

HANDLE WITH CARE

Crown Sustainability
Report 2016

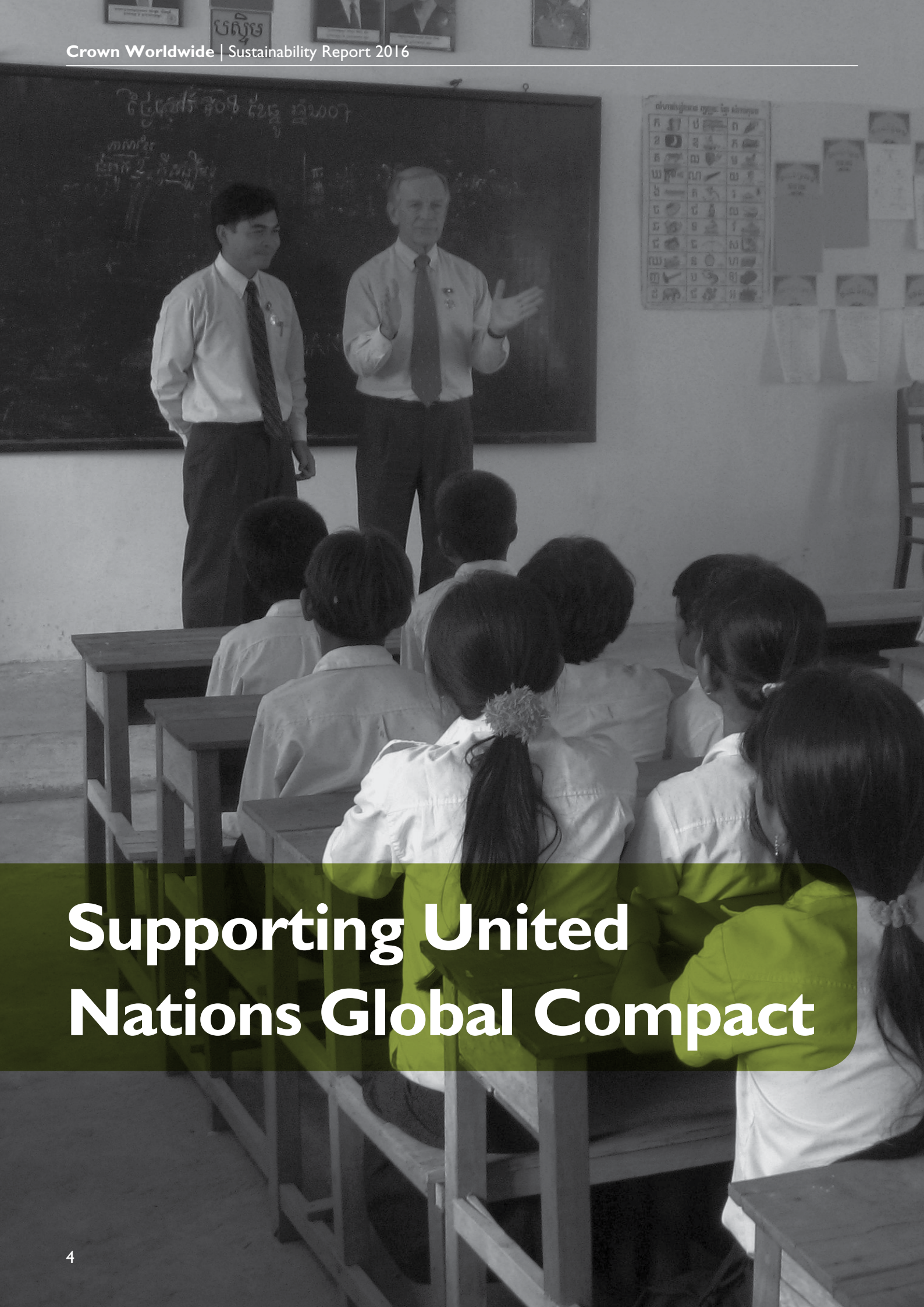


Our place in the world

At Crown, we aim to do business in a way that positively impacts the communities in which we live and work. By establishing responsible policies, monitoring our impacts and continuously seeking improvements, we are determined to be an asset in each of our locations.

