

welocalize 

Sustainability Report

Welocalize's Sustainability Report is based on 2023 data.

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Introduction

Welocalize is committed to achieving and maintaining high standards of sustainability in our business activities.

Central to our mission are our people, our communities, our environmental responsibilities, and our governance practices — each playing a pivotal role in our efforts to integrate sustainability into every facet of our business operations. As we move forward in our journey, Welocalize remains steadfast in its dedication to

advancing sustainability, underpinning our role as a leader in language and data services and as a proactive steward of company resources.

This report highlights our collaborative initiatives, our strides in compliance and governance, and our continuous drive for innovation and improvement. It covers our environmental performance indicators to date and our ongoing initiatives and efforts toward corporate sustainability.

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Executive Summary

For Welocalize, our core sustainability tenets — **our people, our communities, our environmental responsibility, and our governance** — reside at the heart of our vision to uphold four guiding principles – customer obsession, relentless innovation, winning together and commitment to excellence. Together these define our identity and direct our actions.

Over the past few years, Welocalize has made substantial strides toward measuring, implementing, and advancing our sustainability initiatives.

Our journey has been marked by:

- Recognizing the importance of minimizing our environmental impact to help safeguard the planet’s future.
- Celebrating our rich diversity and leveraging our cultural and technical know-how, enabling us to effectively address the nuances of our client industries and cultural differences.
- Empowering our people, ensuring they have the correct training and information to live by our guiding principles and deliver our objectives.

Our collaboration with numerous community organizations, initiatives like Welocalize's Give Grants, Employee Network Groups, and a focus on compliance exemplify our commitment to sustainability. We've also contributed to vital safety work in regulated industries and implemented numerous employee development activities.

Through our Transforming Talent program, Welocalize practices impact sourcing through our strategic partnerships with DDD and Sozo Consulting. Together, we have upskilled linguists in India, Tanzania, Ethiopia, and Nigeria, providing work for people in these countries and access to many difficult to source languages to our clients.

Welocalize's sustainability initiatives will be continuously monitored, measured, updated, and improved to help us continue to deliver value for our customers and protect the environment in the future.



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Welocalize Overview

Welocalize is ranked as one of the world's largest LSPs by language industry intelligence firms CSA Research, Nimdzi, and Slator. We offer innovative language and data services to help global brands reach audiences around the world in more than 250 languages.

Welocalize holds seven ISO Certifications, including:

- ISO 9001:2015 (Quality Management)
- ISO 14001:2015 (Environmental Management)
- ISO/IEC 27001:2013 (Information Security)
- ISO/IEC 27701:2019 (Data Privacy)
- ISO 17100:2015 (Translation Services)
- ISO 13485:2016 (Medical Devices)
- ISO 18587:2017 (Human Post-Edited Machine Translation Services)

About Welocalize

Our commitment to sustainability extends to our relationships with our global employee base, clients, suppliers, investors, and the broader community. Incorporating sustainability into our core business strategies is more than a commitment — it enhances our relationships with all parties involved.

LOCATION

28.5%	43.3%	28.2%
North America	Europe	Asia

EXECUTIVE TEAM

56%	44%
Female	Male

GLOBAL TEAM

31.5%	67.4%	1.1%
Male	Female	Undisclosed

BUSINESS

1,525	2,000+
Number of colleagues (FTE)	Number of clients

YEARS OF SERVICES

13%	50%	37%
< One year	1-5 years	> Five years

27,000*
Freelance & Contractor Resources

EMPLOYEE STATUS

99.4%	0.6%
Permanent	Non-Permanent

*The strategic use of resources in our linguistic and data teams enables us to flexibly meet varying project demands with specialized language and data skills, ensuring high-quality results. We prioritize fair compensation and prompt payment for our resources fostering a mutually beneficial model that supports tailored client services and freelancer autonomy in project selection.

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Welocalize's Approach to Sustainability

Environmental Performance

In 2023, we invested financially to understand our carbon footprint and to assist in defining science-based targets on our journey to developing a carbon reduction plan. We also committed to reviewing and understanding the environmental impacts of our operations in order to prevent pollution, to protect the environment, and to enhance positive impacts where possible.

