

## **Ketchum's Communication on Progress**

**April 2015**

Report Covering January-December 2014

United Nations Global Compact:

On behalf of Ketchum employees around the world, we are pleased to present the accompanying ninth Ketchum Global Compact Communication on Progress report. This report represents our company's abiding commitment to the Compact's 10 principles through both internal implementation and external communication.

Sincerely,  
Rob Flaherty

Senior Partner and Chief Executive Officer  
Ketchum

Julie Ferriot

Global Director, Ketchum Social Responsibility  
Ketchum

## **A Proud and Active Member of the Global Compact**

One of the largest global public relations firms in the world, Ketchum has more than 140 offices and affiliates in 73 countries with approximately 2,500 employees worldwide. Ketchum was the first public relations agency to join the United Nations Global Compact in 2001 and has been a proud member for more than 14 years. We have practiced the principles of the Compact through active participation in the organization, as well as through the promotion of this international initiative to our employees, clients, business partners, prospective Compact members and other audiences.

We have interpreted membership to include not only adherence to the Compact's 10 principles but also voluntary initiatives in the spirit of the Compact's global mission.

## **Ketchum Policies, Performance Consistent with Global Compact Principles**

Each member company of the Global Compact must fulfill its social responsibilities in accordance with the nature of its business. As a global communications counseling organization, Ketchum focuses its Communication on Progress by addressing those Global Compact principles that are particularly relevant to the way we operate our business in society.

### **Labor Rights and Human Rights**

Ketchum is in a knowledge-based business. Our human resources policies are therefore tailored to a global workforce that is highly educated and professional. The services we provide to clients – strategic and tactical communications counsel – require a highly motivated workforce performing in optimum working environments. Several Ketchum policies support the Compact's labor and human rights principles and include:

- **Harassment and Discrimination Policy** – All employees should be able to enjoy a work environment that is free from harassment – including sexual harassment – and free from discrimination including that of race, color, national origin, ancestry, religion, disability, medical condition, marital or veteran status, sexual orientation, age or gender. Any harassment or discrimination of employees or others at Ketchum undermines the integrity of our employment and our relationships. This conduct is unacceptable and is not tolerated. Ketchum expects its business partners and clients to support these guidelines.
- **Equal Employment Opportunity Policy** – Ketchum is an equal opportunity employer with individuals hired and promoted solely on the basis of ability, training and experience. The company makes every reasonable accommodation to the known physical or mental limitations of qualified employees with disabilities unless the accommodation would impose an undue hardship on other employees or inhibit the efficient service of our clients.
- **Code of Business Ethics Agreement** – At the request of Ketchum's CEO, the Code of Business Ethics policy document is formally acknowledged by each employee. It provides standards for virtually all operations of the company, including truth and accuracy in communications, record keeping, gifts and entertainment, union agreements, conflicts of interest and privacy.
- **Workplace Violence** – It is Ketchum's intent to provide a safe workplace for all employees. Threats, threatening language, or any other acts of aggression or violence made toward or by any Ketchum employee is not tolerated. Threats include but are not limited to any verbal or physical harassment, attempts at intimidation or instilling fear in others, menacing gestures, flashing of concealed weapons, stalking, verbal or physical abuse, or other hostile, aggressive, injurious, and destructive actions undertaken for the purpose of domination or intimidation.
- **Anti-Corruption/Transparency** – Ketchum is acutely aware of its responsibility as an active participant in the free flow of information and ideas in our society. The integrity of independent media is a cornerstone of this vital process. An internal policy document, "Ketchum Disclosure Guidelines," ensures that Ketchum employees are transparent in their dealings with the media, identifying the client or other entities as sources of the information – consistent with UNGC principles and the Public Relations Society of America Ethics Code.
- **Ethical Decision-Making/Media Transparency** – Ketchum has continued its mandatory Ethical Decision-Making/Media Transparency training program for all employees, and it donated the

program to the Council of Public Relations Firms in 2006 for the benefit of other agencies throughout the industry.

## **Ketchum Voluntary Initiatives Supporting the Global Compact Mission**

Corporate social responsibility has been part of Ketchum's DNA since our firm was founded in 1923. We formalized our CSR program in 2007, when our employees told us via an agency-wide survey that codifying our substantial commitment to global citizenship was a priority. We're on this journey because together we believe communications can play a central role in making the world a better place and agencies like ours should exemplify the advice we give to clients.

