

# UNITED NATIONS GLOBAL COMPACT **COMMUNICATION ON PROGRESS**

## 2015/2016 REPORT



**APCO**  
worldwide®

company name  
**APCO WORLDWIDE**

address  
**1299 PENNSYLVANIA AVENUE, NW  
WASHINGTON, D.C. 20004**

country  
**UNITED STATES OF AMERICA**

full time employees at December 31, 2015  
**680**

sector  
**PROFESSIONAL SERVICES/CONSULTING**

website  
**WWW.APCOWORLDWIDE.COM**

UNGC membership  
**SINCE JUNE 1, 2010**

contact name  
**KELLY KOLKER**

position  
**DIRECTOR, OFFICE OF THE  
EXECUTIVE CHAIRMAN**

contact  
**+1.202.778.1000**

# JOINT STATEMENT FROM THE EXECUTIVE CHAIRMAN & CEO

We are pleased to present our sixth annual report on progress as a signatory of the UN Global Compact. This has been a year of great political and social consequence that continues to change governments and global alliances, as well as religious and civil society institutions. Turmoil, terrorism, the refugee crisis, economic challenges and civil unrest have permeated our daily lives, making progress on the Sustainable Development Goals (SDGs) more important than ever.

We also believe this has been a year of great determination, as we witnessed individuals and organizations around the world step forward to accept the challenges of meeting the SDGs and come together to advance its objectives, including the historic Paris Agreement on Climate. It is clear that there needs to be greater unity and commitment between and among government, business and citizen groups to cooperate in finding sustainable solutions for the future of the planet.

We play a small role in responding to that global call, not only by how we run our own operations but also through the counsel we provide our clients and the innovative projects that we create. As noted in past reports, the areas where we believe we have the biggest impact are in advancing the principles addressing anti-corruption and human rights issues through economic empowerment for women and global health and nutrition. As the largest majority women-owned company in our field, we feel a special responsibility to address these issues and opportunities that impact women across the globe.

Our work on anti-corruption, through our engagement with business, academics and global enterprises, aims at rebuilding trust in public institutions and supporting those who are committed to fighting the forces of corruption. We engaged with the World Economic Forum on a special initiative geared at giving young people a voice and a means to be mobilized on this issue. Regarding our human rights efforts, we started a new program to support relief efforts to aid refugees and continued our long-standing commitment to advancing economic and social opportunities for women around the world, including a new initiative on Women Advancing Africa with the Graça Machel Trust.

We strongly believe that engagements with initiatives like these strengthen our bonds with our communities, our employees and partnerships with like-minded organizations, including the International Crisis Group, World Economic Forum, Jesuit Relief Services, the Clinton Global Initiative and the Graça Machel Trust.

APCO is committed to continuing to support the SDGs and its Principles through our own policies and practices, as well as our work with clients. We are proud to share some of these activities in this report and, as always, welcome your feedback on this report or any of our initiatives.

Sincerely,



**MARGERY KRAUS**  
Executive Chairman



**BRAD STAPLES**  
Chief Executive Officer

# COMMUNICATING OUR PROGRESS

APCO Worldwide Inc. joined the UNGC in June 2010. This report is our sixth Communication on Progress (COP). All data contained in this document relates to the calendar year January – December 2015. In addition, some initiatives mentioned refer to the first quarter of 2016.

This report is in two parts:

## **PART 1**

Provides a short overview about APCO, including our 2015 organizational profile and our approach to governance, responsible business and citizenship.

## **PART 2**

Covers our policies, programs and actions to promote the UNGC's 10 Principles on human rights, labor, environment and anti-corruption. This section uses the "basic COP" template provided by the UNGC.

*A global cross-functional team was responsible for developing this report which was reviewed and approved by the Chair of APCO's Responsible Business Committee and by our Executive Chairman and CEO.*

# PART 1: ABOUT APCO

**APCO IS ONE OF THE LARGEST PRIVATELY OWNED** communication, stakeholder engagement and business strategy firms in the world. APCO has the distinction of being both majority employee-owned and certified by the Women's Business Enterprise National Council, in partnership with the Women Presidents' Educational Organization, as a women-owned business. To this accord, APCO is committed to serving our employee-owners and the communities in which they thrive.

**FOUNDED IN 1984**, APCO is the only major consultancy of its kind headquartered in Washington, D.C. We have offices in more than 30 major business, government and media capitals around the world. Our 680 permanent employees (as of December 31, 2015) comprise more than 40 nationalities and come from diverse backgrounds, including: former elected leaders; ambassadors; journalists; business and nonprofit executives; government officials; market researchers; as well as communication, corporate affairs and online experts.

**APCO'S GROWTH WAS MOSTLY ORGANIC** during its 31 years of operation. In 2015, our Global Leadership Team assessed and revitalized APCO's mission statement to encapsulate our values, which have remained constant since APCO's incorporation, and drive our firm forward in an exceedingly globalized society. We truly operate as a unified global firm, without barriers to collaboration. We celebrate diversity—of background, thought, culture and opinion. It is at the core of who we are and how we provide meaningful services to our clients.

**OUR PUBLIC AFFAIRS MINDSET** helps ambitious organizations thrive. By amalgamating our issue expertise, lens for advocacy and aptitude for finding creative solutions, we enable innovative businesses, facing complex problems, to thrive in an ever-changing global landscape.

# MISSION AND VALUES

In 2015, our Global Leadership Team met to discuss our company's mission and corporate values. In the first quarter of 2016, senior leadership relaunched our company's revitalized mission and reconfirmed values across the company. Through a series of discussions, our employees gained a new perspective on the importance of APCO's mission and the values that we adhere to in order to achieve our goals.

## OUR MISSION

Enable clients to achieve their objectives through insightful counsel, authentic advocacy and creative communications.

Counsel clients on the opportunities and challenges of a global marketplace and engaged stakeholders in times of transformational change.

Partner with clients to add value to their enterprises and benefit society.

## ACCOMPLISHING OUR MISSION

We accomplish our mission by fostering a culture of critical and unconventional thinking, which is made possible because of our commitment to hiring, growing and retaining exceptional people from diverse backgrounds.

We achieve results through a strategic understanding of our clients' objectives and deep insights into their political, economic and social environments.

While we operate as one integrated company with offices around the world, we secure our clients' license to operate and grow by delivering results that are locally relevant but globally impactful.

## APCO VALUES

- » Make client success our measurement of achievement
- » Empower people to do great work
- » Nurture an organization where everyone is valued
- » Rely on one another to achieve personal potential
- » Build relationships to build business
- » Tell the truth
- » Push the boundaries with innovative technology and solutions
- » Provide global service culture by culture



# APCO OFFICES

## AMERICAS

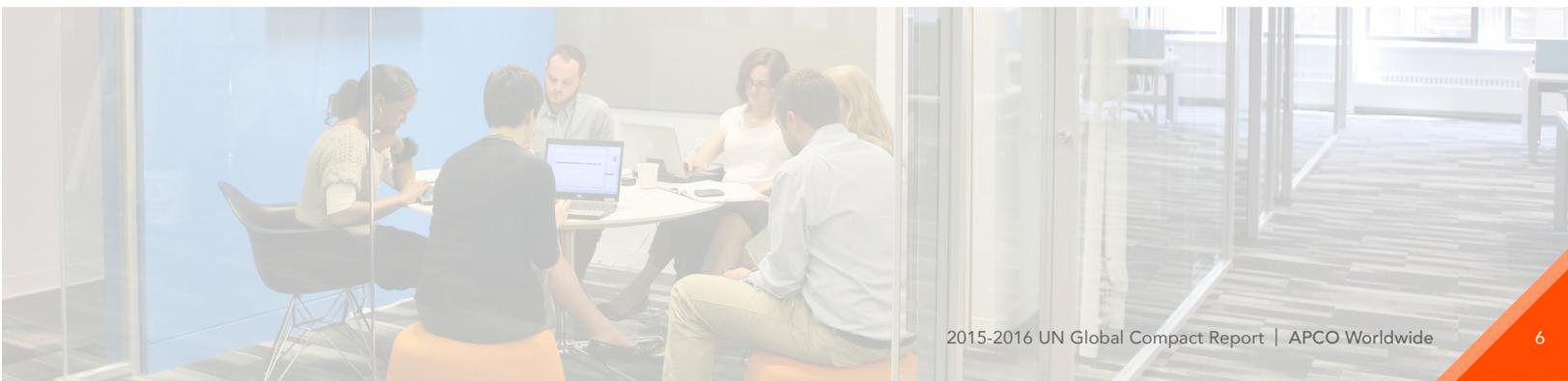
- » Chicago
- » New York
- » Raleigh-Durham
- » Sacramento
- » Seattle
- » Washington, D.C.

