clips and a reach of 103 billion impressions.

Beyond producing some of the best media hits Global Citizen has seen, the cross-practice, multi-agency team broke through with positive G20 stories and highlighted the efforts anyone can make to be a true Global Citizen.



PRO BONO

GLOBAL: G(irls)20

In June 2017, 24 young women from around the world met in Munich for the annual G(irls)20 Summit and called upon the G20 Leaders to reaffirm their commitment to bring 100 million women into the workforce by 2025 and reduce the gender gap by 25 percent.

The Summit brought together one delegate from each G20 country plus representatives from the African and European Unions, Afghanistan, Pakistan, and the Middle East and North Africa region. Delegates attended skill-building workshops, participated in panel discussions, and presented a final communiqué with tangible, scalable solutions towards increased Female Labor Force Participation to Chancellor Angela Merkel ahead of the G20 Summit in Hamburg.

As the official PR partner of G(irls)20, Edelman identified Summit sponsors in addition to securing speakers and media exposure. Each of the 24 delegates received media coaching from Edelman representatives. Messaging focused on illustrating the innovative solutions for making the economy more female-representative and highlighting the delegates' diversity and abilities. Coaching sessions with the delegates centered on the importance of genuine communication strategies rooted in credibility.

Colleagues from across the Edelman network touched this project with 58 employees from 18 countries and 20 offices creating visibility for the Summit and working with the delegates. Overall, the event earned 46 pieces of coverage generating over 30,000 broadcast impressions, 900,000 print impressions, and 45 million online impressions.



PRO BONO

WASHINGTON, DC: The Sentry: Combatting Genocide in South Sudan

Over the past two decades, the area stretching from northeast to central Africa has been the deadliest war zone in the world. Countries such as Sudan, South Sudan, and the Democratic Republic of the Congo are often referred to as failed states, but in reality, they are hijacked states. Political, military, and commercial elites in these countries – often collaborating with neighboring governments – control and run the state and its institutions. They use their power to transfer a large fraction of society’s resources to enrich themselves, employing brute force and organized criminal activity to remain in power.

Following a two-year investigation into the corruption plaguing South Sudan, The Sentry – a watch-dog organization co-founded by George Clooney and John Prendergast – with actor and activist Don Cheadle, released the findings of a report exposing the profiteers and wealth-motivated forces benefitting from prolonged conflict in South Sudan. The Sentry enlisted Edelman to develop a communications program to support the launch of their first report and raise awareness to these issues with key influential international audiences.

The Edelman team developed a comprehensive media strategy that seeded the report and its findings with key journalists prior to launch, coordinated the breaking of the story internationally and across time zones, and drove coverage in top-tier print & broadcast throughout the launch day and beyond. In the early morning of the launch, the New York Times broke the news of the report. This was followed by an op-ed from Clooney and Prendergast landing in The Washington Post and substantive reporting by The Wall Street Journal, Bloomberg, and BBC, setting the day’s tone and driving interest in the press conference to come later that day. As a result of the overwhelming amount of coverage, the government of South Sudan was forced to acknowledge and deny the report, threatening legal action and further highlighting their illicit crimes against the people of South Sudan.



Our World

Partnerships Enhance Our Progress as a Responsible Business

We increasingly recognize that as a responsible corporate citizen, we have a duty to help make our planet a better place to live for generations to come. Increasingly, we do this by partnering with other companies, organizations, NGOs, and governments to achieve progress on a myriad of fronts that encompass the environment & sustainability, society, economics, and governance.

We actively assist in ensuring that strong international regulations are defended and maintained, whether the issue involves gender equality, especially as it applies to pay; human trafficking and slavery; or energy efficiency obligations.





