

UN GLOBAL COMPACT

Communications on Progress

October 2017



STATEMENT FROM THE CEO

COMMITMENT TO THE UNITED NATIONS GLOBAL COMPACT

SUPPORT FOR THE UN GLOBAL COMPACT TEN PRINCIPLES

WE Communications (WE) reaffirms its support of the company's participation in the United Nations Global Compact (UNGC) initiative. We remain committed to responsible, sustainable business practices, contributing economically and socially to society, helping to conserve natural resources, and positively contributing to the quality of life of our employees and communities.

The company's core values — imagination, courage, collaboration, purpose, excellence — are woven into the fabric of the company and align with the UNGC principles. Since issuing the first Communication On Progress (COP) in 2011, WE has made incremental advancements and shown support for its commitments to key initiatives, including supporting the positive impact of our professionals through our volunteer and pro bono programs, and educating and training employees on human-rights issues in the workplace.

Within our influence, we remain committed to adhering to and advancing the Global Compact Ten Principles with respect to human rights, labor, environment and anti-corruption, for the long term.



Melissa Waggener Zorkin
CEO, President
WE Communications

HUMAN RIGHTS

PRINCIPLE 1 BUSINESSES SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS; AND

PRINCIPLE 2 MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

WE remains committed to creating and maintaining a safe, clean and healthy work environment, providing professional development opportunities and rewarding employment benefits to full-time and part-time staff to support health, wellness and quality of life. The company tracks employee engagement, rates of injury and absenteeism, and the number of work-related injuries and fatalities, and has not registered any fatalities or injuries in the company's history. WE employs nondiscrimination personnel practices that promote equal opportunities and diversity, and a harassment-free workplace environment for all of our employees.

The company also protects and supports human rights through financial contributions, employee volunteering, community relations, and pro bono services with the goal of helping develop and sustain communities in partnership with nongovernmental organizations, especially those focused on education and economic empowerment. WE makes monetary and time-based donations to charitable organizations around the globe.

This year, WE South Africa established the [WE Development Trust](#), a Broad-Based Black Economic Empowerment (B-BBEE) initiative that aligns with WE's commitment to supporting transformation in the country and impacting the lives of disadvantaged black females. The WE Development Trust took a 30.1 percent ownership in WE South Africa and is partnering with the [St Mary's Foundation](#) to educate young, disadvantaged black girls. The WE Development Trust forms part of WE South Africa's broader B-BBEE initiative, which is built on the pillars of enterprise development, supplier development, skills development and social development, representing an all-encompassing, 360-degree approach to empowerment. As such, WE South Africa has committed to upskilling its own staff and will partner with small, empowered businesses on everything from office stationery to the consumables in the staff kitchen.

WE continues to support IMPACT 2030, a business-led coalition that is committed to mobilizing corporate volunteers to achieve the Sustainable Development Goals (SDGs) by the year 2030. The company is committed to mobilizing employees in service of this initiative, and focuses on these three SDGs: No Poverty (SDG1), Good Health (SDG3), and Quality Education (SDG4). WE employees are eligible to take up to 16 paid hours per year to volunteer for nonprofit organizations of their choosing.

In 2016–2017, 60 percent of employees spent more than 4,000 hours volunteering for causes that matter most to them. Employees use their volunteer hours via WE-facilitated team events and campaigns or individually via skilled or general service. In addition, this year we united all of our offices worldwide for our global Day of Giving. We supported education-focused nonprofits, and nearly 500 of our employees spent the day tutoring kids in after school programs, cleaning and organizing classrooms, packing and delivering school supplies, and other activities. In one day, we volunteered 1,700 hours to organizations in need across the globe.

This past year we launched the Global Pro Bono Experience, a program that sends a small team of employees on a monthlong pro bono, volunteering experience. Three of our employees traveled to Accra, Ghana, where they used their professional skills to benefit local health systems and organizations. In partnership with Pyxera Global and USAID, our employees were part of a team of 13 professionals from four countries and four other companies who lent their expertise to improving organizations such as the Ghana Registered Midwives Association and the Nneka Youth Foundation.

Annually the company applies its strategic business insight/expertise to collaborate with NGOs on pro bono initiatives that address global and local issues. This translates into more empowered and healthier individuals, more educated children, and stronger economic opportunity.

LABOR

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 LABOUR

PRINCIPLE 5 THE EFFECTIVE ABOLITION OF CHILD LABOR; AND

PRINCIPLE 6 THE ELIMINATION OF DISCRIMINATION IN RESPECT TO EMPLOYMENT AND OCCUPATION.

Working and living in accordance with strong ethical values is important to everyone working at WE. WE supports the right of employees to exercise freedom of association and collective bargaining in adherence with local laws. Business expansion strategy and process involves assessing local and national laws and norms to ensure compliance to, adherence to, and support of local cultures and labor laws. Child labor and forced, compulsory labor issues are not material risks to our business, and both are unacceptable to the company.