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Supporting United Nations Global Compact

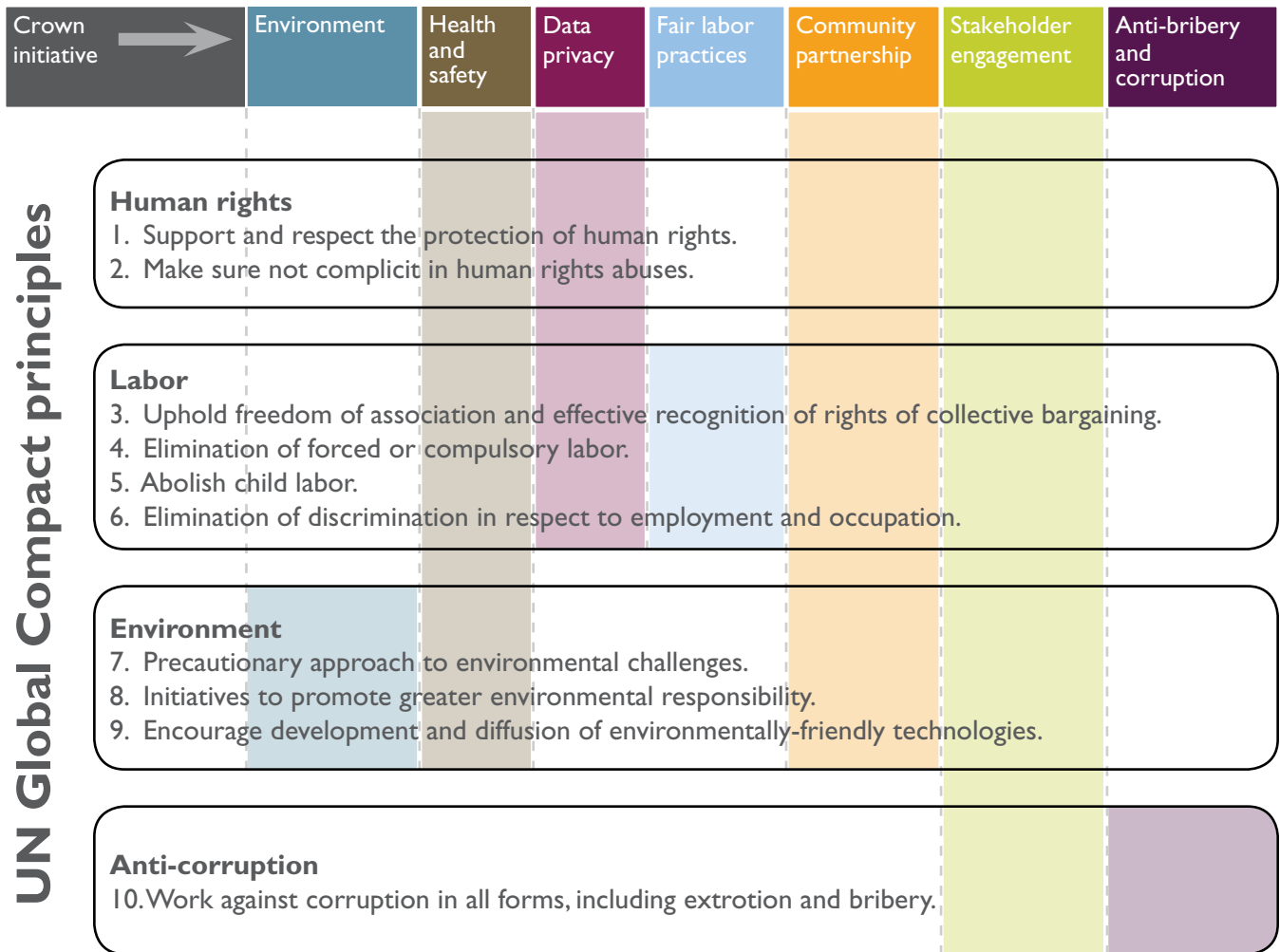
In March 2015 Crown joined the UN Global Compact (UNGC), the world's largest corporate citizenship and sustainability initiative. This achievement is a result of an ongoing effort to become a more caring and sustainable business.



COMMUNICATION ON PROGRESS

To reach this status, Crown's Chairman, Jim Thompson, formally committed to the UNGC's ten principles regarding human rights, labor, environment and anti-corruption. Crown has agreed to set goals in each of these areas and be transparent and accountable in its performance by publicly reporting its progress every year.