Our Commitment to a Lower Carbon Footprint

Increasingly, Edelman places its social and environmental returns on the same plane as financial returns, committing on several fronts to improve sustainability on our planet. Our employees overwhelmingly desire that, with 95 percent of them surveyed saying that working in a “green” office is important. In FY17, our executive committee pledged the following goals for FY18 and beyond:

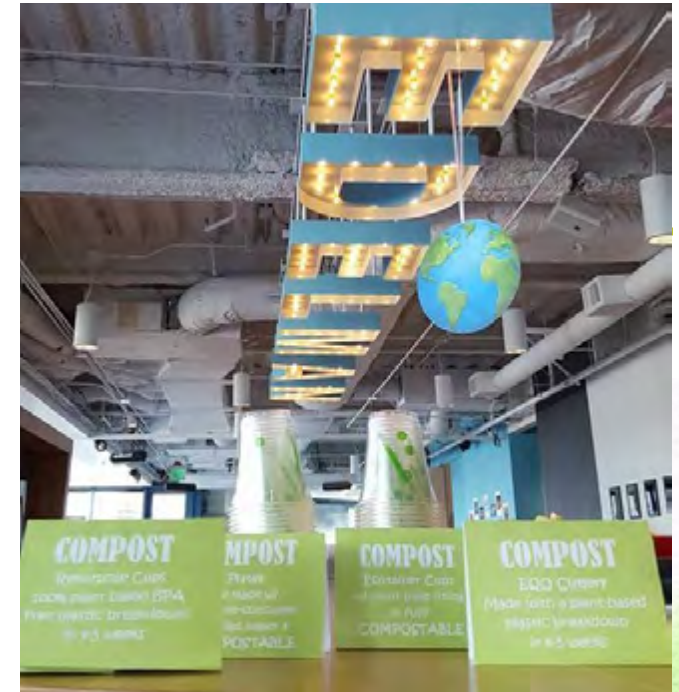
- Maintain the Carbon Trust Certification we received in FY16 – the first in our industry – by demonstrating year-on-year reduction of our annual greenhouse gas emissions.
- Decrease by 10 percent our carbon intensity emissions (tCo2e/FTE) in our 15 Carbon Trust-certified offices by 2020 (scope 1 + 2 emissions, compared to 2016 levels).
- Neutralize 100 percent of our US operations’ scope 2 emissions by purchasing renewable energy credits for all our US offices; these credits act as a “proof of purchase” for clean energy.

As part of our Carbon Trust efforts, we will continue in FY18 to add energy efficient lighting in US locations, including the New York office. On other sustainability fronts, we issued a green meeting guide to our offices and urged employees to book “green” hotels, when possible.

To create more sustainable offices, our printers default to printing double-sided and in black & white, and we are strengthening programs to reduce energy use and waste through recycling and composting.

We continue to support a concerted effort to manage our asset inventory and lifecycles securely and responsibly. We partner with third parties to ensure we dispose of end-of-life assets responsibly, recycling where appropriate under the Responsible Recycling Practices Standard (R2:2013). We also continued to migrate key business applications to the cloud, making our datacenter footprint smaller and more efficient.

In FY18 we will begin to apply managed print services in our hub offices as we seek to reduce our overall environmental impact. Specifically, we will decrease our overall use of paper usage and wasted supplies and lower our electrical consumption by using fewer and more efficient printing devices.



95%

surveyed say that working in a “green” office is important

100%

Neutralize our U.S. energy use by purchasing renewable energy credits for all our U.S. offices



Environmental Sustainability

FY16 PERFORMANCE

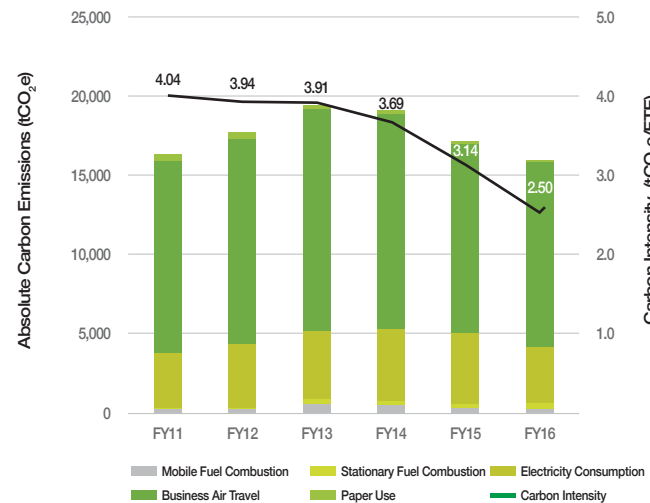
This report includes our carbon emissions inventory and material use data for the fiscal period from 1 July, 2015 to 30 June, 2016, henceforth referred to as FY16. There is a one-year delay for environmental data reporting due to the timing of our publication and our fiscal year for environmental reporting.

