welocalize **Q** 

# Sustainability Report



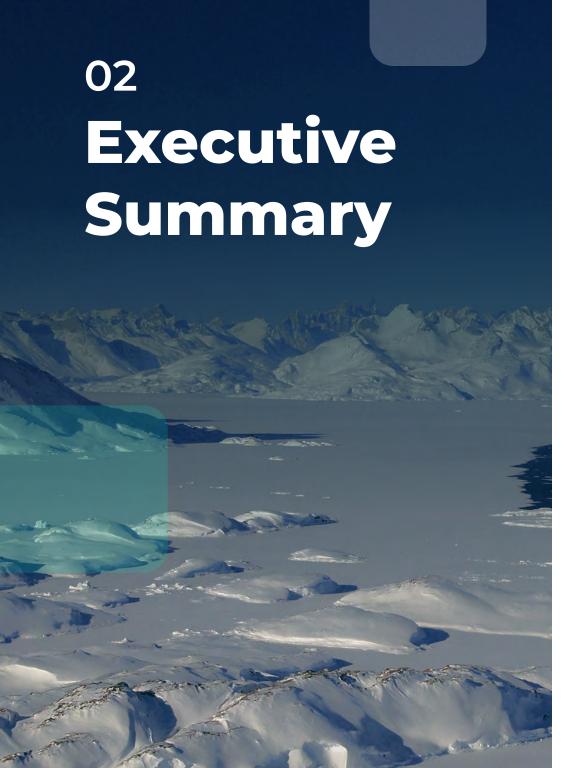
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A t Welocalize, our commitment to sustainability continues to guide the way we operate and grow. We remain focused on embedding responsible practices across our business, grounded in our core pillars: our people, our communities, the environment, and strong governance.

Over the past year, we have built on our sustainability foundation, advancing our goals, strengthening partnerships, and refining our approach to align with evolving global standards. As a global leader in language and data services, we recognize our responsibility to lead with purpose and integrity, ensuring our operations are efficient, ethical, and forward-looking.

This year's report outlines the progress we've made across our key sustainability areas. It showcases the collaborative efforts that have driven innovation, improved compliance and governance practices, and supported our sustainability efforts. We also highlight new and ongoing initiatives designed to ensure continuous improvement and meaningful impact.



A t Welocalize, sustainability is woven into the fabric of who we are. Our core sustainability pillars—our people, our communities, our environmental responsibility, and our governance—continue to shape and support our broader mission. These pillars align with our four guiding principles: customer obsession, relentless innovation, winning together, and commitment to excellence. Together, they define our identity and inform the decisions we make.

Over the past year, we have deepened our efforts to measure, implement, and scale meaningful sustainability initiatives across the organization. Our continued progress reflects our dedication to responsible business practices and long-term value creation.

#### Key highlights from our ongoing journey include:

#### **Environmental Stewardship:**



We remain focused on understanding & minimizing our environmental footprint, recognizing our role in contributing to a healthier, more sustainable planet.

#### **Connection & Inclusivity:**



We celebrate the strength of our global team—drawing on our cultural and technical diversity to better serve our clients and navigate industry-specific and regional nuances.

#### **Empowering Our People:**



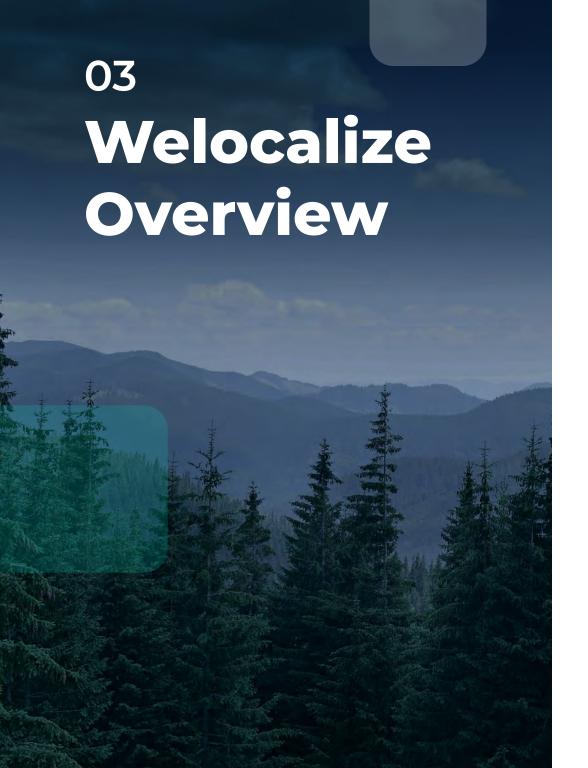
We continue to invest in the growth and development of our teams, equipping them with the tools, training, and information needed to embody our values and contribute meaningfully to our shared goals.