Our dedication to sustainability is reflected in our commitment to clear, timely, and detailed reporting on the measures we are taking.

We strive to improve the clarity and accuracy of our sustainability reporting by aligning with globally recognized standards, demonstrating our ongoing commitment to progress.

Carbon Emissions

In 2023, to enhance transparency regarding our environmental impact, Welocalize as a private company elected to calculate, track, and disclose its Scope 1, 2, and 3 carbon emissions. This assessment, conducted with the expertise of Bridge House Advisors, a GHG emissions consultancy, is based on the World Resource Institute's Greenhouse Gas Protocol Corporate Standard. This data serves as our benchmark to identify future emission reduction options to continuously improve on our sustainability journey.



Scope 1 covers direct emissions, such as burning fuel. Scope 2 covers indirect emissions from the generation of purchased electricity consumed by Welocalize. Lastly, Scope 3 includes all other indirect emissions that occur in the value chain of Welocalize, such as emissions associated with business travel.

SCOPE 1	19.0 tCO₂e
SCOPE 2	215.4 tCO₂e
SCOPE 3	12,061.8 tCO₂e
ALL SCOPES	12,296.2 tCO₂e

Reporting Scope and Methodology

Welocalize utilized the World Resource Institute's Greenhouse Gas Protocol Corporate Standard to calculate our carbon footprint. The standard provides accounting tools to measure, manage, and report on greenhouse gas (GHG) emissions. Most emission factors were sourced from the US Environmental Protection Agency's (EPA's) Emission Factors Hub, February 2024. Spend-based emission factors were sourced from EPA's Supply Chain GHG Emission Factors for the US Industries and Commodities.

Scope Item	Emission Source	Source Of Information
Scope 1	Stationary Combustion	Natural gas consumption, as well as estimations using facility square footage; emergency generator fuel estimates
Scope 1	Refrigeration	Spend data from the Beijing location
Scope 2	Purchased Electricity (Location-Based)	Electricity usage from utility invoices, as well as estimations using facility square footage
Scope 3	Purchased Goods & Services	Spend data from accounting; cloud-based hosting emissions from hosting platform
Scope 3	Fuel & Energy Related Activities	Calculated from Scope 1 & 2 energy usage
Scope 3	Waste	Facility waste disposal and recycling amounts, where available
Scope 3	Employee Business Travel	Mileage provided by travel platform (air, car, rail); emissions from travel platform (lodging); travel expenses (client meal/entertainment costs)
Scope 3	Employee Commuting & Remote Work	Estimations based on distance from home to office and days worked remote vs commuted
Scope 3	Upstream & Downstream Product Transport	Emissions provided directly from shipment service provider
Scope 3	Downstream Leased Assets	Emissions estimates using subleased facility's square footage

CO₂

CH₄

N₂O

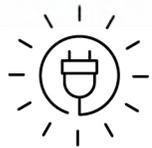
HFCs

PFCs

SF₆

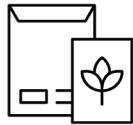
NF₃

Scope 2
Indirect



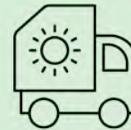
Purchased electricity, steam, heating, and cooling for own use.

Scope 3
Indirect



- Purchased goods and services
- Capital goods
- Fuel and energy related activities
- Transportation & Distribution
- Waste generated in operations
- Business travel
- Employee commuting
- Leased assets

Scope 1
Direct



- Company facilities
- Company vehicles

Scope 3
Indirect



- Transportation and distribution
- Processing of sold products
- Use of sold products
- End-of-life treatment of solid products
- Leased assets
- Franchises
- Investments

Source: Scope 3 Standard, page 5.

UPSTREAM ACTIVITIES

REPORTING COMPANY

DOWNSTREAM ACTIVITIES

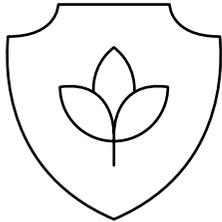
“At Welocalize, we take our responsibility to the environment seriously. We will continue to work towards reducing our carbon footprint and protecting the environment. Our ISO14001 Certification demonstrates to our employees, clients, and stakeholders that Welocalize places a priority on using resources responsibly and assessing environmental impacts when making business decisions.”