RESULTS

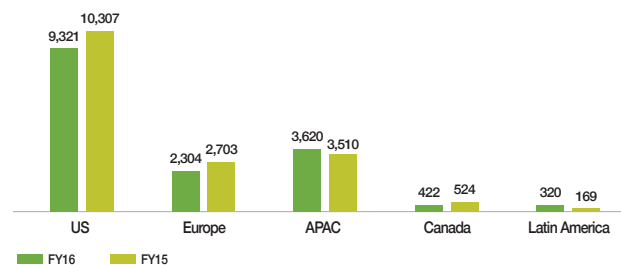
In FY16, our absolute global carbon emissions decreased by 7 percent compared to FY15. This reduction was driven by our continuous efforts in energy efficiency and reducing business air travel, as well as a revision of the proxy used to estimate carbon emissions from electricity consumption for offices that do not have access to actual metering data.

Our carbon intensity per full-time equivalent (FTE) has decreased year-on-year since FY11, reaching a 38 percent reduction in FY16 compared to FY11. This significant reduction is attributable to a reduction in absolute emissions, coupled with a growth of 25 percent in FTE headcount from FY15 to FY16.

Total GHG Emission (tCO₂e) and Carbon Intensity Trend (mtCO₂e/FTE)



Emissions by Region (FY16 compared to FY15)



Scope 1 Emissions

Scope 1 emissions remained stable from FY15 to FY16, and intensity decreased by 12 percent from FY15 to FY16. Edelman continued to reduce emissions from mobile combustion by limiting company-owned cars globally.

Scope 2 Emissions

Our scope 2 emission intensity has decreased by 21 percent from 4,464 tCO₂e in FY15 to 3,526 tCO₂e in FY16. The reduction was primarily driven by energy efficiency and physical improvements at the office-level, and a revision of the electricity consumption proxy adopted for offices without electricity consumption data.

Scope 3 Emissions

Scope 3 emission intensity decreased by 2 percent from 12,165 tCO₂e in FY15 to 11,866 tCO₂e in FY16. As business air travel is one of our most significant sources of emissions, we established a Corporate Travel Policy to better manage our travel emissions in a systematic manner. We invested in video-conferencing technologies to reduce the need for travel, as well as to enhance work life balance for our employees. We aim to further engage our global offices to encourage the use 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.



Sustainable Procurement

Sustainable Procurement

At Edelman, working in a socially responsible manner means treating people and the environment with respect throughout our operations, and this extends 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 to sustainable development. In this context, Edelman has updated its procurement policy to better reflect our commitment to responsible purchasing.

One of our objectives is to monitor social and environmental performance in our supplier management process. In order to do this, we have selected a leading CSR monitoring platform that combines CSR assessment expertise and data management tools. This monitoring process will be systematically integrated into our sourcing process, starting in the US in FY17 and expanding into additional global markets in FY18.

Supplier Diversity

Also committing to supplier diversity, Edelman seeks to measure, evaluate, and improve its spend with diverse US suppliers in FY18. These would include minority-owned businesses as well as those owned by women, LGBTQs, veterans, small disadvantaged businesses, and small HUBZone businesses.

Edelman will review its policies and procedures annually to ensure that sustainable procurement practices are integrated effectively in our culture and operations.