As a workforce we believe so strongly in these ideas that we've coined our own phrase for the support we provide to the communities where we live and work. We call it "KSR" or Ketchum Social Responsibility.

In 2014 that passion and momentum for CSR hit new heights as we extended our program's global reach and activities, and as a result we took our staff engagement in corporate citizenship to a new level. This progress allowed us to continue to increase our positive impact on local and global communities and improve thousands of livelihoods. We're incredibly proud to be setting a new benchmark in what agencies can achieve around corporate citizenship, an area that is only going to become more important to business and their employees in the future.

Ketchum's major KSR or corporate responsibility commitments fall into the following areas:

### **1. Room to Read – Ketchum's global, long-term pro bono partner**

An employee-led process steered Ketchum to adopt literacy as its cause in 2008. The goal was to improve literacy qualitatively and quantitatively by doing what Ketchum does best: communicating ideas that raise awareness, change attitude and foster action.

As part of this effort, Ketchum looked at literacy in the broadest possible sense and searched for potential partners in this area. Subsequently, we formed a partnership with Room to Read, a nonprofit that is a leader in providing educational opportunities to children in Africa and Asia.

Quality of life, health and economic opportunity all depend on education, and right now there remains an education crisis in low income countries. Literacy is the foundation for all future learning yet nearly 800 million people are illiterate and 2/3 are women and girls. Even with increased access to school, children aren't learning while in primary school due to a lack of teachers, funds and school infrastructure challenges and it gets worse for girls in secondary school when female student enrollment sharply drops due to societal and economic challenges.

Room to Read addresses such problems by collaborating with local communities, partner organizations and governments to ensure that primary school children can become habitual and independent readers and girls can complete secondary school with the skills necessary to negotiate key life decisions. The organization works to create long-term systemic change in the countries they serve across Asia and Africa.

Since 2000, Room to Read has scaled exponentially to impact more than 9 million children and is on track to reach 10 million children in 2015.

Over the past six years more than 500 Ketchum employees have directly contributed to our pro-bono partner. We also support the organization year-round with communications expertise, including strategic counsel, media relations, research and professional development.

In addition, our employees have donated more than \$200,000 to support libraries, publish local language children's books and provide scholarships for girls in Africa and Asia. Each year we've selected a different goal, building on the year prior. This year our goal targeted a new aspect of Room to Read's work – helping train 200 teachers in South Africa who will in turn educate many more.

## **2. World Economic Forum**

The World Economic Forum (WEF) is committed to improving the state of the world by engaging business, political, academic and other leaders of society to shape global, regional and industry agendas and for the past nine years, Ketchum has been involved with WEF in a variety of ways.

Ketchum's support for the Forum involves many people and parts of the agency and touches upon multiple focus areas of the organization's global agenda. Rob Flaherty, CEO, Ketchum, is a regular contributor to projects related to the Forum's increasingly ambitious health agenda and facilitated several high-level sessions at its annual meeting in Davos, Switzerland. Barri Rafferty, CEO North America participates on the Forum's gender parity council and also contributed to the Davos discussion on a series of panels. And David Gallagher, CEO of Europe, chairs the Global Agenda Council on the Future of Media.

Ketchum also dedicates a full-time employee to work at the Forum's Geneva headquarters, providing communications strategy and support for major initiatives such as global health, anti-corruption and media literacy. This employee provides one to two years of service to the WEF's media relations team, supporting Davos and regional meetings around the world. Most recently, Ketchum "loaned" a public relations expert from our Chicago office.

## **3. Worldwide Ketchum-supported Volunteer Days – KSR Global Month of Service– September 2014**

For the past six years, Ketchum has supported up to four hours of donated time per employee to give back to their communities. In 2014, nearly 1,000 employees from 23 different offices and 10 countries participated in Ketchum's Global Month of Service to improve the lives of people of others. For the first time we had offices as diverse as Beijing and Beirut join in. Complementary Ketchum businesses, including Capstat, Harrison & Shriftman and MMG also got involved. More than 40 nonprofit organizations benefitted from the expertise and support of our colleagues.