The following chart demonstrates how Crown's sustainability initiatives align with the ten UNGC principles.





Chairman's letter of commitment



May 11, 2016

H.E. Ban Ki-moon
Secretary-General
United Nations
New York, NY
10017
USA

Dear Mr. Secretary-General,

As Chairman of The Crown Worldwide Group, I am pleased to confirm our ongoing commitment to the ten principles of the United Nations Global Compact. The Crown Worldwide Group's Board, Executive Management Group and staff express our intent to uphold and implement those principles.

In meeting this commitment we will continue to seek partnerships and engage in collaborative projects with stakeholders, through which we can advance these broad UN goals. We commit to meeting the requirement of the UN Global Compact, by publishing an annual sustainability report available on our website and that of the UN Global Compact. This report will outline the practical steps that The Crown Worldwide Group has taken to implement the ten principles and provide a measurement of outcome in these areas.

In the 50 years since The Crown Worldwide Group was founded, we have consistently prioritized the right of people – particularly our employees. We actively support initiatives that help preserve the environment, and guide and empower our teams to support a cleaner world through their work. We work diligently to ensure that our staff and stakeholders are trained to adhere to our anti-corruption policies. These policies are regularly updated and help us to prevent our staff becoming party to this unacceptable behaviour.

As The Crown Worldwide Group continues to grow and prepare for a further 50 years of success, we recognize that by aligning our business strategies with UN Global Compact principles, we will be working towards creating a better society.

Sincerely,

A handwritten signature in black ink, appearing to read "James E. Thompson".

James E Thompson
Chairman



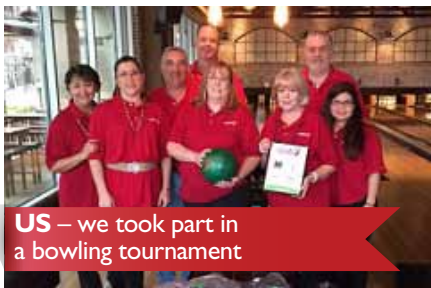
Our birthday gift to communities

We celebrated our 50th anniversary in February 2015. To commemorate this milestone, Crown teams from nearly 60 countries took part in a global CSR campaign called “Crown’s Golden Relay” throughout the year.

Each country organized its own CSR event to raise money, involving as many employees as possible. To reflect on a little history, every country held their event in the order that Crown opened. Once their activities completed, they “passed the baton” to the next country.

This initiative supported a common cause, local charities that fund children’s education or health issues. The aim was to raise US\$ 50,000 collectively as a company, then The Crown Foundation would match a percentage of the total global donations to fund a specific project for underserved kids.

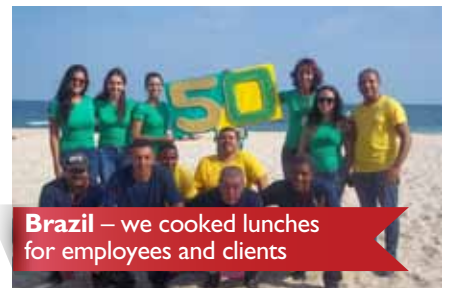
Golden Relay events that took place around the world



US – we took part in a bowling tournament



Canada – we hosted a yard sale



Brazil – we cooked lunches for employees and clients



South Africa – we made Valentine’s Day hampers for a raffle



Dubai – we held a 1960s themed gala dinner



Germany – we organized a fun-day for disabled children



Hong Kong – we ran our leg of the Golden Relay

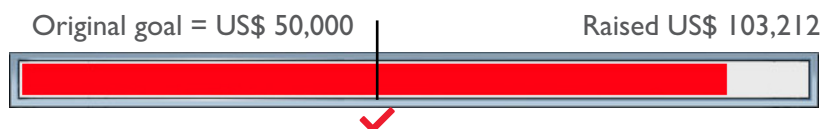


Indonesia – we held an auction and garage sale



Australia – we collected donations in Perth’s city center

Crown’s Golden Relay target



Our running total so far is US\$ 103,212 and the amount is growing every month. We’re very proud and honored to be able to make such a contribution to so many fantastic causes.



Our vision

Happy Birthday, Crown

2015 was an extraordinary year in the life of Crown. In celebrating our first 50 years in existence, we didn't stop at patting ourselves on the back, but renewed our vow to "give back" to the communities, the clients, the service partners and to our own employees, on whose considerable efforts our success has been founded.