SDGs:





International Regulations & Partnerships

With more than 65 offices across our global network, we are diligent in compliance with the laws and regulations where we operate. 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.

In FY17, we filed our first annual statement as it relates to the United Kingdom Modern Slavery Act. The statement lays out the steps we have taken to prevent slavery and human trafficking in our supply chains and other parts of our U.K. business.

As for our partnerships, alliances developed with countries and companies help us to address our shared environmental and societal challenges. In FY17 we continued to partner with NSF International, government, professional services firms, and other stakeholders to develop an American National Standards Institute draft NSF 391.1 standard, the first to apply to the professional services industry. It is expected to become a public standard in 2018.

A complete list of our partners and memberships can be found in the GRI Standards Index (page 45).



Through our partnership with IWF, Edelman encourages its rising talent to become engaged with the IWF training programs and conferences. Pictured left to right: Yasmin Ramle (Singapore), Laura Furness (London), Amy Salloum (Atlanta), Carolina Gomez (Bogota) and Catherine Pouliot (Montreal).

Edelman joins FReSH program to speed change in global food systems

Edelman joined the Food Reform for Sustainability and Health (FReSH) program, whose 35 leading global companies seek to accelerate transformational change in food systems worldwide to create healthy, enjoyable, and responsibly produced diets for all. The program was launched at the World Economic Forum in Davos in 2017 under the combined leadership of the World Business Council for Sustainable Development (WBCSD) and the EAT Foundation (EAT).

Our Citizenship Approach

C-score

We apply a Citizenship Score, or C-Score, to our Citizenship efforts. It uses uniform metrics to evaluate progress toward our sustainability objectives over time for our entire business and individual offices. We calculate the overall score by measuring each of our offices' performance against more than a dozen key indicators. Our FY17 score of 6.5/10 fell short of our goal of 8.0/10. The main reasons for this year's lower score are discrepancies in the reporting of volunteerism and trainings hours, and environmental data.

In FY18 we will address these issues by implementing systems and processes that improve our reporting capabilities and ensure that all offices are capturing data centrally. We began this process in Q3 of FY17 with the transition to a new environmental management software. This state-of-the-art software enhances the user experience and makes the data collection process more streamlined and it will enable more effective reporting for our CDP submissions moving forward.

Looking ahead, we will be implementing a volunteerism and community involvement management software that will allow employees to find pro bono and volunteerism opportunities, track their time, and share their experiences all in one internal portal. This will ensure that all volunteerism hours are centrally located and will increase our reporting capabilities.

Our global Learning & Development team is working to launch a refreshed version of the Edelman Learning Institute (ELI) that will bring an enhanced learning experience to our employees and make reporting more streamlined and accurate.

While we fully recognize our shortcomings in FY17, we also know that those shortcomings are primarily due to a lack of accurate reporting and are taking these active steps to ensure that we do not face these challenges in the future.

Citizenship Network

Our core Global Citizenship team is assisted by a Citizenship Advisory Group, a Local Citizenship Network with representatives in each office, and other Edelman colleagues who collaborate to provide creative, media, editorial services, digital, and other specialty assistance.

Our Global Citizenship team closely monitors key developments and opportunities, and shares information and updates with our Local Citizenship Network and Citizenship Advisory Group on a monthly basis. We look at what other professional services firms are doing as points of reference for considering the topics and issues we may explore around the world.

Learning From Our Own Intellectual Property

We make sizeable investments annually to develop significant intellectual property that establishes Edelman as a thought leader. We employ the insights from our research to help our clients develop strategies and to develop actionable programs that make a difference at our own company.



Materiality: Engaging Our Stakeholders on Significant Citizenship Issues

We help guide our Citizenship journey by reviewing materiality with stakeholder input of what they consider the most significant Citizenship issues. In 2017, we conducted a new materiality assessment with input from our senior leadership, employees, clients, NGOs, and academics. This gives us valuable insights into familiar as well as emerging issues, such as the sustainable purchasing policy we are implementing, among other relevant issues.