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

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 B2R, 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 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 300+ languages.

#### Welocalize holds seven ISO Certifications, including:



ISO 9001:2015 (Quality Management)



ISO 14001:2015 (Environmental Management)



ISO/IEC 27001:2022 (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)

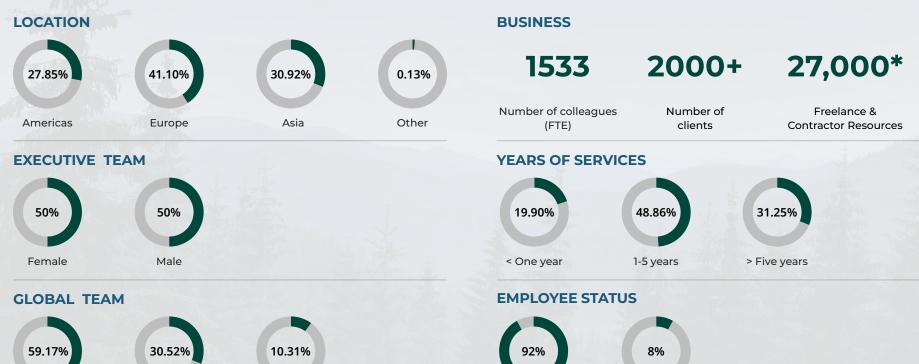
## **About Welocalize**

Male

Undisclosed

Female

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.



Permanant

Non-Permanant

<sup>\*</sup>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.



### **Environmental Performance**

Since 2022, Welocalize has dedicated financial and human resources to calculate and understand our carbon footprint, as well as to develop science-based targets as part of our journey of establishing a carbon reduction plan. We continue to deepen our commitment 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 2024, we continued working with Bridge
House Advisors, a consulting firm that
specializes in greenhouse gas (GHG) emissions.
Our efforts follow the Greenhouse Gas Protocol
Corporate Standard, developed by the World
Resources Institute. This ongoing work provides
consistent data each year, helping us measure
progress and identify areas for improvement in
our sustainability efforts.

**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 purchased good and services.

	2023	2024
Scope 1	16.8 Mt CO <sub>2</sub> e	31.5 Mt CO <sub>2</sub> e
Scope 2	247.7 Mt CO <sub>2</sub> e	166.4 Mt CO <sub>2</sub> e
Scope 3	12,082.3 Mt CO <sub>2</sub> e	12,460 Mt CO <sub>2</sub> e
All Scopes	12,346.8 Mt CO <sub>2</sub> e	12,657.9 Mt CO <sub>2</sub> e

## 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.

\*For the 2024 reporting period, Welocalize made the decision to move co-working spaces from Scope 1 & 2 reporting to Scope 3, Upstream Leased Assets. The basis for this change is that Welocalize does not have operational control over these spaces. As a result of this boundary update, restated GHG emissions for the 2023 reporting are presented.

#### **Reporting Scope**

Scope Item	Emission Source	Source of Information
Scope 1	Stationary Combustion	Natural gas consumption, emergency generator fuel estimates
Scope 1	Refrigeration	Refrigerant recharge
Scope 2	Purchased Electricity	Electricity usage in leased offices
Scope 3	Purchased Goods & Services	Spend data from accounting, cloud-based hosting emissions
Scope 3	Fuel & Energy-Related Activities	Calculated from Scope 1 & 2 energy use
Scope 3	Waste	Facility waste disposal & recycling
Scope 3	Employee Business Travel	Emissions from travel platform
Scope 3	Employee Commuting & Remote Workforce	Employee commuting survey responses
Scope 3	Upstream Product Transport	Emissions from shipment service provider
Scope 3	Upstream Leased Assets	Subleased and coworking facilities data



At Welocalize, environmental responsibility is integral to how we operate. We remain committed to reducing our carbon footprint, minimizing environmental impact, and continuously improving our sustainability practices. Our ISO 14001 certification reflects this commitment, reinforcing to our employees, clients, and stakeholders that we prioritize responsible resource management and incorporate environmental considerations into our business decisions.