SILVIE PERIC, COMPLIANCE DIRECTOR AT WELOCALIZE



Compliance

It is the policy of Welocalize to operate a global corporate management system that fully meets the requirements of all seven of our ISO certifications. In addition, we:



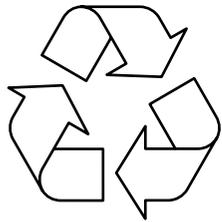
Comply with all applicable statutory and legal requirements.

Protect the environment and prevent pollution in all aspects of our business.

Reduce environmental aspects and impacts of our operations.

Recycle/reuse materials wherever practical.

Minimize the environmental impact for the life cycle (including disposal) of all equipment and other physical assets under our control.



Establish clear and measurable OKR (Objectives/Key Results) for the business, including all key processes, and to ensure that these are communicated and understood by all staff.

Measure and manage performance and take action to ensure that our objectives are being met.



Continuously innovate to improve the effectiveness of our processes and systems in order to support our business objectives.

Empower our people, ensuring they have the correct training and information in order for them to live by our guiding principles and to deliver on our objectives.

Data Security and Mitigating Risk

Sustainability is about continuous improvement and identifying and reducing risks. Welocalize prioritizes protecting our clients' data and has worked diligently to implement rigorous quality processes and security requirements. Those efforts have resulted in Welocalize becoming ISO/IEC 27701:2019

certified for our Privacy Information Management System (PIMS). Compliance with this internationally recognized standard reaffirms our commitment to ensuring the highest level of data security and privacy for our clients.

“Adding ISO/IEC 27701 to our extensive list of certifications confirms our steadfast commitment to privacy and security management. This further assures our clients that their data and information security has been addressed, implemented, and properly controlled in all areas of our organization.”

AARON HEBER, VICE PRESIDENT OF GLOBAL IT AT WELOCALIZE



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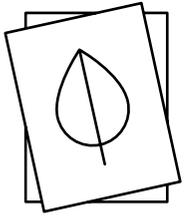
Welocalize Sustainability Objectives

“At Welocalize, our commitment to sustainability and social responsibility begins with our people. We believe in putting our employees first, empowering them to contribute to a greater good. With initiatives focused on reducing our carbon footprint, through volunteerism and education, and supporting local communities through our employee-nominated charitable giving program, we not only enhance our society but also foster a culture of compassion and responsibility within our organization.”



COURTNEY ERMAC, GLOBAL ADMINISTRATION & FACILITIES MANAGER

Welocalize is continuously investing in ways to improve the environmental sustainability of our business. Over the past 5 years, we have minimized our environmental footprint by digitizing our business. By benchmarking our carbon footprint and taking on reduction or mitigation targets. **We strive to:**



Minimize waste by evaluating operations and ensuring they are as efficient as possible.

Actively promote recycling both internally and amongst our customers and suppliers.

Source and promote a product range to minimize the environmental impact of both production and distribution.

Continue to achieve the least impact approaches to energy use and waste. Reduce our energy needs when appropriate.

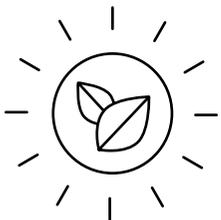
Encourage work from home and promote the use of public transportation.

Employing IT systems for meetings.

Reuse or recycling of office waste, including paper, computer supplies, batteries, light bulbs, and redundant equipment.

Reducing travel for face-to-face meetings where appropriate.

Welocalize also hosts remote and in-person volunteering events throughout our global locations with an environmental theme, such as clean-ups, plantings, and natural area restoration.



Give Grant Program

The Welocalize Give Grant Program embodies our commitment to social responsibility and community engagement. By empowering our global employees to nominate and support causes close to their hearts, we foster a culture of giving that resonates on a local and global scale. Each year, we allocate a dedicated budget for charitable grants and sponsorships, reflecting our belief in the power of collective action to drive positive change.