Compared to our last materiality assessment in 2015, we've seen an increased focus from our stakeholders on pro bono initiatives, diversity & inclusion, data privacy & information security, and green office policies. Our stakeholders placed less emphasis this year on employee training & development, supplier diversity, and our carbon footprint.

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

A detailed description our materiality approach can be found in Appendix A: Materiality & Management Approach.



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 2017, from July 1, 2016 through June 30, 2017,
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/who-we-are/global-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 2016	102-1 Name of the organization	Daniel J. Edelman, Inc. ("Edelman" within this document)
	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 65 cities in 28 countries. For more detail, please visit www.edelman.com/global-network .
	102-5 Ownership and legal form	Edelman is an independently owned firm that is part of Daniel J. Edelman Holdings, Inc. ("DJE Holdings"). Along with Edelman, DJE Holdings owns specialty firms such as Edelman Intelligence (research), Edelman Deportivo (creative), A&R Edelman (technology), BioScience Communications (medical communications) and agencies Edelman Significa (Brazil). For more information, please visit www.edelman.com/who-we-are/practices-specialties-dje .
	102-6 Markets served	Geographically, Edelman's operations are managed through five regions: Europe & the Commonwealth of Independent States; Asia Pacific, Middle East and Africa (APACMEA); Latin America; Canada; and the United States. For more information, please visit www.edelman.com/global-network
	102-7 Scale of the organization	<ul style="list-style-type: none"> • Total number of employees: more than 5,658 employees • Total number of operations: active in 65 cities • Edelman Revenues for Fiscal 2017: \$874.1 million • Quantity of products or services provided: 34 areas of expertise <p>For more information, please visit www.edelman.com/what-we-do/expertise</p>
	102-8 Information on employees and other workers	<ul style="list-style-type: none"> • Total number of employees: 5,658 • Total full time employees (Male: 1,765, Female: 3,731) • Total part-time employees (Male: 24, Female: 138) • Total level 1-2 (Male: 633, Female: 1,812) • Total level 3 (Male: 481, Female: 1,078) • Total level 4-5 (Male: 568, Female: 918) • Total level 6+ (Male: 107, Female: 61) • Total administrative (Male: 354, Female: 679) <p>Updated gender breakdown by region (chart on page 22) Updated breakdown of age by generations (chart on page 22) - 18 employees did not disclose their birth date</p>

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 - Sustainable Procurement' (page 40)
	102-10 Significant changes to the organization and its supply chain	<p>Closed office locations: none New office locations: none New affiliate locations in: none</p> <p>For more information, please visit www.edelman.com/who-we-are/practices-specialties-dje</p>
	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	<ul style="list-style-type: none"> • 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 AB 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