## EMEA

- » Abu Dhabi
- » Berlin
- » Brussels
- » Doha
- » Dubai
- » Istanbul
- » London
- » Lyon
- » Moscow
- » Paris
- » Rome
- » Tel Aviv
- » Warsaw

## ASIA

- » Bangkok
- » Beijing
- » Hanoi
- » Hong Kong
- » Jakarta
- » Kuala Lumpur
- » Mumbai
- » New Delhi
- » Shanghai
- » Singapore
- » Tokyo



# AWARDS AND RECOGNITION

## **EMEA PR Consultancies of the Year Awards 2016**

French PR Consultancy of the Year

*The Holmes Report*

## **EMEA SABRE Awards 2016**

Government Agencies

Securing a Historic Debt Restructuring Deal for Ukraine

Ukraine's Ministry of Finance with APCO Worldwide

*The Holmes Report*

## **EMEA SABRE Awards 2016**

Animal Care

Modernizing the Legal Status of Animals in France:

A Major Breakthrough in French Law

The Fondation 30 d' Amis with APCO Worldwide

*The Holmes Report*

## **CSR Awards 2016**

Agency CSR A-List

*PR News*

## **PRWeek UK**

### **Power Book 2016**

Brad Staples & James Acheson-Gray

*PRWeek*

## **Gold Awards 2015**

Awareness Campaign Video

Take 2...Tell 2 for Stroke video

*MarCom Awards*

## **Platinum Awards 2015**

Special Event

Take 2...Tell 2 for Stroke campaign

*MarCom Awards*

## **Top Places to Work in PR Awards 2015**

*PR News*

## **Platinum PR Awards 2015**

Public Affairs Campaign

IKEA's Wind Farm Announcement

*PR News*

## **Golden Trumpet Awards 2015**

Silver Trumpet

Issues Management

Take 2...Tell 2 For Stroke Campaign

*Publicity Club of Chicago*

## **EMEA Best Consultancies to Work For Awards 2015**

Best EMEA Network to Work For

*The Holmes Report*

## **CSR Awards 2015**

Agency CSR A-List

*PR News*

## **Middle East PR Awards 2015**

Financial PR

*Middle East Public Relations Association*

## **Luminary Awards 2015**

Entrepreneurial Champion

Margery Kraus

*Committee of 200*

## **Power List 2015**

Margery Kraus

*PRWeek*

## **Hall of Fame 2015**

Margery Kraus

*PR News*

## **Top Women-Owned Businesses 2015**

*Washington Business Journal*

# GOVERNANCE AND RESPONSIBLE BUSINESS

## GOVERNANCE

APCO Worldwide Inc. is governed by a board of directors, which has the legal and fiduciary duties to oversee the company's activities, management practices and financial performance. The five-member board has a unitary structure. Two of the board members (Margery Kraus and Neal Cohen) are APCO executives; one board member (David Greenberg) is independent; and two (Ron Boschetto and Neil Wiesenberg) are outside investors in the company. Three of the five members are non-executive members. The chair of the board is Margery Kraus, our founder and executive chairman. The board meets at least quarterly.

At the start of 2015, we had a significant transition to the next generation of leadership at the firm with the following appointments:

- » Margery Kraus as executive chairman
- » Brad Staples as global CEO
- » Evan Kraus as president and managing director of operations
- » Neal Cohen as president of global client strategy and vice chair of the board of directors
- » Nicolas Bouvier as chairman, Europe
- » Nelson Fernandez as chairman, North America

At the same time, APCO formed a Global Leadership Team (GLT) consisting of senior leaders that represent each of APCO's geographical regions to oversee the company's operations and progress of the business against its annual plan. The GLT meets each month and the membership is reviewed on an annual basis.

This new leadership reflects the diversity of our organization and reinforces the company's commitment to the changing global nature of business and communications and a shift in corporate interests to new, international markets. It also empowers the next generation of leaders at the company.

## GLOBAL LEADERSHIP TEAM MEMBERS

- » Margery Kraus
- » Brad Staples
- » James Acheson-Gray
- » Claire Boussagol
- » Nicolas Bouvier
- » Karen Buerkle
- » Alicia Peterson Clark
- » Neal M. Cohen
- » Nelson Fernandez
- » Mara Hedgecoth
- » Evan Kraus
- » Kathryn Medina
- » Lisa Osborne Ross
- » Mamoon Sbeih
- » Denise Teeling
- » Martina Tydecks



## RESPONSIBLE BUSINESS

As we conduct our work across the globe, we strive to be a responsible company in everything we do. Our commitment to conducting our business at the highest level of ethics and integrity is derived from the core values that have guided us since our founding. This commitment is embodied in our Code of Conduct, which sets forth the fundamental ethical principles that govern how we do business.

Our commitment to operating responsibly includes acting with strong ethics and integrity; adhering to standards of good governance and financial stewardship; supporting our local communities; and managing our environmental footprint. We comply with the local laws of every market in which we operate, adhere to industry codes of conduct to which we are a signatory and strive to meet stakeholder expectations.

In 2008, we established APCO's Responsible Business Committee (RBC) to provide oversight for management of APCO's Code of Conduct and responsible business policies and systems, including compliance and ethics training.

APCO's RBC is the steward of APCO's commitment to ethical and responsible business conduct. In addition to regularly reviewing and updating our Code of Conduct, the RBC corroborates staff members are provided training on ethical conduct and compliance with laws and works with senior management to help identify and resolve potential conflicts of interest with client work or APCO's values. The RBC guides [APCO's Global Leadership Team](#) on ethical matters and provides insights and information that helps inform decisions made by leadership around the firm. The RBC serves as a resource for employees who have questions, concerns or personal conflicts with the assignments we accept or how we operate. The RBC also works to help APCO adopt industry best practices in all areas of ethics, integrity and accountability.

OUR COMMITMENT  
TO CONDUCTING OUR  
BUSINESS AT THE HIGHEST  
LEVEL OF ETHICS AND  
INTEGRITY IS DERIVED  
FROM THE CORE VALUES  
THAT HAVE GUIDED US  
SINCE OUR FOUNDING.

## CODES OF CONDUCT

APCO has endorsed and adheres to the following codes of conduct in all our activities:

- » Association Française des Conseils en Lobbying (AFCL) (France) Code of Ethics
- » Association of Professional Political Consultants (UK) Code of Conduct
- » Confederation of Indian Industry (India) Code of Business Ethics
- » Council of Public Relations Firms (U.S.) Code of Ethics
- » Council of Public Relations Firms in Hong Kong (Hong Kong) Code of Ethics
- » Degepol (Germany) Code of Conduct
- » European Public Affairs Consultancies Association (EPACA) (Europe) Code of Conduct
- » Independent Commission Against Corruption (ICAC) (Hong Kong) Prevention of Bribery Ordinance (POBO)
- » International Association of Business Communicators (International) Code of Conduct
- » Public Relations Consultancies Association (PRCA) (UK) Code of Conduct
- » Public Relations Society of America (U.S.) Member Code of Ethics
- » World Economic Forum Partnership Against Corruption Initiative Code of Conduct

# EMPLOYEE DEVELOPMENT

Investing in staff's learning and development remains a top priority for APCO. We believe that continuous learning and increasing skills are important components of an employee's professional development and contribute to our success as a firm.