From a sustainability point of view, most prominent was Crown's "birthday gift to our communities." The Golden Relay, as it was branded internally, resulted in significant financial and other giving to underprivileged and underserved communities across the globe. This year's report focuses on this truly life-changing initiative.

Sharing

One of our core values, sharing – being open and transparent – is at the center of who we are as an organization. In this year's report we are pleased to provide details on our ever-developing and expanding efforts – in terms of the environment, human rights, health and safety, labor practices and anti-bribery and corruption. In line with our membership of the UN Global Compact we are pleased to share our successes, as well as being transparent about where we can still improve.

Our extraordinary people

As you will see from the figures in this report, the positive impact Crown has on communities continues to increase. Why? Improvements to our CSR structure help, like setting more CSR-related employee performance targets, creating clearer global policies, and appointing senior managers to drive specific CSR issues. But that's not what makes Crown do more each year. In an effort to nurture a deeply embedded CSR culture, we encourage our people to decide on, develop and drive initiatives.

The result: our extraordinary people never cease to amaze us. Because they understand and care about local needs, they have created a momentum for positive change. Their ingenuity, passion and local knowledge have brought magic to our mission yet again.

As this year's report is finalized and published, it would not be inappropriate to name and celebrate the efforts of one of our extraordinary people, our previous CSR Director, Jennifer Harvey. It is with gratitude that we look back at her significant achievements in bringing CSR to the forefront of what Crown does and what Crown stands for. We are delighted that although she has passed on the CSR mantle, Jennifer remains with the Company, now in a senior business director capacity.

Looking ahead

As we look to the coming year, we are focused on issues material to our business activities. We will continue to scrutinize our environmental performance, especially those areas where we missed our targets. To enable us to keep doing good, we aim to share the value of what we bring to communities to also strengthen our company. Most importantly, we will keep looking for new practices and ways to leverage our core business activities, so that we can have a positive impact every single day.

Laurie Hibbert
Director of CSR
Crown

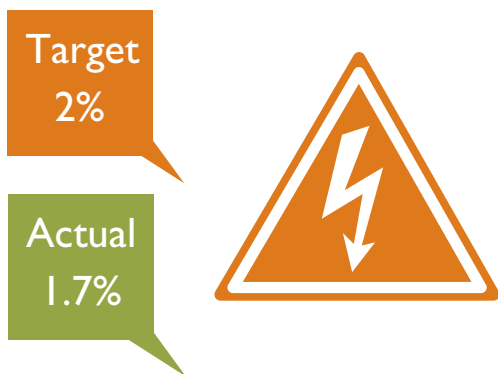


Performance against targets

How we performed against previous goals

TARGET FOR ENVIRONMENT

Electricity use per square meter of facility space



Vehicle fuel efficiency

Target at 2 %
Actual at -4 %



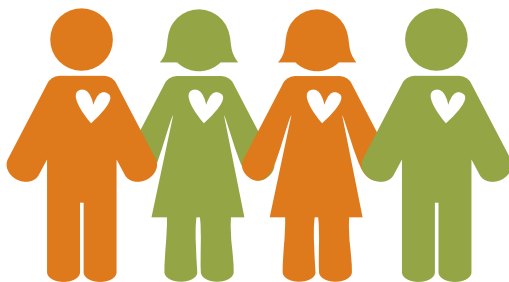
Target at 2 %
Actual at 5 %



Target at 2 %
Actual at 6 %



Increase the number of community support events



Increase the number of community support events in which Crown participates by 10%. Aim for 50% of employees to participate in CSR projects.

We have recorded 277 events globally in addition to 65 locations participating in our “Golden Relay” making 343 in total. This marks a 9% increase.

Over 61% of our office-based employees were involved in CSR activity relating to our 50th celebrations. This, combined with other events, exceeded our target.

Improvement to 85% on-time and accurate reporting of natural resource usage



Currently 73%

TARGET FOR COMPLIANCE

Achieve external certifications at additional Crown businesses



- a) ISO 14001
– Target: 9 sites. 17 were added
- b) OHAS 18001
– Target: 7 sites. 14 were added
- c) ISO 27001
– Target: 4 sites. 8 were added

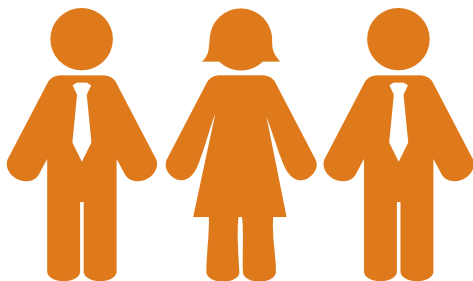
Group policies to 100% of employees



Communicate the following Group policies to 100% of employees: Code of Conduct, Health and Safety, Environment, Employee Volunteering, Anti-Bribery and Corruption.