All WE employees are employed of their own free will; contracts state the terms and conditions pertaining to employment and provide for the parties' rights to terminate the employment relationship (general procedures associated with departures are posted on the corporate intranet site). WE's code of conduct incorporates references to key labor issues identified by the UNGC, including discrimination. Every employee is required to acknowledge the code to certify his or her understanding, and their commitment to comply with it.

The company is committed to creating an inclusive workplace where differing perspectives, experiences, lifestyles and cultures are embraced and respected, the differences among individuals are valued, and diversity within our workforce is welcomed. We support and obey laws that prohibit discrimination everywhere we do business and are committed to ensuring opportunities for all employees to develop their abilities and contribute to WE's success. WE has an equal opportunity hiring and recruiting policy to support the company's commitment to attracting and retaining a diverse community of employees, a critical aspect of our business. The company has taken some measures to ensure an inclusive workplace, including the facilitation of employee resource groups, and partnerships with diversity and inclusion organizations.

WE tracks the ethnic and gender diversity of its employees. The company does not — and legally it cannot — require its employees to disclose their ethnicity, but the nondisclosed missing data is estimated by a human resources representative as required by U.S. Equal Employment Opportunity Commission reporting guidelines, and for reporting purposes globally. Currently, 90 percent of WE's U.S. diversity data is self-reported, and the remaining 10 percent is estimated. Globally, 25 percent is estimated.

Global Gender Diversity: 70 percent women | 30 percent men

Global Ethnic Diversity: 32 percent nonwhite | 68 percent white

U.S. Ethnic Diversity: 16 percent nonwhite | 84 percent white

THE ENVIRONMENT

PRINCIPLE 7 BUSINESSES SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES;

PRINCIPLE 8 UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY; AND

PRINCIPLE 9 ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES.

Since 2008, WE has measured its annual carbon footprint with the goal of identifying and tracking material aspects of its business and ways to continually reduce or minimize its impact on the environment and increase cost efficiencies.

In 2016–2017, WE achieved a 35 percent reduction in its greenhouse gas (GHG) emissions from its 2008 baseline. Total GHG emissions were 2,752 metric tons of CO₂ equivalents in 2016–2017, which equates to an average of 4.0 metric tons per employee (versus 5.0 metric tons per employee in 2008).

As WE relies heavily on travel to deliver services to our clients, we are continuing to focus on decreasing emissions while achieving revenue goals. This is an area that WE continues to monitor and seek cost-effective, sustainable and alternate solutions that would have a substantial impact on the environment while supporting the company's positive bottom-line performance. For example, the company offers a work-from-home policy to maximize employee productivity, incentivizes the use of public transportation, and employs video- and audioconferencing services as a substitute for travel when appropriate.

The company's leased offices and facilities are designed based on an eight-point metric to measure the general sustainability practices of our offices worldwide, to make decisions, select vendors and balance costs. The company continues to integrate sustainable business practices into decisions about our operations, technology investments, travel options, partners and more.

ANTI-CORRUPTION

PRINCIPLE 10 BUSINESSES SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY.

WE is committed to working against corruption in all its forms, including bribery and extortion, and is committed to being in compliance with all relevant laws in the countries where it operates. In addition to other policies, the company's code of conduct sets clear standards that require employees' acknowledgement and compliance. This is very important as a professional services company, where our employees have an active role in facilitating discussions and disseminating information among a wide variety of stakeholders on behalf of clients, including but not limited to media, bloggers, customers and nongovernmental organizations. Integrity shapes the services that the company provides, the quality of the work we produce, and drives the decisions we make. It is key to the relationships that WE and its employees maintain.

Since the last COP, there have not been any recorded incidents of corruption involving WE employees, clients or stakeholder relationships; therefore, no actions were necessary. The company continues to pride itself on a clean record. WE is equipped to respond if corruption, including extortion and bribery, occurs. The company has a disciplinary procedure in place should such a situation arise. Information about the handling and process of dealing with anti-corruption matters is addressed in the employee handbook and would be managed under the guidance of human resource business partners, who are assigned to each business group.

ABOUT THIS REPORT

The COP 2016–2017 provides brief highlights of actions that WE is taking on a global basis to address UNGC principles on human rights, labor, the environment and anti-corruption. For more details about WE, visit <http://we-worldwide.com>.

This report will be published on the Global Compact website and the WE website. The report highlights relevant initiatives and progress between July 1, 2016, and June 30, 2017.

ABOUT WE

WE works with some of the most innovative companies on the planet — those focused on delivering the next big thing. With a media landscape that is moving, pulsing and constantly evolving, brands must navigate everything from industry disruption and technology shifts to stakeholder mandates and political headwinds. In turn, brand stories have to move with new velocity and sync across every device and platform. Using our Momentum methodology, we partner with clients to create transformative communications that are rooted in insight and drive big impact. Our fiercely independent mindset allows us the freedom to bring together the best talent, ideas and partners, through our revolutionary partnership approach, The PLUS Network, to create powerful, persuasive campaigns. <http://www.we-worldwide.com>

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