A few examples include:

- Ketchum Beijing partnered with an NGO helping migrant communities in China and abroad. Colleagues collected funds to deliver books for the center and read to children.
- In Chicago, colleagues helped the Friends of the Elderly & Garfield Park Garden Network, pulling weeds and picking up trash.
- Our Düsseldorf office participated in a reading initiative, "Düsseldorf liest vor" ("Düsseldorf reads"), visiting kindergartens and homes for the elderly.
- Our London office reinvigorated a neglected community garden, created a fun outdoor area for young children and transformed a classroom for free employment courses.
- Colleagues in Moscow helped organize an adopt-a-dog event held by the Municipal Shelter of Moscow district Birulevo.
- Our São Paulo office partnered with United Way Brazil to support Obra do Berço, an NGO that provides social programs to underprivileged children and youth.

Projects like these, and many others, happened not because Ketchum colleagues were instructed to give up their time. They happened because we're supporting and supported by a huge cohort of passionate PR professionals who have the freedom to get more involved in agency citizenship– in the way they feel they can best contribute.

## **4. Corporate Sustainability Program**

Ketchum has long been an advocate of responsible energy use, and our businesses around the world have set policies to reduce waste, increase energy efficiency and promote sustainable business practices with employees.

In 2012, we developed a set of global policies to help all of our businesses establish improvement targets in energy use reduction; travel/carbon offset policies; supply/service procurement; waste management

and recycling; and indoor air quality. These are based on established programs in our London, New York and San Francisco operations and set specific measures for constant improvement.

A big part of Ketchum's commitment to improving our society involves its commitment to being an environmentally responsible business and reducing its environmental impact. Although offices are rented spaces within larger office buildings, office leadership goes to great lengths to ensure that the overall buildings are eco-friendly, and Ketchum offices adopt eco-friendly practices.

## **Direct Support to the UNGC**

As it has since joining the United Nations Global Compact in 2001, Ketchum in calendar year 2014 sought and converted a range of opportunities to promote the UNGC's agenda, accomplishments and plans. Examples below illustrate the delivery of UNGC messages in a variety of communications formats and forums, attracting the attention of companies, non-governmental organizations, academic leaders/students and government representatives. Many of the Ketchum communication activities also supported the mission of the UNGC-affiliated Principles for Responsible Management Education (PRME) program.

Ketchum Senior Counsel John Paluszek, in addition to participating in many of the 2014 Ketchum UNGC activities – as so often in previous years -- supplemented such support in his parallel communications venture, Business in Society [www.businessinwsociety.net](http://www.businessinwsociety.net) with related messages via BIS twitter, blogs and Facebook. Subjects included:

- Significant progress in sustainability made by members of UNGC
- Sustainable reporting
- Teaching CSR at Business Schools (PRME)
- UNGC CEO water mandate
- UNGC expels 657 companies

## **Media**

Independent traditional and social media published Ketchum/BIS interviews, by-line articles and other commentaries with UNGC messages emphasized. Placements included:

- *Career Intelligencer* – “Women’s Equality Movement Moves Forward”
- *CSR Wire* – “Transforming Communications/ Corporate Social Responsibility”
- *Dircom* (Spain) – “Communications With Conscience”
- *Forbes* – “A Conversation on Corporate Social Responsibility”
- *Triple Pundit* – “Business For Peace/International Development”

Business in Society also produced and distributed two feature-length video interviews on UNGC priority subjects: “Women’s Empowerment Principles” (Ann-Marie Slaughter); and “Business for Peace” (Sir Mark Moody-Stuart and Melissa Powell). These programs were distributed at the time of UNGC events on these subjects.

## **Conferences**

Ketchum presentations on CSR/sustainable development at professional society conferences emphasized UNGC objectives and progress throughout the year. Examples include:

- The Canadian Public Relations Society, Banff, Canada
- The Public Relations Society of America International Conference, Washington, D.C.
- The World Public Relations Forum (The Global Alliance For Public Relations and Communication Management), Madrid, Spain

**Academic events**

UNGC was highlighted at our visits and lectures at Hampton University, Syracuse University and New York University.

Ketchum representatives also attended UNGC events ranging from forums to planning sessions and liaison with organizations representing potential UNGC partners.

**Continuing Commitment**

In the years ahead, Ketchum looks forward to building on its Global Compact commitment and experience with additional internal initiatives and external outreach to all Global Compact audiences.

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