Achieved: the above policies are now embedded to our HR management tool, “Target.”

TARGET FOR STAKEHOLDER ENGAGEMENT



Employees

Increase number of Crown sites that engage in CSR activities by 10%.

Achieved: over 65 offices celebrated our 50th anniversary with CSR activity.

100% of Crown employees and new hires to undergo Crown’s Anti-Bribery and Corruption e-learning curriculum.

Achieved – it is now an essential onboarding requirement for all new employees and is embedded within our HR management tool “Target.”



Supply chain

Develop e-learning material specifically designed to educate our supply chain on Crown’s Code of Conduct and CSR expectations throughout 2015 – achieved.

Vehicle efficiency for trucks remains a target for us, having seen improvements in van and car efficiencies for two years running. We are determined to achieve our goal for more efficient trucks. We are looking at various vehicle GPS tracking and monitoring systems to enhance our usage efficiency and further improve performance in this area. This, together with better route planning and technology advancements in newer vehicles, will help us achieve this ongoing goal.

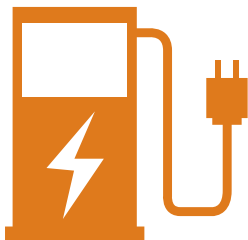
Targets for 2016

ENVIRONMENT

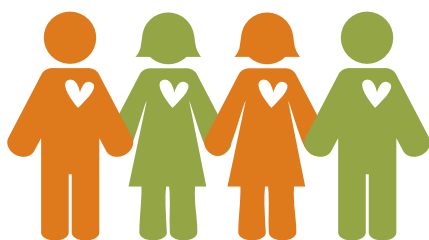
Redesign of reporting of natural resource system for accuracy and ease of use



Improve fuel and electric efficiency by 2%



Increase the number of community support events to 300 recorded events



COMPLIANCE

Achieve external certifications at additional Crown businesses



- a) ISO 14001 (environmental) – 10%
- b) OHAS 18001 (health and safety) – 10%
- c) ISO 27001 (customer data privacy) – 10%

Increase understanding and use of legal registers to ensure compliance and improve local practices in environment management



STAKEHOLDER ENGAGEMENT

Supply chain



- 1) Ensure that 100% of partners have completed the CSR-related elements of Crown's qualification process
- 2) Enhance due diligence to ensure responsible conduct for the high-risk parts of the supply chain



Environment

Hybrid-electric trucks and electric vehicles continue to allow Crown to better understand how investment in these energy-efficient technologies can best serve customers while reducing emissions. These trucks have smaller capacities and driving distance ranges but have proved well-suited to records retrievals and other small intra-city deliveries. Advancements in Solar Power and LED Lighting have also allowed Crown to investigate the fitting of low power, longer life LED units, and energy producing solar roof panels. With every new purchase Crown learns more about how to make these investments financially sustainable so that we can continue to expand their use around our world.

Carefully handling our earth

We know that our greatest impacts remain vehicle fuel and the electricity consumption at offices and facilities around the world. We're also looking at how we can improve our packing materials and our waste management.

We are enhancing the systems used in all of these areas in a natural resources consumption database redesign. The database aim is to provide a consistent global view of business energy use with comparisons between locations, regions and time periods.

We continue to find solutions on how to better quantify and monitor our packaging consumption and waste globally. While geographically-varying practices in the packaging and recycling industries have posed significant challenges, we want to find meaningful metrics to help us better understand our performance in this area.

Crown is developing its Move Crew Handbook, a manual that is specifically targeted at the operational teams involved in packaging and protection of personal effects in transit. This manual contains guidance on products to use to provide the best protection at the same time as being sustainable.

Since 2010, Crown has worked with a tree planting charity in Thailand "PATT." In that time Crown employees have planted nearly 15,000 new trees.