Through the Welocalize Give Grant Program, we strive to address a diverse range of issues and support initiatives that align with our values as an organization. Whether it's promoting education, healthcare, environmental sustainability, or relief efforts, we recognize the importance of addressing pressing challenges facing our communities worldwide. Through our ongoing commitment to the Welocalize Give Grant Program, we reaffirm our dedication to making a positive impact beyond business objectives, ensuring that our company remains a force for good in the world.

Here are just a few of the charities we've supported through the Give Grant program:



Resource Conservation Programs

Welocalize is committed to responsible resource management through programs that embody a multifaceted approach aimed at minimizing waste generation, optimizing resource utilization, and fostering a culture of responsible consumption.



Innovative Upcycling

Welocalize’s teams around the world learned how to upcycle household materials to create bird feeders, diverting waste from landfills.



Global Laptop Reusage

Welocalize’s IT company laptop reusage program extends the lifespan of devices and minimizes electronic waste.



Laptop for Schools

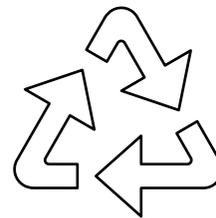
Welocalize donates previously used company laptops to schools, enriching educational opportunities.



Recycling of Hazardous Materials

In both household and office settings, various items require careful disposal procedures. For example, batteries contain metals and other toxic and corrosive chemicals that pose environmental risks if not disposed of properly.

Welocalize's teams across the globe actively participate in eco-conscious initiatives, including the collection and recycling of batteries and lightbulbs, ensuring their environmentally responsible disposal. Welocalize champions responsible recycling practices for these and other environmentally hazardous items.



Employee Network Groups

Welocalize Employee Network Groups (WENGs) serve as a cornerstone of our commitment to workforce sustainability, embodying our dedication to fostering inclusive, connected, and empowered communities within our organization. These groups provide a platform for employees to cultivate meaningful connections, enhance job satisfaction, and foster a sense of belonging. By embracing diversity and celebrating individual identities, we create a supportive environment where every voice is valued and every person is celebrated. Moreover, through a wide array of social and networking opportunities, these groups empower employees to develop both personally and professionally, equipping them with the skills and resources they need to succeed in their current roles and beyond. Together, we cultivate a culture of inclusion, collaboration, and continuous growth, driving positive change within our company and beyond.

Out of our many WENGs, the following 2 are our largest groups:





Women of Welocalize

Women of Welocalize

Women of Welocalize (WOW) represents a vibrant community of women and their supporters, dedicated to sharing their triumphs and challenges to foster a welcoming and supportive atmosphere. They convene monthly at a regional level and quarterly on a global scale to explore themes such as empowering fellow women, cultivating confidence both in the professional sphere and beyond, and prioritizing self-care.



LGBTQ+

The LGBTQ+ WENG aims to create a supportive atmosphere for LGBTQ+ people and everyone at Welocalize. It seeks to enlighten LGBTQ+ employees about the resources at their disposal and pinpoint opportunities for enhancing support. This mission statement will adapt based on further feedback from the group and as the Welocalize community's needs develop.

Volunteering for Sustainability

Volunteering efforts serve as a cornerstone of our commitment to environmental stewardship and community engagement. Through these initiatives, our employees come together to make a tangible difference in the world around us. From organizing neighborhood cleanups and tree plantings to participating in habitat restoration projects and sustainable gardening initiatives, our teams are dedicated to preserving and enhancing the natural environment. By volunteering our time and resources towards sustainable causes, we not only contribute to the well-being of our communities but also inspire positive change and foster a culture of social responsibility within our organization.

One of our most active volunteer groups hails from our office in Portland, Oregon. Our quarterly volunteer program participates in regular neighborhood cleanup events in partnership with SOLVE, a local nonprofit committed to restoring and protecting our environment for future generations. One of the cornerstone events celebrates Earth Day, where we join more than 5,000 volunteers in over 150 volunteer cleanup and restoration events, picking up an estimated 81,714 pounds of litter and marine debris in one weekend.