SILVIE PERIC, COMPLIANCE DIRECTOR AT WELOCALIZE



## Compliance

t 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.

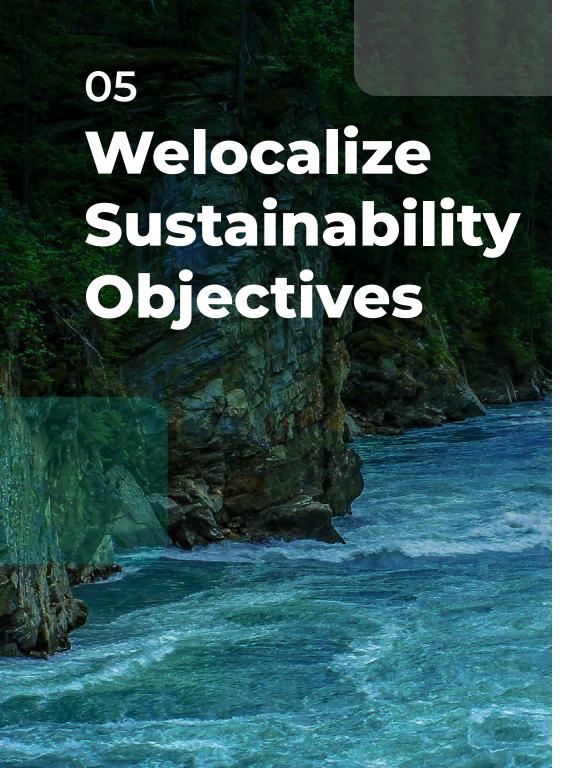
## Data Security and Risk Mitigation

A t Welocalize, sustainability means continuously improving our practices while proactively identifying and mitigating risk. A core element of this approach is our strong emphasis on data protection, fraud prevention, and operational resilience. In parallel, we continue to strengthen our information management systems and security protocols ensuring the integrity of our operations and the trust of our clients.

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As a reflection of these efforts, Welocalize is proud to be ISO/IEC 27701:2019 certified for our Privacy Information Management System (PIMS). This internationally recognized certification underscores our ongoing commitment to maintaining the highest standards of data security and privacy.

**BRANDON FARMER,** HEAD OF IT





At Welocalize, our commitment to sustainability and social responsibility remains rooted in our people as we look toward the future. By continuing to put our employees first, we aim to empower them to drive meaningful change and contribute to a greater good. As we expand our efforts to reduce our carbon footprint, deepen our impact through volunteerism and education, and strengthen our support for local communities through our employee-nominated charitable giving program, we are building a future where compassion, responsibility, and positive societal impact remain at the heart of everything we do.

COURTNEY ERMAC, GLOBAL ADMINISTRATION & FACILITIES LEADER Velocalize 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 including partnering with landlords on sustainability measures.



**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.



#### **Eco-Innovation**

Welocalize's teams around the world embraced sustainable practices by learning how to transform shredded paper into plant mulch, contributing to increased biodiversity.



#### **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**

▲ Jelocalize 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.