In 2015, we conducted a comprehensive assessment and revision of our training program in order to ensure it addresses our business competencies, reflects the needs of the organization, enhances client relationships and supports professional development. Our goal is for 100 percent participation so that all employees continuously enhance their business competencies and grow as professionals.

An example of our new training initiative that better reflects critical competencies is our focus on digital capability which is a key component for APCO achieving its business goals. This particular competency focuses on an employee's ability to become immersed in digital communications and apply those experiences to client work.

To complement our new training program, we built a state-of-the-art digital learning platform. This platform serves as a central hub for all things learning and development. Core skill gaps related to technology, project management or budgeting can be addressed at a much quicker pace and reach more offices through online courses.

## OUR FOCUS IN 2015 INCLUDED:

- » **APCO's Talent Network:**  
The Talent Network is an internal bureau of our subject matter experts that work closely to develop training with our head of learning and development. Pairing their expertise with multiple methods of delivery allows for more training to occur in many of our offices around the world.
- » **ARC: APCO's First Digital Learning Platform:**  
ARC hosts our centralized global learning and development calendar. Any training happening anywhere in the world is easy for our employees to find and join. It is a hub for all of our online courses and modules. And, it is designed to promote more best practice sharing and knowledge transfer within the company.



ARC Training for APCO Employees

- » **Alternatives to Traditional Training:**  
In an effort to create a culture around learning and not rely only on formalized training programs, we have made a coordinated effort to teach our colleagues around the globe about alternative approaches to learning and development.

We are proud to have won a number of industry awards that recognize our strength as an employer, including being named the "Best Large Agency to Work For" by The Holmes Report for the second year in a row at the North America SABRE Awards.

# EMPLOYEE ENGAGEMENT

## IN 2015, OUR EMPLOYEE ENGAGEMENT PROGRAM INCLUDED:

- » **Gallup Q12 Employee Engagement Survey:**  
In 2015, APCO assessed employee engagement by administering the Gallup Q12 Employee Engagement Survey. The highly accredited survey queried research-based questions that measure the most important elements of employee engagement.
- » **Recognizing Employee Milestones and Anniversaries:**  
APCO celebrates our employees by recognizing their anniversary of joining the company. Our executive chairman, Margery Kraus, handwrites personalized anniversary cards for all employees across the globe.
- » **Global Exchange Program:**  
To foster integration, share best practices and enhance cultural understanding, each year 15 employees are selected to spend time working in another APCO office around the world. Scholarships are awarded annually and those individuals selected are expected to contribute to the host office by sharing best practices, reviewing client engagements, experiencing the local culture and then returning to their home office to share their learnings and experiences with colleagues.
- » **Myriam Ugeux-Gerault Fellowship:**  
In an effort to promote creativity, build exposure to new ideas and encourage collaboration across APCO's global network, APCO's talent management team, in partnership with our Paris office, established the Myriam Ugeux-Gerault Fellowship. The fellowship is in honor of Myriam Ugeux-Gerault, a former APCO employee in the Paris office who passed away in 2009. APCO refined the application requirements for the fellowship in early 2016 to align more closely with our company's values. As of this year, one APCO employee has the opportunity to attend a conference to build his or her expertise in strategic communications, corporate social responsibility, innovation or digital communication. In addition, the employee has the opportunity to spend one week in our Paris office to learn and share best practices that promote creative communication strategies and responsible business behavior/sustainability.
- » **International Assignments and Global Mobility:**  
To provide the best level of client service, employees are regularly offered the opportunity to work in another country or at a client location to become an integrated part of a specific client's team. This provides the client with an extremely high level of service and the employee with a unique professional development

## MEMBERSHIPS

APCO is proud to be a member partner of the following organizations:

- » Arthur W. Page Society
- » Boston College Center for Corporate Citizenship
- » Business and Society, Belgium
- » Business in the Community (BiTC)
- » Business for Social Responsibility (BSR)
- » Clinton Global Initiative (CGI)
- » ColorComm
- » Institute for Public Relations
- » International Crisis Group
- » LAGRANT Foundation
- » PR Council
- » Public Affairs Council
- » Women Presidents' Organization
- » World Economic Forum Gender Parity
- » World Economic Forum Global Agenda Council on Anti-Corruption & Transparency
- » World Economic Forum Partnership Against Corruption Initiative (PACI)

experience. To ensure that opportunities for global mobility is at the cornerstone of our global offering to existing and potential employees, our global mobility specialist is dedicated to managing a database of employee skill sets that complement various international assignments.

# CITIZENSHIP AND COMMUNITY ENGAGEMENT

The APCO Gives Back program empowers employees to contribute to their communities through volunteerism with support from APCO—in the form of both time and financial resources. APCO Gives Back is a worldwide program, providing all APCO employees with the following opportunities:

## GROUP AND INDIVIDUAL VOLUNTEERISM

All APCO offices are encouraged to nominate an APCO Gives Back coordinator or committee to arrange and manage group volunteer activities for employee participation in hands-on projects (e.g., planting trees, serving meals, mentoring youth). In addition to group volunteering activities, APCO provides each employee with an opportunity to spend up to eight working hours each year volunteering with a charity or cause of their choice.

## CORPORATE GIVING AND CHARITY MATCHING

In 2015, APCO’s U.S. operations donated more than \$200,000 to community causes, including foundations and nonprofit sponsorships, corporate matching of employee donations for major disaster relief efforts and other employee donations to nonprofit and charitable causes.

## PRO BONO SERVICES

APCO makes significant contributions to our local communities and to global causes via pro bono work, contributing more than \$1 million in pro bono services across the globe. We support a wide range of nonprofit organizations around the world. Below is a small selection of our global pro bono activity; other examples are included throughout Part II of this report:

### » THE CLINTON GLOBAL INITIATIVE:

APCO is proud to provide pro bono communication and strategic counsel support to the Clinton Global Initiative (CGI). CGI’s mission is to inspire, connect and empower a community of global leaders to take action on the world’s most pressing challenges. CGI catalyzes its members—leaders from multinational corporations, social enterprises, governments and nonprofits—to maximize their efforts to alleviate poverty, create a cleaner environment and increase access to health care and education. CGI members have to date made more than 3,200 commitments, which have already improved the lives of nearly 430 million people in more than 180 countries. APCO helps CGI members gain interest in the causes they are addressing, demonstrate their successes and highlight the wide-ranging achievements of CGI as a whole. APCO’s Margery Kraus participates

in the annual strategy and planning meeting for CGI. APCO’s team handles press outreach before and during CGI’s Annual Meeting, including manning the press office of more than 1,000 journalists, as well as offering media and communication training to CGI member organizations. In the past few years, APCO has significantly increased its pro bono support for CGI and now manages all the press around CGI’s America meeting, its Middle East and Africa meeting in Marrakesh, as well as its annual meeting in New York. APCO has helped generate many millions of media impressions and hundreds of articles in leading news media, and our partnership with CGI has resulted in new levels of visibility for the tremendous work of its members and commitment-makers around the world. The pro bono partnership with CGI is a global effort, including colleagues from many APCO offices around the world.



Clinton Global Initiative

### » BUSINESS IN THE COMMUNITY (BITC):

APCO continues to provide pro bono support to BITC, a business-led charity with a core membership of more than 800 organizations, ranging from small enterprises to global corporations, working together to create a fairer society and more sustainable future. In addition to APCO’s Brad Staples providing strategic counsel through his role on BITC’s International Leadership Board, the APCO team provides varied communications advice.

» **LITERATURE FOR ALL OF US:**

Literature for All of Us (LFAOU), a Chicago organization that enables individuals to realize the transformative power of their voices in the face of social and economic inequity by growing communities of readers and writers, asked APCO for counsel related to refreshing its branding and design as well as a review of its communications strategy to help raise the organization’s profile among key audiences including donors, the media and the local community. APCO evaluated the organization’s logo and provided guidance for developing a new design that would better align with LFAOU’s mission. We also reviewed their communications materials and provided branding and positioning counsel related to the organization’s mission statement, annual program report, fundraising activities and videos, redesigned website (to be launched in 2016), social media channels, media relations efforts and more. As LFAOU approaches its 20th anniversary later this year, the organization is working to implement our recommendations. They are in the process of updating their logo, the new mission statement we helped develop will soon be approved, and the report we delivered containing actionable recommendations related to communications and fundraising serves as a guidebook for staff.