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Certifications + Recognitions

ISO 14001:2015: Environmental Management

In 2023, Welocalize achieved ISO 14001:2015 certification, showcasing its commitment to environmental excellence and sustainability.

ISO 14001 is a globally recognized standard that sets guidelines for environmental management systems (EMS). It requires companies to implement a structured approach to managing their environmental impact and reducing their carbon footprint.

By earning this certification, Welocalize assures its customers and stakeholders that it is taking a proactive approach to managing its environmental impact.

With ISO 14001 certification, Welocalize is leading the way in sustainability within the localization industry. The company remains committed to upholding the highest environmental standards and serving as an example for other businesses to follow.

EcoVadis, Bronze Sustainability Rating

In 2023, Welocalize received the **Bronze Sustainability Rating from EcoVadis**, an independent rating agency that assesses environmental performance and Corporate Social Responsibility.

EcoVadis's sustainability ratings include a global network of over 75,000 companies across all industries and sizes. Sustainability performance is assessed through four categories: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement.

The Bronze rating, given to companies that are outperforming the majority of others that are rated by EcoVadis, is based on Welocalize's sustainability management and advanced approach to corporate social responsibility.



BELA Award

Welocalize earned a **Best Employers in Localization Award (BELA Award)** in 2022 and 2023 for our employee development programs. This accolade is a testimony to our commitment to nurturing a culture that prioritizes the progress and well-being of employees.

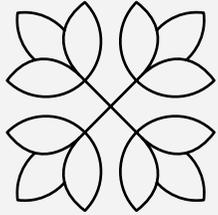


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About this Report

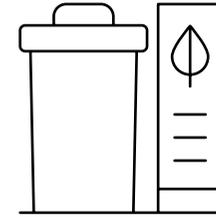
Welocalize's inaugural Sustainability Report outlines our commitment to environmental and workforce sustainability, detailing our initiatives and achievements in 2023. As a private company, this marks our first voluntary publication of a Corporate Sustainability Report, reflecting our dedication to transparency and responsible business practices.

Throughout 2023, Welocalize has enhanced its data collection and reporting frameworks, significantly improving efficiency and accuracy across our operations. All data presented in this report pertains to the 2023 calendar year, unless specified otherwise.



2022 Commitments

- Assess company-wide environmental aspects, impacts, and risks
- To host annual company-wide open houses on company sustainability actions and commitments
- Certify to ISO 14001 Environmental Management
- Launch company-wide employee Earth Day events to promote environmental sustainability practices across the company
- Launch mandatory sustainability trainings to educate employees on environmentally sustainable business practices



2023 Progress

- Disclosed Scope 1, 2, and partial Scope 3 greenhouses gas (GHG) emissions via Carbon Disclosure Project (CDP) and Ecovadis annual questionnaires
- Hosted inaugural annual company-wide open house on company sustainability actions and commitments
- Launched company-wide employee Earth Day events to promote environmental sustainability practices across the company
- Launched mandatory sustainability trainings to educate employees on environmentally sustainable business practices
- Obtained ISO 14001 Certification

2024 Future Commitments

- Engage with GHG emissions expert consultant to increase scope and accuracy of GHG emissions data
- Audit and renew ISO 14001 in Environmental Management
- Develop roadmap to set near-term carbon reduction and long-term net zero targets

We are proud of the strides made toward measuring, implementing, and advancing our sustainability initiatives. As we look toward the future, we are poised to continue our journey of sustainability with unwavering commitment, including considerations involved in setting specific greenhouse gas emissions reduction targets.

The path ahead is clear: to innovate, implement, and integrate sustainability more deeply into every aspect of our operations and corporate ethos. Building on our achievements and learning from our challenges, we will expand our efforts to reduce our environmental footprint, engage more deeply with our communities and drive forward with initiatives that not only meet but exceed global standards for sustainability. This dedication to environmental excellence and corporate social responsibility will not only bolster our leadership in the localization industry but also contribute to a healthier planet and society.