GRI Content Index

GRI Standard	Disclosure Title	Page number(s), URL(s) and/or Direct Response
General Disclosures		
GRI 102: General Disclosures 2016	102-13 Membership of associations	<ul style="list-style-type: none"> • Boston College Center for Corporate Citizenship • Elite Service Disabled Veteran Owned Business Network • Impact 2030 • International Women’s Forum • National Gay & Lesbian Chamber of Commerce • NSF International • Partnering Against Corruption Initiative • Student Veterans of America • Sustainable Purchasing Leadership Council (SPLC) • Voting Member, US Mirror Committee, ISO 20400 • Women’s Business Development Council
	102-14 Statement from senior decision-maker	See ‘Continuing the Citizenship Heritage’ (Page 6)
	102-16 Values, principles, standards, and norms of behavior	<p>In 2015, we refreshed our values to ensure that they are relevant to our future direction, support a client-centric culture and inspire great client work.</p> <p>Our Values:</p> <ul style="list-style-type: none"> • The Relentless Pursuit of Excellence • The Freedom to be Constantly Curious • The Courage to do the Right Thing. <p>For more information on our principles, standards and ethics, please visit www.edelman.com/who-we-are/about-us</p>
	102-18 Governance structure	<p>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.</p> <p>For more information, please visit www.edelman.com/who-we-are/people</p>
	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 2016	102-43 Approach to stakeholder engagement	See Appendix A - GRI 103: Materiality & Management Approach
	102-44 Key topics and concerns raised	See 'Our World -Materiality' (p. 43) and Appendix A - GRI 103: Materiality & Management Approach
	102-45 Entities included in the consolidated financial statements	a. Please visit www.edelman.com/who-we-are/practices-specialties-dje . b. This report is about Edelman and all of its affiliated companies, including certain specialty firms it owns, such as: Edelman Intelligence (research), Edelman Deportivo (creative), A&R Edelman (technology), BioScience Communications (medical communications) and agencies Edelman Significa (Brazil).
	102-46 Defining report content and topic Boundaries	See 'Our World -Materiality' (p. 43) and Appendix A - GRI 103: Materiality & Management Approach
	102-47 List of material topics	See 'Our World -Materiality' (p. 43) and Appendix A - GRI 103: Materiality & Management Approach
	102-48 Restatements of information	None
	102-49 Changes in reporting	None
	102-50 Reporting period	Fiscal Year 2017 (July 1, 2016 - June 30, 2017)
	102-51 Date of most recent report	November 2016
	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. 15 offices globally were involved in the certification process. These 15 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 2016	103-1 Explanation of the material topic and its Boundary	See 'Our World -Materiality' (p. 43) and Appendix A - GRI 103: Materiality & Management Approach
	103-2 The management approach and its components	See 'Our World -Materiality' (p. 43) and Appendix A - GRI 103: Materiality & Management Approach
	103-3 Evaluation of the management approach	See 'Our World -Materiality' (p. 43) and Appendix A - GRI 103: Materiality & Management Approach
Material Topics		
Economic		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	The total global revenue of Edelman in FY17 was \$874.1 million. See 'Our Community - Corporate Giving' (page 27) for our community investments.
	201-2 Financial implications and other risks and opportunities due to climate change	<p>Edelman reports financial implications and specific risks and opportunities as part of our annual CDP Supply Chain submission, including risks & opportunities</p> <ul style="list-style-type: none"> • driven by changes in regulation • driven by changes in physical climate parameters • driven by changes in other climate-related developments <p>Our CDP score is currently only available to clients that invited us to respond to CDP.</p>
	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 2016	203-1 Infrastructure investments and services supported	Edelman made no significant infrastructure investments in FY17
Procurement Practices		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Edelman does not currently track proportion of spending on local suppliers. Edelman has recently updated its procurement policy to better reflect our commitment to responsible purchasing and supplier diversity. One of our objectives is to monitor social and environmental performance in our supplier management process. In order to do this, we have selected the EcoVadis CSR monitoring platform. This platform combines CSR assessment expertise and data management tools which will allow you to demonstrate your sustainability best practices in the years to come..

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 2016	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	86% of employees completed the Intro to Compliance and Ethics training module (Goal is 85% of all employees). 71% of required employees completed the Worldwide Anti-Corruption training module. (Goal is 85% of Level 4+ employees and all Finance employees).
Anti-competitive Behavior		
GRI 206: Anti-competitive Behavior 2016	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 2016	301-1 Materials used by weight or volume	Copy paper purchased for office use: 59 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	60% 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

Material Topics

Water

GRI 303: Water 2016	303-1 Water withdrawal by source	Water consumption data includes water purchase records from 5 Edelman offices, amounting to a partial water consumption footprint of 7,066 cubic meters in FY16. 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.
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Emissions

GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	See Appendix A - GRI 103: Materiality & Management Approach
	305-2 Energy indirect (Scope 2) GHG emissions	See 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 2016	307-2 Non-compliance with environmental laws and regulations	Edelman has not identified any non-compliance with environmental laws and/or regulations.
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Supplier Environmental Assessment

GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	In FY17 Edelman did not screen suppliers using social criteria. Edelman has recently updated its procurement policy to better reflect our commitment to responsible purchasing and supplier diversity. One of our objectives is to monitor social and environmental performance in our supplier management process. In order to do this, we have selected the EcoVadis CSR monitoring platform. This platform combines CSR assessment expertise and data management tools which will allow you to demonstrate your sustainability best practices in the years to come.
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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	<p>401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees</p> <hr/> <p>401-3 Parental leave</p>	<p>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</p> <hr/> <ul style="list-style-type: none"> • Total number of employees that were entitled to parental leave (Male: 877, Female: 1,987) • Total number of employees that took parental leave (Male: 30, Female: 102) • Total number of employees that returned to work in the reporting period after parental leave ended (Male: 29 Female: 70) • Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work (Male: 2, Female: 7) • Return to work rate of employees that took parental leave (Male: 97%, Female: 69%) • Retention rate of employees that took parental leave (Male: 85%, Female: 90%)
Occupational Health and Safety		
GRI 403: Occupational Health and Safety 2016	<p>403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities</p> <hr/> <p>403-3 Workers with high incidence or high risk of diseases related to their occupation</p>	<p>No injuries or work-related fatalities were reported.</p> <hr/> <p>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 diseases (e.g. high stress levels).</p>
Training and Education		
GRI 404: Training and Education 2016	<p>404-1 Average hours of training per year per employee</p> <hr/> <p>404-2 Programs for upgrading employee skills and transition assistance programs</p> <hr/> <p>404-3 Percentage of employees receiving regular performance and career development reviews</p>	<p>See ‘Our People - Learning & Development’ (Page 25). In FY17, 112,695 training hours were completed globally; 20 hours/FTE.</p> <hr/> <p>See ‘Our People - Learning & Development’ (Page 25). For more information, please visit: www.edelman.com/careers-and-culture</p> <hr/> <p>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.</p>

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		
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 2016	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 and development, use of local subconsultants and suppliers, and volunteering and/or philanthropic support.
Supplier Social Assessment		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	In FY17 Edelman did not screen suppliers using social criteria. Edelman has recently updated its procurement policy to better reflect our commitment to responsible purchasing and supplier diversity. One of our objectives is to monitor social and environmental performance in our supplier management process. In order to do this, we have selected the EcoVadis CSR monitoring platform. This platform combines CSR assessment expertise and data management tools which will allow you to demonstrate your sustainability best practices in the years to come.
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.

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		
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 2016	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.

Prioritization

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. This prioritization 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/who-we-are

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 \$950,000 in grant funding to more than 300 organizations that support causes from education, to community development, to health. In FY17 alone, we awarded \$82,500 to 41 organizations worldwide.
- **Well-being Wednesday** In FY17 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, 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.

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 by the operational control approach in accordance with The Greenhouse Gas Protocol. The inventory accounts for 100% 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 FY16 (1 July 2015 – 30 June 2016).

Edelman operates in over 30 countries with over 65 offices under five regions, namely the United States, Canada, Europe, Asia Pacific the Middle East and Africa (APACMEA), and Latin America. Carbon emissions from 59 local offices were reported for FY16¹.

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 (CO₂), methane (CH₄) and nitrous oxide (N₂O). Hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF₆), and nitrogen trifluoride (NF₃) 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 (CO₂e) by applying the corresponding Global Warming Potential (GWP). The general calculation formula and global warming potentials used are:

$$\text{Total GHG emissions (tCO}_2\text{e)} = \sum \text{sources (Activity data x Emission factor x GWP)}$$

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 ₂ O)	298	

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

² As of FY16. 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 2016) is used to calculate carbon intensity (CO2e/FTE). FTE covers permanent full-time and part-time employees only (interns, trainees, contractors and temporary employee are excluded). FTE also accounts for four offices that are excluded from the carbon inventory as the data quality of these offices are deemed to be insignificant of Edelman's global carbon footprint.