*Literature for All of Us*

» **THE NIGHT MINISTRY:**

The Night Ministry is a Chicago-based organization that offers housing, health care and human connection to members of the local community struggling with poverty or homelessness. They asked APCO to review their communications program and offer counsel on ways they could more effectively reach target audiences. In order to get a better sense of the organization, we interviewed senior leaders at The Night Ministry including the CEO and Director of Communications, held a focus group with the organization’s younger leaders to gather their insights and gathered input from staff and volunteers. We also reviewed the organization’s communications plan and other materials. APCO developed a strategy to help The Night Ministry streamline its communication efforts, effectively reach target audiences, increase awareness of the organization and drive involvement. Recommendations included ways to improve the organization’s storytelling, news dissemination, annual report and logo. We also provided guidance related to social media, thought leadership, visibility, partnerships, marketing materials and earned media.

» **LANDMARK GROUP:**

APCO’s UAE client, Landmark Group, aimed to initiate a campaign addressing diabetes—where it is estimated that one out of five people in the UAE live with the disease. Together, they launched a Beat Diabetes Walk. The walk kicked off in Dubai in 2009 and APCO has supported the cause ever since. Leading into 2015, APCO worked with Beat Diabetes team on extending the initiative to seven countries—Bahrain, Oman, UAE, India, Kuwait, Qatar and the Kingdom of Saudi Arabia. The last Beat Diabetes Walk, in November 2015, had 17,000 participants in the UAE alone. Throughout the rest of the year, APCO engaged Landmark Group in various awareness drives, including community outreach initiatives and media engagement. Landmark

Group's 500+ stores across the UAE raised more than AED350,000 from the walk last year. These funds were earmarked to the Al Jalila Foundation to further the cause of diabetic research.

» **STREETGAMES:**

APCO worked with StreetGames to advise on how best to promote their doorstep sports among a corporate audience. StreetGames provides sporting opportunities for disadvantaged youth in an effort to change lives, sports and communities. They partnered with APCO on a pro bono basis to attract new sponsors and benefactors. APCO devised Pinstripe Ping Pong, a corporate ping pong competition for companies to come together, presenting teams to compete at an annual fundraising event. The event engaged companies in an intra-firm competition in an unconventional and enjoyable approach to offices' sports participation. APCO organized and hosted the inaugural event, gathering key stakeholders at Bounce in Farringdon. APCO and StreetGames solicited prizes and donations through their respective professional networks which were auctioned off by a Wimbledon star.



APCO provides more than \$1,000,000 in pro bono services across the globe.

**HUMANITARIAN EMERGENCY AND DISASTER RESPONSE**

APCO provides opportunities for employees to support people impacted by humanitarian emergencies and disasters around the world by matching employee donations up to US\$10,000.

**COMMITMENT TO LEADERSHIP DEVELOPMENT AND CIVIC SERVICES**

In addition to the activities above, members of APCO's senior management team serve in leadership positions via important civic and educational organizations, including university trustees, educational foundations, civic organizations, community foundations, industry oversight bodies and professional societies.

**EXECUTIVE LEADERSHIP BOARD MEMBERSHIPS**

- » American University
- » Close Up Foundation
- » French Lobbying Association Ethics Committee
- » Gideon's Promise
- » Institute for Public Relations
- » Kellogg School
- » Women Presidents' Organization

» **INTERNATIONAL HEALTH PARTNERS:**

APCO works for Health Distribution Association UK (HDA) which partners with International Health Partners, a charity that helps to provide medicine for those in need. It is Europe's largest coordinator of donated medicines. HDA UK is a supporter of the IHP and offers its office space and its members support to IHP.

» **UNAPEI:**

Our Paris office signed a partnership with the UNAPEI, the French Union of the Associations of Relatives and Friends of People with Mental Disabilities. Through two strategic workshops, APCO provided pro bono support, ideas and counsel for a UNAPEI campaign to promote reforms in favor of the mentally disabled regarding anticipated French policy changes in 2017. APCO also held a two-day training session to help UNAPEI define and implement its social media strategy in the context of the organization's repositioning.

# CHALLENGES AND OPPORTUNITIES

Each year, we assess the issues that have a material impact on our business. As noted in previous reports, these issues—trust, transparency and talent—do not change from year to year as they are core to our ongoing success and growth across all of our markets.

» **TRUST:**

Societies around the world have languished in a decade of eroding levels of public trust in all types of organizations—including our own industry. We work every day to build trust with our clients, their stakeholders, our colleagues and communities. We have in place strict policies and protocols that apply to everyone in the company that aim to preclude potential conflicts among existing clients and also with APCO's mission and values as a global company.

» **TRANSPARENCY:**

The only way we can build trust with our clients and their stakeholders, our employees and the public is to be transparent about who we are, what we believe and do and how we conduct our business. It is an essential part of building and growing a successful enterprise.

» **TALENT:**

Our business will only succeed if we have the right employees in place with the right skills and expertise to meet our clients' needs. We work to attract and retain a diverse, creative and knowledgeable group of people who want to work across borders, issues and platforms to solve problems and advance goals while building their careers at APCO.

Working with senior leadership, we seek to ensure that the issues are adequately and clearly addressed through our corporate policies and practices and the industry codes of conduct and ethics to which we all adhere.

TRUST, TRANSPARENCY  
AND TALENT ARE CORE  
TO OUR ONGOING  
SUCCESS AND GROWTH

# CHAMPIONING WOMEN & GIRLS FOR SUSTAINABLE GROWTH

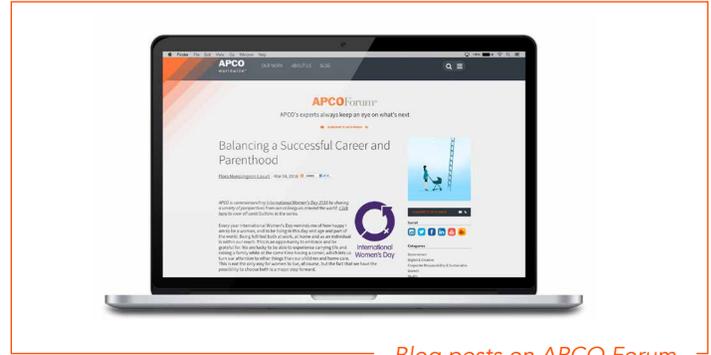
## A CERTIFIED MAJORITY WOMEN-OWNED BUSINESS:

APCO is certified by the Women’s Business Enterprise National Council, in partnership with the Women Presidents’ Educational Organization, as a women-owned business.

As the largest certified majority women-owned global business in our industry, our passion for women and girls is part of our DNA as a firm and reflected in our offices across more than 20 countries.

**INVESTING IN WOMEN** is not only the right thing to do, but it is also critical to the success of businesses, governments and organizations. We believe that by investing in and advocating for women—whether internally at APCO, as part of our extensive client and pro bono work in this space or through the active external leadership of our employees—we can help strengthen business outcomes and create benefits for families, communities and countries. Our multifaceted commitment to women, through our work in all these areas, underscores APCO’s commitment to a wide range of UNGC principles, including those focused on labor and human rights.

March 8 marks International Women’s Day and this year, APCO celebrated across all of its offices. We are proud that our senior management is composed equally of women and men and that our Global Leadership Team has women in the majority. Our Executive Chairman and Founder Margery Kraus has been a determined and consistent advocate for women in business, a mentor and role model to many women in the company and beyond. Adding to thought leadership on this topic, a number of APCO’s colleagues wrote blog posts on issues related to women’s empowerment.



