



DJE HOLDINGS SUSTAINABLE PROCUREMENT POLICY

Revised: **December 2019**
Owner: **Managing Director, Global Engagement and Corporate Responsibility**
Approver: **Worldwide CFO**

I. Overview

This policy applies to all employees, officers, and directors throughout Daniel J. Edelman Holdings, Inc.¹ ("DJEH").

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

II. Purpose

Three key tenets of DJEH's business include reputation, leadership, and transparency. Our Company's values drive the development of a responsible and sustainable supply chain that encompasses sustainable purchasing, supplier diversity and supplier accountability. We embrace our duty as a globally responsible business and seek to continue to operate our business in a manner that upholds the values and principles reflected in our [Code of Ethics and Business Conduct](#).

While DJEH as a professional services firm may have low risk on a number of these issues, we established this Policy to reflect our commitment to sustainable procurement.

By operationalizing sustainable procurement to address supply chain issues we aim to extend our positive impact.

¹ Daniel J. Edelman Holdings, Inc. includes Daniel J. Edelman, Inc., StrategyOne, Inc. d/b/a Edelman Intelligence, Zeno Group, Inc., Assembly Media, Inc., Matter, Inc., United Entertainment Group Holdings, LLC, Edible, Inc., Edelman Miami Latin America Corp., The H & W Group, Inc. d/b/a Saludem, The R Group Public Relations Company, Inc. d/b/a Revere, First & 42nd, Inc., and all operating companies and divisions, including such divisions as First@Edifi, BioScience Communications and DJEScience, under the Edelman family of companies (collectively referred to as "DJE Holdings" or "DJEH" in this document).

Commitments

DJEH has pledged to adhere to the principles of the United Nations Global Compact (UNGC). The [UNGC's Ten Principles](#) cover human rights, labor, environment and corruption issues, and lay the foundation for our Sustainability Procurement Policy. We are also committed to aligning our operations with the United Nations' [Sustainable Development Goals](#). We also seek to fully comply, at a minimum, with relevant environmental, labor and human rights regulations, including meeting the reporting requirements of the Guiding Principles for Business and Human Rights Framework for UNGC and the [UK Modern Slavery Act](#).

III. Policy

We hold ourselves accountable to this Sustainable Procurement Policy by implementing a risk-based approach to monitoring selected suppliers and requiring all our suppliers to comply with the expectations outlined in the DJEH Code of Ethics for Suppliers and Service Providers ("Supplier Code of Conduct").

In accordance with the Supplier Code of Conduct, this Policy, the principles of the UNGC, and the U.N. Sustainable Development Goals, we expect our suppliers to comply with the following:

Environment

Suppliers are encouraged to minimize their environmental impact where possible, including:

- Reducing energy usage by avoiding inefficiencies, making use of new energy-efficient technologies and keeping up to date with best practices;
- Minimizing greenhouse gas emissions by reducing the use of fossil fuel energy sources and decreasing operational energy needs;
- Conserving water and preventing pollutants from being released into the water system;
- Properly managing waste and seeking to reduce, reuse and recycle whenever possible; and
- Considering products' end-of-life disposal during their manufacture and design, including choosing environmentally friendly packaging.

Labor & Human Rights

Our Suppliers must be committed to treating their employees with respect and consideration of their quality of life and human rights, in accordance with our **Human Rights Policy**, including:

- Taking steps to minimize health and safety risks to all employees while at work;
- Aligning employee working hours and pay with industry norms and regulations;
- Giving employees opportunities to advance in their careers and develop their personal and professional skills; and
- Preventing child and forced labor, discrimination and harassment.

Business Ethics

DJEH shall endeavor to ensure that our Code of Ethics for Suppliers and Service Providers is

incorporated by reference as part of the Independent Contractor Agreement or other contract signed by our suppliers.

DJEH's suppliers must conduct business ethically and ensure to:

- Comply with applicable laws and regulations;
- Prevent corruption, bribery, fraud and conflicts of interest; and
- Protect confidential employee, client and third-party data from unauthorized release

Supplier Diversity

DJEH also is committed to supplier diversity and is aligned with U.N. Sustainable Development Goal #8, which focuses on promoting sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.

Under the scope of this policy, inclusive growth includes supporting job creation in communities where we operate while reinforcing human rights, fair wages for women and men, and in the US, capacity-building of locally based women-owned, minority-owned, LGBT-owned, disabled-owned, veteran-owned, and disadvantaged hub zone businesses.

In 2019, DJEH procured a supplier diversity portal to help us meet our goal of spending at least 10 percent with diverse suppliers in priority categories in the U.S.

IV. Approach

Our executive committee established these commitments:

- DJEH seeks to realize a 10 percent or more spend with diverse suppliers in priority categories in the U.S.
- DJEH is implementing a vendor management system that will streamline our procurement practices. In addition, we will review our sustainable procurement policy annually.
- DJEH seeks to incorporate sustainability in the selection criteria for business partners in priority spending categories.

V. Monitoring

Expectations for DJEH's supply chain sustainability monitoring and performance program is communicated to applicable suppliers through this policy and the DJEH purchasing function. The policy is available on the DJEH website.

Through a risk-based selection process, certain suppliers may receive direct communications from DJEH or its third-party business partners to provide information to enable monitoring of supplier adherence to the Sustainable Procurement Policy using a methodology and system selected by DJEH. Use of an alternative measure of sustainable business practices must be specifically approved by DJEH. Failure by a supplier to comply with a request for such monitoring information can be grounds for termination of the Supplier's business relationship with DJEH.

Any comments or questions regarding this policy should be addressed to the policy owner and/or approver.