Base Year GHG Emissions and Recalculation

The carbon emissions for FY11 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. A proxy built from average office electricity usage is applied to calculate carbon emissions for offices where actual metering data is not available. There are 30 offices that have been applied a proxy, where the estimated electricity consumption is 7.50 kWh/month/m2. The electricity proxy is updated year-on-year.

Edelman's business air travel data comes from a combination of internal booking receipts, data provided by external travel agent 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 in cases where booking receipts are not available, data is from an external travel agent, or employees have booked travel on their own.

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 purchase. Raw data and emissions calculation tool are properly documented and archived for future reference.

Appendix C: Environmental Performance Data Table

Environmental metric	FY16	FY15	FY14	FY13	FY12	FY11	%Change FY15-16
Carbon emissions by source	Tons of CO2 equivalent (tCO2e)						
Business air travel	11,745	11,981	13,665	13,946	13,044	12,135	-2%
Office electricity	3,526	4,464	4,552	4,419	3,989	3,473	-21%
Mobile fuel and stationary fuel combustion	594	582	754	832	364	289	1%
Office paper use	120	184	209	200	304	341	-35%
Total carbon emissions	15,986	17,212	19,180	19,398	17,701	16,238	-7%
% change compared to FY11	-2%	6%	18%	19%	9%		
Carbon emissions by region	Tons of CO2 equivalent (tCO2e)						
United States	9,321	10,307	12,030	13,112	11,962	11,225	-10%
Europe	2,304	2,703	3,208	2,865	2,809	2,562	-15%
APAC	3,620	3,510	3,295	3,005	2,541	2,074	3%
Canada	422	524	509	279	238	237	-20%
Latin America	320	169	139	137	150	139	89%
Total carbon emissions	15,986	17,212	19,180	19,398	17,701	16,238	-7%
Carbon emissions by scope	Tons of CO2 equivalent (tCO2e)						
Scope 1	594	582	754	832	364	289	2%
Scope 2	3,526	4,464	4,552	4,419	3,989	3,473	-21%
Scope 3	11,866	12,166	13,874	14,146	13,348	12,476	-2%
Total carbon emissions	15,986	17,212	19,180	19,398	17,701	16,238	-7%

Appendix C: Environmental Performance Data Table

Environmental metric	FY16	FY15	FY14	FY13	FY12	FY11	%Change FY15-16
Energy usage by source		Gigajoules (GJ)					
Diesel	1,199	1,153	1,106	987	673	372	4%
Petrol	2,037	3,501	6,050	5,908	3,732	2,443	-42%
Electricity	31,947	34,384	34,525	34,163	31,189	27,477	-7%
Natural gas	6,429	5,102	4,813	6,240	4,156	998	26%
Total energy usage	41,611	44,140	46,943	47,297	39,751	31,290	-6%
% change compared to FY11	33%	41%	50%	51%	27%		
Energy usage intensity							
Total energy consumption per FTE (GJ/FTE)	6.52	8.05	8.93	9.51	8.86	7.79	-19%
% change compared to FY11	-16%	3%	15%	22%	14%		
Energy usage: percentage by source		% of total					
Diesel	3%	3%	2%	2%	2%	1%	
Petrol	5%	8%	13%	12%	9%	8%	
Electricity	77%	78%	74%	72%	78%	88%	
Natural gas	15%	12%	10%	13%	10%	3%	
Total	100%	100%	100%	100%	100%	100%	

Note:

- 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 B – GHG Emissions Reporting Methodology and Environmental Metrics.
- 3 The proxy applied to electricity consumption has been updated this year. For more details regarding the methodology, please refer to Appendix B – GHG Emissions Reporting Methodology and Environmental Metrics.
- 4 Carbon emissions classified as “Scope 2” and “Office Electricity” reflects a location-based carbon accounting approach. Following a review of the GHG Protocol Scope 2 Guidance and emission factors in the United States, we decided to calculate emissions using national-level emission factors to ensure consistency and comparability over the years. Please note that data prior to FY16 are calculated using the location-based method.
- 5 The boundary of our inventory covers Edelman’s global operations - a total of 59 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.