Blog posts on APCO Forum

- » [Future of Jobs and its Impact on Gender Parity](#)  
by Anna Tunkel
- » [Celebrating Mentors and Role Models](#)  
by Becky Boles and Laura van Drie
- » [Balancing Successful Career and Parenthood](#)  
by Flora Monsaingeon-Lavuri
- » [The Value of Mentorship](#)  
by Ashley Knapp
- » [If Money Wasn’t an Issue, What Would You be Doing with Your Life Today?](#)  
by Natasha Gray
- » [Do Rankings of the “Best Places to Work for Women” miss the point?](#)  
by Abisola Adekoya



At APCO, women account for:

- » 50% of leadership positions in geographic and global operations
- » 50% of global accounts leads

# CHAMPIONING WOMEN & GIRLS FOR SUSTAINABLE GROWTH: PRO BONO WORK

In the last year, we saw heightened levels of activity and engagement by businesses, governments and community organizations alike. There is now widespread understanding that investing in women and girls is a wise use of resources. As a result, we are seeing our clients shift their focus beyond simply making the case for investment in this space, to trying to better understand how best to enhance their impact. Actors in this area are digging deeper, tackling bigger challenges and paving the way for a more prosperous future. Here are just a few examples:



Championing the progress of women and girls globally is part of our DNA and has been for 31 years.

» **WECONNECT INTERNATIONAL:**

WEConnect International is a global nonprofit that helps women-owned businesses succeed in global value chains. It identifies, educates, registers and certifies businesses that are owned and managed by women, and connects them with multinational corporate buyers. WEConnect International approached APCO to help tell the organization’s story and communicate the value of its program to both corporate funders and women business owners. In order to get a better sense of the organization, we first interviewed senior leaders at WEConnect International and reviewed the organization’s communications strategy and materials. WEConnect International possessed a strong track record and solid data to support its program, but was looking to communicate its work to new funders and business owners in a simple, more relatable way. APCO worked closely with WEConnect International to unpack its organizational model and help crystalize its mission into a set of simple, straightforward messages that could resonate with both corporate funders and women business owners. Taking those messages, APCO developed a two-minute animated video to help bring WEConnect International’s mission and model to life. The video featured colorful custom animation, designed to communicate the human impact and the global reach of the organization and its work. The video received immediate positive feedback from WEConnect International’s top donors and is currently



— WeConnect International Motion Graphic —

featured prominently on the WEConnect International website. WEConnect International uses the video as a recruitment tool, helping them engage new corporations and women-owned businesses worldwide.

» **WOMANITY:**

The Womanity Foundation was established by Swiss entrepreneur Yann Borgstedt, following research which found that empowering women creates sustainable change for whole communities; as when women succeed, they reinvest their wealth into families and wider society. APCO has supported the Womanity Foundation by promoting its various projects, including ‘Girls Can Code’ which is expanding career prospects for girls by teaching them to code, and ‘Worth 100 Men’ a radio fiction series broadcast throughout the Arab region. The series provides a platform for women to discuss social issues such as their role in society, their rights and responsibilities and the problems they face in private and in public.

THERE IS NOW  
WIDESPREAD  
UNDERSTANDING  
THAT INVESTING IN  
WOMEN AND GIRLS  
IS A WISE USE OF  
RESOURCES.

# PART 2: UNGC PRINCIPLES

In the pages that follow, we provide a summary of APCO's internal policies and practices aligned to support the UNGC Principles.

We also included examples of how we apply the principles to our work with clients around the world. Many of the examples of our client work that are cited align with multiple principles, particularly our work focused on human rights and labor practices.

# HUMAN RIGHTS PRINCIPLES

## **PRINCIPLE 1**

Businesses should support and respect the protection of internationally proclaimed human rights; and

## **PRINCIPLE 2**

Make sure they are not complicit in human rights abuses.

# APCO'S POLICIES, OPERATIONS AND GOALS

Support and respect for human rights is an integral part of APCO's values. These values transcend geographic boundaries and are embraced in every APCO office. In addition, at the core of APCO's governance are two essential policies with which all employees of APCO and its subsidiaries are required to comply—APCO's Code of Conduct and APCO's Anti-Discrimination and Equal Employment Opportunity Policy.

**APCO'S CODE OF CONDUCT** details the high standards of behavior expected of all APCO employees in their interactions with each other, vendors, clients, prospective clients, government officials, etc. Underlying the Code of Conduct is a belief in treating others with respect and acting in good faith and with transparency in all transactions.

**APCO'S ANTI-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY POLICY** prohibits APCO employees from engaging in or supporting discrimination. Specifically, it is APCO's policy to: (i) recruit, hire and promote the most qualified staff for all jobs; and (ii) ensure that all staff actions (including, but not limited to, recruitment, hiring, compensation, benefits, transfers, layoffs and all company-sponsored training, social and recreational programs) are administered in a non-discriminatory way without regard to an applicant's or employee's race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, gender identity or expression, family responsibility, disability, veteran status, education, political affiliation, genetic information or any other classification protected by applicable law.

As a global organization, other APCO regions such as Greater China, Europe and Southeast Asia have also enforced equal employment policies. Such policies protect employees from discrimination based on their sex, marital status, disability or pregnancy. These policies set in place allow all individuals to receive the same opportunities with regard to recruitment, hiring, promotion and compensation.

In addition, some of APCO's offices have contributed to fundraising and other initiatives supporting anti-discrimination causes.

APCO'S VALUES  
TRANSCEND  
GEOGRAPHICAL  
BOUNDARIES AND  
ARE EMBRACED IN  
EVERY OFFICE.

# APPLICATIONS IN EXTERNAL WORK

In addition to respecting human rights in our own operations, we contribute to promoting awareness and respect for international human rights through pro bono and client assignments, including:

» **CHOBANI:**

Chobani’s Founder Hamdi Ulukaya, a Turkish-American entrepreneur and immigrant, recently established the Tent Foundation, an organization seeking to improve the lives for refugees around the world. The Tent Foundation desired to highlight their bold commitment to unlocking new solutions regarding the global refugee situation at the World Economic Forum’s Annual Meeting in Davos. They tasked APCO with helping to establish a presence at Davos and unveil a new initiative encouraging the private sector to take action in support of refugees. APCO also activated groundbreaking research regarding public opinion toward refugees across 10 countries and launched a grant contest aimed at resolving the refugee situation. Utilizing our colleagues across the globe, APCO assembled a team to gain coverage in top-tier international and national news media across six markets and in five languages. The team successfully set the tone for dialogue and commentary at Davos. APCO also developed a comprehensive database of more than 300 leading European civil society organizations with an interest in refugees and migration issues.

» **GLOBAL ALLIANCE FOR IMPROVED NUTRITION:**

Today, nearly 2 billion people around the world suffer from “hidden hunger” or the lack of access to essential micronutrients, causing high rates of infant mortality, physical and mental disabilities and stunted economic potential. The Global Alliance for Improved Nutrition (GAIN) sought to raise awareness and move the international community into action during its Food Fortification summit in Tanzania. APCO led the development and delivery of a #FutureFortified campaign to renew interest in food fortification as a global development tool. Supporting GAIN in three time zones, APCO provided creative strategy assistance, identified and engaged key stakeholders and developed a robust online advocacy campaign. APCO also provided messaging support and worked with key journalists to elevate GAIN’s advocacy. APCO developed and managed a digital campaign—#FutureFortified—which it used to engage key stakeholders and the general public in the issue of food fortification. Our activities here included engaging development, food and ‘mom’ bloggers with content about food fortification, developing a partnership with Devex which we used to co-host Twitter parties and Twitter Q&A’s in the run up to the Summit, and running



GAIN #FutureFortified



BBC Coverage of GAIN

a Thunderclap campaign to engage the general public in the issue of food fortification. As a result of these online advocacy efforts, we amplified the key messages of GAIN online and facilitated 28.2 million digital impressions. APCO also garnered substantial, high profile media interest around GAIN’s Arusha summit and advocacy for food fortification, securing coverage in the New York Times, Al Jazeera America, BBC, The Financial Times, Forbes, National Geographic and other publications.