In 2015 our operations in Vietnam attained their ISO 14001 certification. Nine months of careful planning and preparation went into the readiness for the audit with local environmental goals introduced. One of these goals evolved into a project partnering with companies to collect paper and card products for disposal – providing secure destruction and recycling services. As of the end of 2015 our operations in Vietnam had recycled 156,911 kgs of paper products.

Vietnam also attained their ISO 27001 certification in 2015 and are extremely proud of their achievement.





Health and safety

Throughout 2015, Crown implemented a globally accepted Health and Safety Manual. Available to all employees, it is the basis for our global OHSAS 18001 policy. After external audits, Crown has now retained and grown to 37 certified sites, up from 21 in 2013. This exceeds the company goal of 20% growth in certified sites.

To further embed good practices, we have improved access and knowledge of global processes, policy and standards in health and safety through the Company's internal SharePoint platform. This now gives our people better access to manuals, documents and local records to ensure the well-being of our staff. Certified sites can use this to manage required documentation; locations aiming for initial certification have access to guidelines enabling them to achieve certification. In addition, we continue to maintain easy-to-read pocket guides on general health and safety advice and on safe driving for all our employees.

Our goals

Our goals for 2016 include expanding our OHSAS 18001 health and safety certification to at least 10% additional locations. In doing so, we will further spread and embed safe work habits for our employees around the globe. We will also continue work to establish a common global accident record to help us monitor our worldwide performance in a more consistent way, then set global targets for improvement.

- ▶ In 2015, Crown received a Gold Award in the U.K.'s RoSPA health and safety awards
- ▶ Following its addition to Crown's global OHSAS 18001 certificate, the awareness of health and safety practices of Crown Indonesia's team helped the team to celebrate the achievement of zero accidents for the third year in a row



CROWN 
RECORDS MANAGEMENT

**AUTHORIZED
PERSONNEL
ONLY**

Data privacy

Being a responsible company means protecting customers' and employees' right to privacy.

We have consistent policies and practices to safeguard personal information about our customers and employees. Crown's Binding Corporate Rules (BCR) on data privacy – which comply with international legislative requirements and recommendations – are mandatory privacy procedures for all our sites.



It helps keep personal information safe and ensure prompt reporting to management if there is any data breach. We are certified with the US Department of Commerce's Safe Harbor Program which means handling customer data according to the standards of EU countries. Most of our offices also ensure that individual customers sign a consent form prior to the processing of their personal data.

Because in some cases sensitive information is also handled by its service partners, Crown's supply chain management system emphasizes compliance with data privacy policies through the qualifying and contractual stages of an engagement. This is led by Crown's Chief Risk Officer and a Group Compliance Officer, appointed in 2014.

ISO 27001 is an externally audited information security standard that Crown has achieved and is extending to its businesses around the globe. **At the end of 2015, 28 Crown sites had achieved this certification, up 26% from 2013.** In 2016, the company targets successful certification at additional sites, including our Hong Kong headquarters.

Achieving this at headquarters will have a positive impact across the organization. We target 10% growth in site certifications in 2016.



Fair labor practices

We are committed to treating our employees fairly. In addition to complying with local employment laws, we support the labor principles of the UN Global Compact, including:

- Equal opportunity employment
- Prohibiting child labor
- Prohibiting mistreatment by workplace bullying
- Prohibiting sexual harassment
- Prohibiting retaliation to employee seeking to invoke his/her rights

These policies are detailed in our formal Code of Conduct that documents a zero-tolerance for discriminatory practices, forced labor or the employment of children under 16 years of age, all of which Crown views as violations of basic human rights. Our Code of Conduct is acknowledged annually by all employees; any suggested violation of these principles will result in investigation and corrective action.

Crown's Group Vice President of Human Resources and our global HR team maintain and manage these labor policies.

Diversity and Inclusion have been a greater focus for Crown in recent years. Crown currently employs staff from 83 countries, of which women represent over 40%. This gender balance is reflected in all levels of the company: in 2015, females filled 41% of all management positions and 44% of Crown's Executive Management Group members are women. Gender balance remains a strategic priority for Crown in 2016.