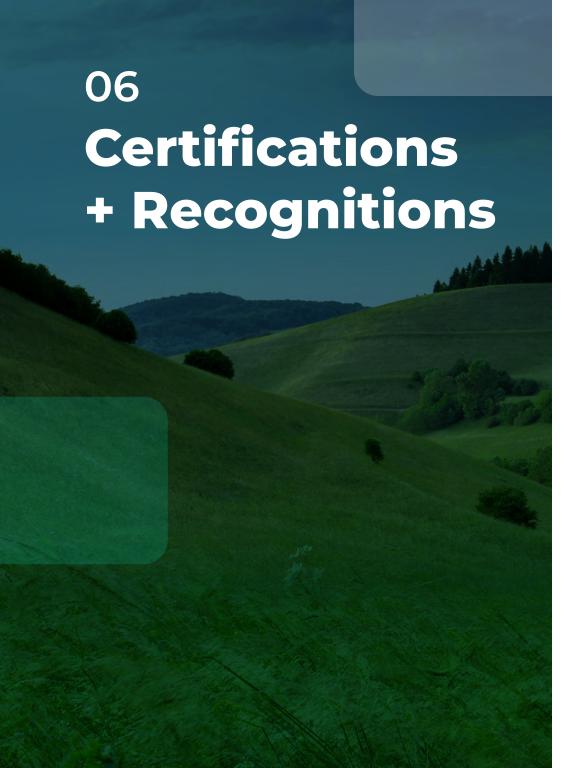
## Volunteering for Sustainability

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 litter and marine debris across the region.







## ISO 14001:2015 Environmental Management

n 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.

## Measuring our Impact

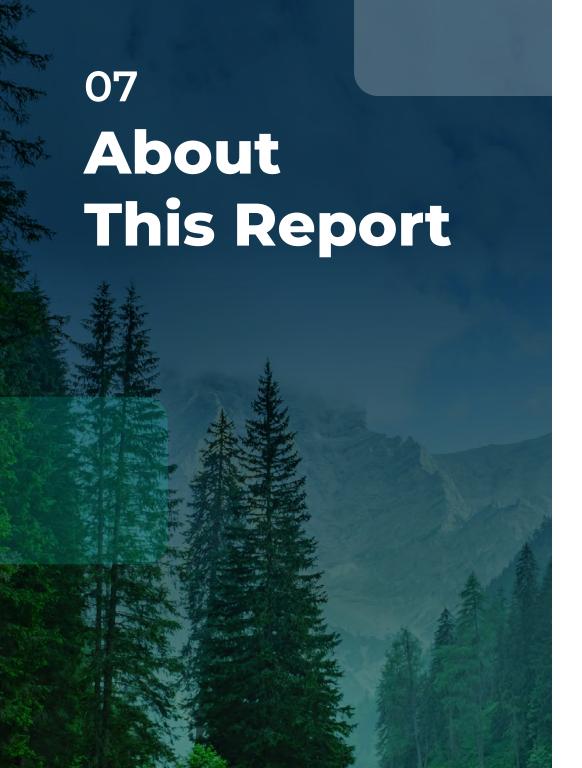
Velocalize reports its sustainability data annually to both EcoVadis and CDP, consistently earning higher ratings each year. These improved scores strengthen our sustainability position and reinforce our commitment to clients.

## ecovadis

EcoVadis' 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.



CDP (Carbon Disclosure Project) is a global non-profit that runs an environmental disclosure system for companies, cities, states, and regions to measure and manage their environmental impact. It helps organizations report on climate change, water security, and deforestation, promoting transparency and accountability in sustainability efforts.



Welocalize's Sustainability Report outlines our continued commitment to environmental and workforce sustainability, detailing our initiatives and achievements in 2024. As a private company, we are dedicated to a continuous voluntary publication of our Corporate Sustainability Report, reflecting our focus on transparency and responsible business practices.

Throughout 2024, 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 2024 calendar year, unless specified otherwise.



## Past Fulfilled Commitments

- Understood & assessed company-wide environmental aspects, impacts, and risks.
- Launched mandatory sustainability trainings to educate employees on environmentally sustainable business practices.
- Day events & Open Houses to promote environmental sustainability practices across the company.
- → Achieved ISO 14001 Certification.



### 2024 Achievements

- Achieved a 25% reduction in Scope 1 & 2 emissions in 2024 as compared to our 2023 footprint.
- Engaged with GHG emissions expert consultant to increase scope and accuracy of GHG emissions data.
- Disclosed Scope 1, 2, and Scope 3 greenhouses gas (GHG) emissions via Carbon Disclosure Project (CDP) and EcoVadis annual questionnaires.
- Developed roadmap to set near-term carbon reduction targets.

## **Future Commitments**

ooking ahead, Welocalize remains firmly dedicated to advancing our sustainability journey.

Welocalize will target reductions of 7% annually in Scope 1 & 2 emissions over the next 5 years.

These initial targets were established with 3<sup>rd</sup> party consultancy and are designed to align with the current Science Based Targets initiative reduction methodology.

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 initiatives that continuously meet 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.