» **WHIRLPOOL:**

Our Rome office is an ongoing supporter of Whirlpool and the Italian Red Cross' initiative to help refugees in the region. Whirlpool provided equipment for Italian Red Cross reception centers in Rome, Milan-Bresso and Ventimiglia. APCO's team assisted with media relations and public engagement for its client on the CSR initiative.

Throughout our client assignments, we strive to provide guidance on adherence to the Universal Declaration of Human Rights and other international instruments, including providing specific recommendations to promote and respect human rights and the rule of law in certain countries in Africa, Eastern Europe and Southeast Asia.

**INTERNAL IMPLEMENTATION**

In order to keep our values at the forefront of what we do, APCO takes several concrete actions to ensure employees understand the importance of our values, the spirit we intend by living its values, and that its actions match its words. It starts at the very beginning of the employee life cycle.

**BEFORE JOINING THE FIRM**

During the hiring process, candidates are interviewed not only by the hiring manager, but also by their potential peers. This is to ensure that the candidates understand the importance of integration and respecting diverse viewpoints as a core value of the firm. Regular interview skills training is provided to employees to ensure candidates are treated fairly and have a positive interview experience.

**NEW EMPLOYEE ORIENTATION**

During the first few days of joining APCO, the firm's values, as well as APCO's Code of Conduct and our Anti-Discrimination and Equal Employment Opportunity Policy, are reviewed with all employees as part of the standard Global Orientation Program. This underscores the importance of following and abiding by these principles in employees' interactions from the very start of their employment.

**ETHICS COMPLIANCE LINE**

APCO has a global compliance line that provides employees with an additional avenue to raise questions or file complaints about unethical or illegal conduct. This line is monitored daily and was implemented in 2009.

When concerns are raised, whether it be through direct-line management or via another reporting channel (Human Resources, General Counsel, Responsible Business Committee, etc.), we determine the appropriate course of inquiry and party best suited to pursue follow-up action.

Typically, most questions or concerns about following a specific business practice or the use of a reporting tool are handled by members of the Responsible Business Committee. Claims that are more serious in nature or have a personnel implication are handled by the office of the general counsel and the senior human resources executive collaboratively. Significant issues, if any, are brought to the attention of the Global Leadership Team. Annually, a report is prepared for the company's Global Leadership Team on usage of the compliance line and trends.

In 2015, there were no calls received by the global compliance line.

**MEASUREMENT OF EMPLOYEE ETHICS TRAINING**

**2015 Performance:** In 2015, APCO created a new anti-corruption training program. The training was implemented by our General Counsel and Human Resources, who met consecutively for eight months to ensure immediate improvement of the training, as well as its attendance. As a result, our new anti-corruption training is now an interactive module that is easily accessible on APCO's internal portal. In addition, the new training is also mandatory and requires the completion of a rigorous exam that all new hires must pass in order to be considered ethically compliant with the business.

# LABOR PRINCIPLES

## **PRINCIPLE 3**

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

## **PRINCIPLE 4**

The elimination of all forms of forced and compulsory labor;

## **PRINCIPLE 5**

The effective abolition of child labor; and

## **PRINCIPLE 6**

The elimination of discrimination in respect of employment and occupation.

# APCO POLICY AND GOALS

We adhere to the employment laws in each of the countries we operate to ensure that individuals meet country and local employment eligibility standards, such as regulations governing age, among other things. Furthermore, APCO's equal opportunity policy, mentioned above, provides the framework for non-discriminatory actions affecting labor.

APCO does not prevent employees from joining trade unions. Our approach to human resources is to foster and maintain an open and transparent work environment to address any issues raised by employees in accordance with applicable law and with our values and policies.

We do not promote, engage or employ child labor in any of the countries in which we operate, and our anti-discrimination policy clearly defines the company's position on employment practices that may harm communities or individuals on a broad range of personal characteristics.

We implemented a Diversity & Inclusion (D&I) Program in 2009 and clearly stated our D&I goals to be the employer of choice in our industry for diverse talent. We have a long-term goal to be recognized as the undisputed, most diverse agency by 2020. We firmly believe the very best solutions, products and contributions come from the diversity of our people and their backgrounds and experiences, and APCO has a competitive distinction when we fully embrace and leverage this belief.

In 2015, we continued our focus on education, supporting educational efforts of women and minorities, educating ourselves and educating others.

APCO is committed to a healthy and safe work environment for all our employees and we take pride in creating environments that are not only compliant with various country regulatory standards in this respect, but are also pleasant environments for our employees to work. We have a number of policies and procedures in place to address health- and safety-related issues. Whether it is complying with Belgian standards of ensuring access to natural light into employee work spaces, or confirming that hallways and furniture are laid out with adequate

distance to meet U.S. fire standards, we are diligent in our practices to create a healthy and safe work environment for APCO employees around the world. In fact, we installed new ergonomic work stations and standing desks for all employees in our new headquarters' office space. Throughout different offices we encourage our employees to lead a healthy lifestyle. Examples of this include some offices organizing fun and healthy competitions for losing weight, playing on organized sports teams, etc. Our wellness program also provides the opportunity to receive rewards for demonstrating healthy behaviors.

In addition to our formal procedures and directed opportunities, we built the firm on a spirit of mutual respect, which is an essential part of how we collaborate so well together across projects and continents.

## IMPLEMENTATION

### NON-DISCRIMINATION, CHILD AND FORCED LABOR:

We take a number of actions to ensure a work environment free of discriminatory practices and do not allow or condone the engagement of child or forced labor. Employees of APCO's worldwide offices enter willingly into employment contracts (if required by law) reflective of the laws of the country in which they work and reside, and we follow market standard practices with regard to notice period requirements.

The global compliance line (referenced previously) is promoted throughout APCO's offices (through posters, brochures, wallet cards and information on APCO's intranet) as one mechanism for reporting issues or concerns about inappropriate or disrespectful behavior. This compliance line is monitored by the senior human resources executive for follow-up and action, as necessary.

### HEALTH AND SAFETY:

During our standard orientation program, all new hires are provided with information on health and safety practices for their local office, including: fire evacuation routes, alarm testing procedures, leave reporting procedures for employees to follow in the event of national emergencies, inclement weather procedures and policies prohibiting drug use at work.

We take steps to abide by health and safety requirements on an ongoing basis including, but not limited to, participation in emergency drills, confirming the ban of any weapons or dangerous instruments on work grounds, ensuring smoke-free work environments in all countries

WE BUILT THE FIRM  
ON A SPIRIT OF  
MUTUAL RESPECT

where smoking in buildings is banned, and checking that all building dimensions continue to meet the building code standards for emergency evacuation, as well as accommodating individuals with mobility impairments.

**DIVERSITY:**

To ensure the spirit of the employment (labor) policies and practices are maintained, our human resources team reviews progress against the stated D&I goals, as well as performing market-based pay survey research in the majority of the countries in which APCO operates. In doing so, we ensure sound practices and are able to continue to offer competitive wages without any adverse or unintentional pay discrimination practices.

Given the shortage of diverse talent expressing interest in pursuing careers in our industry, we have taken a long-term strategic focus on education and it is quickly becoming one of the cornerstones of the D&I program. We have learned that through educational outreach, we can make great strides in reaching a key constituency of future potential candidates and creating a greater awareness of diversity in our industry.

Striking the right balance and diversification is something we are committed to today and in the long term. We are proud of our accomplishments to date in working towards creating a diverse and inspired workforce and know there is always more work to be done.

**LABOR PRINCIPLES APPLIED TO EXTERNAL WORK**

» **KICKSTART INTERNATIONAL:**

KickStart International is designed to lift millions of people in Africa out of poverty quickly, cost-effectively and sustainably. KickStart succeeds by designing, promoting and mass-marketing simple money-making tools that farmers buy and use to start highly profitable family enterprises. KickStart International approached APCO to help tell the organization’s story through a motion graphic video that would accompany the launch of their new website. In order to get a sense of the organization, its mission and values and its overall goal,

we met with the main client to discuss the purpose of the motion graphic and where it would be used. We then wrote a script that detailed the exact language that would be used throughout the 2–3 minute video. The video is a motion graphic so each frame is an illustration done by our design team. The KickStart International team was extremely happy with the outcome of the video. They praised it by saying they had never seen anything like this for their organization and it was going to change the way they shared their messaging.