Crown's Employee Engagement Survey

In 2015, Crown's HR team conducted the Company's first global Employee Engagement Survey. 65% of employees participated and stated the following:

- "Crown as a great place to work"
– 82% responded yes
- "Crown provides a good and safe environment"
– 87% responded yes
- "Crown enabled me to make a difference and contribute to the Company's success"
– 90% responded yes
- "I am aware of Crown's values and try to build them into everything I do"
– 90% responded yes

Overall employees around the world responded that they most valued:

- Company culture and work environment
- Teamwork, team members and coworkers
- Convenience, freedom, flexibility and work-life balance
- Company, brand, reputation, values and CSR



Stakeholder engagement

Working together to have a positive impact

Employees

From the top down, every manager and employee sets performance goals – including those aligned with Crown’s CSR goals. CSR goals help each employee to reflect on the impact of their role and find measurable ways to improve. Crown’s global Employee Volunteering Policy allows employees to take paid time to support local community issues. Employees are encouraged to organize local events, invite clients and share their achievements through Crown’s internal social media network.

For the first time in Crown’s history, in 2015 a global internal survey was conducted, measuring employee engagement throughout all levels and across all geographies. In line with recommended practice, employees were asked a variety of questions across a number of key engagement drivers, including “Making A Difference.” Tellingly, it was in this section where we found the highest levels of engagement. It seems that participation in CSR activities is of great value to all involved (not just the intended beneficiaries), and that employees are proud to work for an organization that puts giving back at the heart of what we do.

At the time of reporting, the 2016 employee survey had just been launched. Managers and senior leaders will be looking for increased participation from employees throughout the organization, and improved scores across all engagement drivers.

Opportunities to participate in CSR activities are valued by our employees and have a significant impact on our communities.

Clients

A focus in 2016/17 will be to increase Crown’s partnerships with key clients and external stakeholders in CSR initiatives. We proved the value of this during our Golden Relay activities in 2015, where in partnership with our supporters, we more than doubled our fundraising target. It is evident that we can accomplish even more for the community at large by working together. Partnering with clients to help the community has the added benefit of helping teams to communicate and function even more successfully in business activities. Targets have been set in relation to this for each of our senior account managers.

Supply chain

As Crown’s impact extends to the actions of our service partners and suppliers, we continue to work to ensure that members of our supply chain are aligned to Crown’s sustainability goals.

Crown has launched a website, a Code of Conduct and an enhanced database to heighten service partner compliance. A hotline has been established for service partners to report any suspected code breaches, non-compliance and unethical behaviour. Improved contractual documentation supports the commitments made by Crown to its clients and includes topics such as legal compliance and fair employment practices.

Crown has introduced mandatory e-Learning programs to help service partners and suppliers, and better understand the issues of compliance and corporate social responsibility. We will continue to expand our portfolio of knowledge to further educate our supply chain where appropriate.



Anti-bribery and corruption

It is Crown's policy to conduct business with a zero-tolerance approach to bribery and corruption. Crown is committed to acting professionally, fairly and with integrity, and in compliance with local laws. We continue to improve, implement and enforce systems to counter bribery and corruption in our business dealings and relationships.

As with any global business, this comes with challenges when doing business in almost every country of the world. In 2015, Crown focused on further assuring full compliance in every country, including those with less developed legislation on anti-bribery and corruption (ABC). This requirement will cover every service segment, even those most at risk. To facilitate 100% compliance, all service providers are to be vetted, trained and will sign our Service Partner Agreement (which includes a provision that we can audit their accounts at any time). This will enable us to more easily conduct periodic audits, especially in high-risk locations.

These enhancements are targeted to be fully implemented by early 2016. Service partners undergo training on anti-bribery and corruption through our "Doing Business without Bribery" program. In 2015, 23% of service partners completed the course and in 2016, we are targeting completion by 50% of partners. We are specifically targeting service partners in areas with low levels of existing corporate governance.

Every year, our own people receive training on our Anti-Bribery and Corruption Policy; this also helps our people learn how to identify and avoid supporting improper practices of others.

Employees also review and acknowledge our documented global Code of Conduct. This details expectations of every employee when it comes to business integrity. Acknowledged by employees annually through Crown's performance management system, these include rules on appropriate practices related to:

- Conflicts of interest
- Securities and antitrust laws
- Agreements with competitors, customers or licensees
- Relationships with public officials
- Bribery, kickback and fraud
- Sanctions and trade embargoes

Also available to all our employees is an ethics and compliance hotline to anonymously report any suspicious activities. These programs are driven by Crown's Chief Risk Officer and Group Compliance Officer, roles which work independently and impartially to uphold our objective to work against corruption in all forms.



www.crownworldwide.com

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