**MEASUREMENT OF OUTCOMES**

Focus Area: Diversity and Non-Discrimination

- » 30.9% of our U.S. team was classified as minority in 2015, according to EEOC designated ethnic categories.
- » Health and Safety: in 2015, we had no serious incidences or work-related injuries reported.



*Kickstart Motion Graphic*

# ENVIRONMENTAL PRINCIPLES

## **PRINCIPLE 7**

Business should support a precautionary approach to environmental challenges;

## **PRINCIPLE 8**

Business should undertake initiatives to promote greater environmental responsibility; and

## **PRINCIPLE 9**

Business should encourage the development and diffusion of environmentally friendly technologies.

# APCO POLICIES AND GOALS

Our environmental footprint arises primarily from our office operations and business travel. Accordingly, our global policy is based on adhering to all applicable environmental laws and regulations, while at the same time applying the principles of reduce, reuse and recycle in the workplace, using a Green Office checklist covering office and IT energy efficiency, office supplies and recycling, travel preferences and large company meetings.

A pilot program conducted with several of our mid-sized offices showed that office energy usage, business air travel and paper usage constitute the main elements of our carbon footprint (scope 2 and 3 emissions). While we have not yet developed the capacity for a consistent internal environmental data collection system, individual offices have taken steps to decrease air travel and paper use. We work with landlords and property owners to address office energy use. For instance:

- » APCO's global headquarters moved to a new building in the first quarter of 2016. In an effort to minimize the amount of material disposed in landfills, our chief information officer launched a "TRASHED" campaign, in which all recyclables and e-waste were properly disposed of.
- » APCO's Paris team provides all employees with recycling-only bins, trains cleaning staff on waste sorting and provides information on recycling to all French employees. Used IT devices are now donated to Emmaus, one of the leading French nonprofit organizations, which employs marginalized workers to refurbish IT devices and resell them at low prices—also contributing to the fight against unemployment. The team is now focusing on further reducing waste generation and energy consumption in Paris—notably by optimizing our electricity usage and reducing the amount of packaging in the food and beverages offered to employees and visitors to our office.

## GLOBAL HEADQUARTERS OFFICE MOVE:

With the relocation of our global headquarters' office space in Washington, D.C., APCO seized the opportunity to transition from an on-premise IT service to a cloud-based service. With this transition, we eliminated the need for large, energy-consuming hardware appliances in our server room and, in result, reduced our company's global footprint. Additionally, we configured a more efficient workspace, reducing our overall office footprint by 20,500 square feet.

## BUSINESS AIR MILES:

In 2015, APCO's business air miles totaled 6,296,604; this is an increase from 2014's business air miles, which totaled 5,388,327. The nature of our business as a global consultancy firm requires us to appear onsite with our clients. We would not be able to be impactful, nor effective in performing the work that we do without sending our people on business travel. However, we have attempted to minimize our business air miles for internal meetings by installing advanced teleconference technology in our conference rooms across the company—including our new global headquarters office in Washington, D.C. We are committed to utilizing our resources to the fullest extent and reducing our footprint for internal collaboration moving forward.

We also took several steps to decrease our use of energy globally, including:

- » Creating a nearly 100 percent laptop work environment across all offices.
- » Centralizing our server/IT network by collapsing our regional infrastructures into one worldwide shared facilities location.
- » Consolidating our server through virtualization—moving from physical boxes to virtual machines, resulting in substantially lower power consumption.

# APPLICATIONS IN EXTERNAL WORK

In addition to focusing on our own operations, we contribute to promoting environmental responsibility and greener technology through pro bono and client assignments, which in 2015 and early 2016 included:

» **E-WASTE MANAGEMENT IN INDIA:**

The Indian Government and the industry were unanimous on the view that waste needs to be efficiently managed from a social and environmental standpoint. However, there still was a need for them to mutually arrive at a consensus by understanding the practical and cultural realities on the ground. The government came up with rules and guidelines to address the issue of e-waste management, but on-the-ground implementation of the rules was a major challenge for most companies. This was largely because of the existence of the informal sector which even now continues to manage over 90 percent of India’s waste in an unscientific manner, causing serious damage to health and the environment. APCO prepared a comprehensive position paper which covered the entire eco-system and attempted to bridge the gap between the government’s intent and industry’s commitment to reach a practical solution required to make India environmentally safe of all risks from waste. The position paper was widely circulated within various ministries and departments such as the Prime Minister’s Office, Ministry of Environment, Forests and Climate Change, Department of Information and Technology, Ministry of Commerce and industry organizations. Several recommendations and concepts proposed in the paper were incorporated while drafting the new Waste Management Rules 2016.

» **ELANCO:**

APCO’s Chicago office helps their client, Elanco, with their One Health program. Animal health, human health and the environment are all interconnected. Elanco is bringing together key stakeholders (i.e. livestock companies, meat processors) to address new ways to ensure all are working for One Health. We continue to support both programs.



Elanco Advertisement

» **ROCKEFELLER FOUNDATION:**

APCO provides support to the Rockefeller Foundation's 100 Resilient Cities initiative in Asia, Europe and the Middle East, providing strategic communications support for their program dedicated to helping cities infuse resilience into their planning and public services. Climate change and natural disasters are a major component of this initiative as cities around the world look to mitigate against critical environmental and weather-related risks. We have helped 100 Resilient Cities across our three regions to help explain why resilience is an important issue for policy makers (often alongside city halls and mayors' offices) and the public, and help communicate these challenges and the recommended solutions.

» **EILAT-EILOT RENEWABLE ENERGY INITIATIVE:**

APCO's Tel Aviv office provided pro bono advisory services to this nonprofit and nongovernmental organization which promotes the development and proliferation of renewable and clean energy as a means to increase energy independence and as a catalyst for regional development. The initiative capitalizes on the area's natural resources and abundance of sunlight and open spaces to power over 70 percent of the region's daytime energy with solar. To this end, APCO advised on the promotion of the Eilat-Eilat Initiative among local and international stakeholders to enhance awareness, attract investment and place renewable energy development as a critical imperative to ensuring a cleaner and brighter future for Israel. APCO continues to provide pro bono support for the initiatives' bi-annual conference and strives to help place the development of off-grid/micro grid systems—for domestic use and for export—a national imperative.

**ACCCRN**

APCO has supported the Rockefeller Foundation's Asian Cities Climate Change Resilience Network (ACCCRN) for the past six years by helping raise awareness of ACCCRN and its commitment to developing and implementing effective methods of responding to changing climatic conditions. The APCO team provides a full suite of media relations, stakeholder engagement and online communications services in the six countries where ACCCRN operates: Bangladesh, India, Indonesia, the Philippines, Thailand and Vietnam.

# ANTI-CORRUPTION PRINCIPLES

## PRINCIPLE 10

Business should work against corruption in all its forms, including extortion and bribery.

As indicated earlier in this document, APCO has focused a great deal of our time and attention on anti-corruption efforts. The reality is that society as a whole will not be able to address the critical social issues facing the world today—poverty, global health, universal education, economic opportunity—unless we are able to continuously decrease levels of corruption, extortion and bribery in both the public and private sectors around the world.

# APCO POLICY AND GOALS

As a professional services company with subsidiaries around the world, APCO's legal team undertakes ongoing risk assessments, paying heightened attention in those countries where APCO does business and, in particular, where there is an overlap with Transparency International's Corruption Perception Index which shows a culture of corruption. APCO considers the totality of the circumstances in managing bribery risk. Factors taken into consideration in deciding the amount and kind of risk assessment needed include the sector in which APCO is providing services, the value and duration of the project, the economic structure of the engagement, and whether third-party consultants, agents and/or affiliates are being engaged.

APCO has zero tolerance for corruption, bribery and extortion. This is clear in our Code of Conduct and policies dealing with the Foreign Corrupt Practices Act and the UK Bribery Act which clearly state that a breach of their anti-corruption, bribery and extortion standards is grounds for immediate termination. APCO is also a signatory to several industry codes (see sidebar on page 9) that have provisions relevant to anti-corruption, i.e., the World Economic Forum's Partnering Against Corruption Initiative (PACI) supporting the PACI Principles for Countering Bribery, the UK Association of Professional Political Consultants Code of Conduct, the International Association of Business Communicators (IABC) Code of Ethics for Professional Communicators and the Confederation of Indian Industry Code of Business Ethics.

APCO has zero tolerance for corruption, bribery and extortion.



APCO has procedures in place to ensure compliance with the requirements of the UK Bribery Act and the U.S. Foreign Corrupt Practices Act.

## IMPLEMENTATION

Anti-corruption is embedded in APCO's culture. Its compliance program takes many forms including:

- » Formation in 2008 of the Responsible Business Committee—see page 9.
- » Regular executive memos to all staff on APCO's commitment to ethics, integrity and social responsibility.
- » Revised and relaunched ethics and compliance training that includes APCO's Code of Conduct, Foreign Corrupt Practices Act and UK Bribery Act policies.
- » Extra training attention given to those offices in countries where there is a known culture of corruption.
- » Legal alerts written by APCO's legal team and sent to all staff reminding staff of anti-corruption requirements.
- » Memos from APCO's founder and executive chairman on the use of the Compliance Line, along with additional training on reporting alleged misconduct either through the Compliance Line or directly with management as part of APCO's Ethics & Compliance training.
- » Procedures for evaluating entertainment, hospitality and gift expenses for clients to distinguish between reasonable expenses and lavish expenditure that could be considered a bribe.

Responsibility for anti-corruption implementation within APCO rests with the Responsible Business Committee and the office of the General Counsel. However, each individual at APCO is responsible for abiding by APCO's anti-corruption policies, its Code of Conduct and the law, and for reporting any perceived misconduct.

# APPLICATIONS IN EXTERNAL WORK

APCO requires its business partners to adhere to anti-corruption principles and has instituted procedures to implement compliance. APCO's policy is to conduct due diligence on third-party consultants, agents and affiliates/strategic partners. APCO also requires its affiliates/strategic partners to sign onto its Charter for Professional Ethics & Conduct for Strategic Partnerships, which includes anti-corruption requirements, and to contractually represent and warrant that they will not participate in corrupt acts.

APCO's executive chairman participated in the Pearl Initiative Regional Forum on Raising Anti-Corruption Standards in the Gulf Region. Leaders from across the globe gathered together to discuss and share ideas that organizations can implement to improve anti-corruption across the Gulf.

APCO continued its involvement and commitment to upholding global anti-corruption standards through the World Economic Forum (WEF) several initiatives of: Partnership Against Corruption (PACI) and its Vanguard group of global CEOs and WEF's Global Agenda Council on Anti-Corruption & Transparency. APCO's Executive Chairman Margery Kraus continued serving as an anti-corruption champion in numerous WEF meetings including the Global Agenda Council in UAE and Annual Meeting in Davos. Ms. Kraus also continued to contribute to strategic thought leadership on this topic: in the run-up to the Summit, Ms. Kraus and World Bank Vice President of the Integrity Department Leonard McCarthy co-authored an article that ran in the UAE's National and on World Economic Forum's blog.

APCO, jointly with the World Bank Integrity Department, co-hosted a two-day World Economic Forum's Annual Partnership Against Corruption Initiative Meeting in May 2016. A number of the world's leading experts and organizations who are engaged activists for anti-corruption and transparency attended the first day sessions, including Transparency International, Basel Institute, Citibank, Siemens, Deloitte, among many others. The second day of the Summit was held at the World Bank and brought together a broader group of stakeholders such as Google, Microsoft, MasterCard, Vestas, Thompson Reuters, as well as Columbia University and Georgetown University. Margery Kraus participated in a session entitled "Rebuilding Trust and Integrity in Business Institutions" and New York's Anna Tunkel moderated a session on "Youth Mobilization on Anti-Corruption."

## MEASUREMENT

APCO believes that its extensive compliance training program, which includes training on the Compliance Line, has been successful. No incidents of corruption have been reported and there have not been any legal cases, rulings or fines assessed on APCO related to corruption. APCO's external auditors conduct audits of the company each year and have not uncovered any incidents of corruption.

In addition to focusing on our own operations, we contribute to promoting anti-corruption through pro bono and client assignments. Examples of this include:

» **THE PHILIPPINE CENTRAL BANK:**

APCO has been working with the Bangko Sentral ng Pilipinas, the Philippine Central Bank, to communicate the country's economic story. By emphasizing the Philippine government's good governance reforms and sound economic management to key opinion leaders (investor community, ratings agencies and top-tier business media), APCO has helped draw attention to the positive reforms put in place and raised the profile of the government on the international stage. Recently the Philippines' credit rating has been continuously upgraded and they have achieved a dramatic improvement in key international rankings on transparency, competitiveness and ease of doing business.

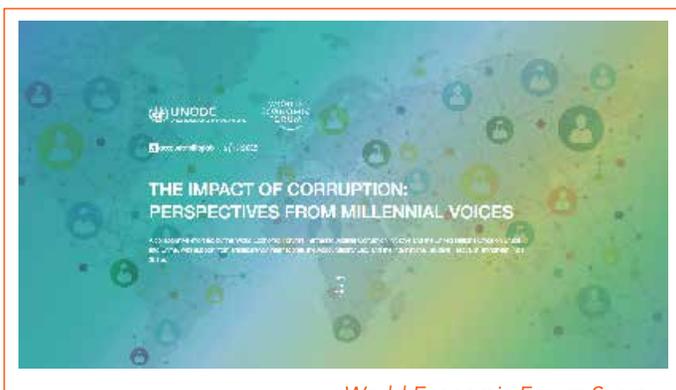
» **ELEPHANT IVORY TRAFFICKING PREVENTION:**

APCO works for two nonprofit organizations—the World Wildlife Fund for Nature and The Nature Conservancy—to help them communicate and amplify their campaigns to prevent illegal ivory trade in Thailand and China respectively with key policy makers, the media and other stakeholders.

» **WORLD ECONOMIC FORUM'S PARTNERING AGAINST CORRUPTION INITIATIVE:**

APCO is a member of the World Economic Forum's Partnering Against Corruption Initiative supporting the PACI Principles for Countering Bribery, and a member of the Global Agenda Council on Anti-Corruption and Transparency. Our founder and executive chairman, Margery Kraus, serves as vice-chair of the Forum's Global Agenda Council on Anti-Corruption and Transparency. This initiative promotes robust anti-corruption efforts globally with like-minded corporations, organizations and governments. By signing the PACI Principles, we have committed to having a zero tolerance policy towards bribery and to developing, implementing or maintaining a broad-based, anti-corruption program to guide the behavior of our employees. These principles also apply to key business relationships with controlled subsidiaries, joint ventures, agents and other intermediaries, as well as contractors and suppliers.

As part of APCO's contribution to the PACI agenda, we were instrumental in developing the idea for, and analyzing the results of, a [World Economic Forum survey](#) on the impact of corruption, specifically seeking perspectives from the millennial generation (people aged 18 to 34). The WEF survey was undertaken in conjunction with the United Nations Office on Drugs and Crime, with support from Transparency International and other organizations. The findings suggested that the two issues regarded as most important by millennials are the impact corruption will have on growth and what other impacts it will have on the future, including voting and the public sector as a career choice. As the generation that will live with the consequences of today's corruption the longest, it is important that the voice of the millennials is heard, and its concerns acted on. The survey was published around the annual Davos Forum in early 2015 and helped raise public awareness of the impact corruption today has on the future of our society. In addition, it will help more millennials understand the scale of the problem and encourage them to play a role in helping create an environment where corruption cannot flourish.



World Economic Forum Survey

# MOVING FORWARD

We hope this summary of our work to date provides both the sense of how important the UNGC principles are to us as a firm and the full range of things we do to support these goals as part of our DNA. We look forward to sharing our continued progress to be world class—not only in what we do, but in how we do it.