



CARLSON UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS 2014

Statement of continued support by the Chief Executive Officer

Statement of the company's chief executive (CEO or equivalent) expressing continued support for the Global Compact and renewing the company's ongoing commitment to the initiative and its principles.

To Whom It May Concern,

Since first signing the United Nations Global Compact in 2010, Carlson has remained staunchly committed to the Global Compact's 10 Universal Principles and maintains strong policies on human rights, labor, environment and anti-corruption. The Global Compact aligns with our core values and our commitment to be a force for good. We incorporate its principles into our decision-making processes, day-to-day operations and training programs.

Carlson maintains an industry-leading focus on combating human trafficking and sponsors the Human Rights Campaign (HRC), the largest LGBT civil rights organization in the U.S. HRC is a bipartisan organization that works to advance equality based on sexual orientation and gender expression.

Our environmental programs include Carlson Wagonlit Travel's robust Carbon Management Project, which lays the foundation for a systematic, company-wide approach to managing the company's carbon emissions; and Carlson Rezidor Hotel Group's Meetings Minus Carbon program, where Club CarlsonSM purchases carbon credits to offset the estimated carbon footprint of 100 percent of Club Carlson for Planners meetings and events across the group's participating brands, totaling 1,077 hotels in operation worldwide.

Carlson prides itself as an ethical company, and takes great care to avoid doing business with individuals named on various international watch lists such as the UN, EU or Office of Foreign Asset Control. The company rolled out the use of products and processes in 2013 to monitor all suppliers within the corporate accounts payable process.

We affirm our dedication and commitment to the Global Compact. Across our businesses, we are inspired and guided by our core principles and those of the Global Compact. Contributing to our communities, serving our customers, constantly working to reduce our impact on the environment and empowering our employees to live and work responsibly is at the heart of our business actions today. We pledge to make continued progress in support of these principles as we look ahead to the future with a caring spirit, service heart and lasting legacy.

Trudy Rautio
President and Chief Executive Officer, Carlson

Human Rights

Assessment, policy and goals

Description of the relevance of human rights for the company (i.e., human rights risk-assessment).

Description of policies, public commitments and company goals on Human Rights.

Carlson believes in affording all employees basic human rights as defined in the United Nation Declaration of Human Rights, such as treating them with dignity and respect, providing a safe and healthy work environment for all employees, not using workers under the legal age for employment, and protecting children from any type of labor that may be hazardous to their health or interferes with their education.

Key human rights issues for the hotel industry include fair wages, women's rights, ability to join trade unions and collective bargaining. We do not in any way participate in or condone practices that breach International Declarations covering these issues. We work to rid prevalence of such problems, and strengthen local communities by running a responsible operation. The Universal Declaration of Human Rights underlies our relationship with our employees. All hotels comply with local laws regarding work hours and payment, and employees are free to join trade unions if they so choose and bargain collectively in accordance with local laws. Our hotels have routines in place to ensure that discrimination due to age, race, religion, gender or disability does not take place and aligns with our Equal Opportunity Policy.

Carlson Code of Business Conduct and Ethics:

Integrity is the foundation for how our decisions and actions help Carlson attain its highest aspirations – in service to each other, our customers, our guests and the communities in which we operate. The Carlson Code of Business Conduct and Ethics provides insight and clarity to that foundation. To view Carlson's Code of Business Conduct and Ethics visit: <http://responsiblebusiness.carlson.com/assets/CODE-OF-BUSINESS-CONDUCT-AND-ETHICS-clean-final-9-13-13.pdf>

End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes (ECPAT) Code of Conduct policy:

Carlson has long supported the End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes (ECPAT) Code of Conduct to protect children against sexual exploitation in travel and tourism. Carlson condemns all forms of commercial sexual exploitation of children. We support every child's right to a safe and secure childhood, and is committed to the principle that everyone has the right to grow up and develop without fear of exploitation or harm. The protection of children from sexual exploitation is a moral imperative, and socially responsible business policies and practices must reflect this principle. Carlson and its employees shall strictly comply with all applicable laws and regulations regarding the prevention of the commercial sexual exploitation of children, including the prevention of the use of its premises for such exploitation.

No employee may:

- use or allow the use of any of the Company's facilities, resources or equipment (including the Company's computers and networks and restaurant or hotel televisions) for the viewing, storage, distribution, promotion or other use of materials in which children are depicted as engaging in any sexual act or are otherwise made an object for prurient interests;
- enter into, on behalf of the Company, or otherwise, any business relationships or any other arrangement with any organization which the employee has reason to believe participates in any way in the sexual exploitation of children;
- or use or allow the use of images or concepts that sexually exploit children.

All employees must be vigilant and immediately report to managers, supervisors, the Legal department or the Business Conduct and Ethics Hotline, as appropriate, all situations that come to their attention in the Company's premises or businesses where sexual exploitation of children is suspected or appears to be intended.

Under no circumstances may the Company's funds, property (including electronic devices and the Company's supported technology) or personnel be used to further or support activities prohibited by the Compact, ECPAT Code or this Code.

Additional information:

Carlson is a privately held, global hospitality and travel company headquartered in Minneapolis, Minn. and is the parent company of Carlson Rezidor Hotel Group and Carlson Wagonlit Travel.

For more information on Carlson's recent responsible business activities visit:

<http://responsiblebusiness.carlson.com/>

Learn more about Carlson Wagonlit Travel's human rights policies and initiatives in its 2013 responsible business report. http://www.carlsonwagonlit.com/export/sites/cwt/en/global/our_company/responsible-business/cwt-responsible-business-report2013.pdf

Learn more about the human rights policies and initiatives of The Rezidor Hotel Group, our partner in Europe, the Middle East and Africa, in its 2013 Responsible Business Report. http://media.corporate-ir.net/media_files/irol/20/205430/2013_Rezidor_Responsible_Business_Report_EN.pdf

Implementation

Description of concrete actions to implement Human Rights policies, address Human Rights risks and respond to Human Rights violations.

Signatory of The Code:

Carlson has been recognized by the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism (known as The Code) as a top member for 2014.

The Code is an industry-driven, multi-stakeholder initiative with the mission to provide awareness, tools and support to the tourism industry in order to combat the sexual exploitation of children in contexts related to travel and tourism.

In 2004 Carlson became the first North American travel and hospitality company to sign the Code of Conduct, which is aimed at protecting children against sexual exploitation in the travel and tourism industry. The Code was signed on behalf of Carlson during a United Nations ceremony at UNICEF headquarters in New York City by then Chairman and CEO Marilyn Carlson Nelson, an ardent supporter and pioneer of this effort.

The Code employs the following six criteria which Carlson committed to adhere to as a signatory:

1. To establish a policy and procedures against sexual exploitation of children.
2. To train employees in children's rights, the prevention of sexual exploitation and how to report suspected cases.
3. To include a clause in contracts throughout the value chain stating a common repudiation and zero tolerance policy of sexual exploitation of children.
4. To provide information to travelers on children's rights, the prevention of sexual exploitation of children and how to report suspected cases.
5. To support, collaborate and engage stakeholders in the prevention of sexual exploitation of children.

6. To report annually on their implementation of Code related activities.

Human Trafficking Awareness Training:

To align with Carlson's commitment to the protection of children from sexual exploitation and trafficking, Carlson Rezidor Hotel Group has implemented a training module for all hotel employees as part of its larger "Living Responsible Business" training program.

The 30-minute "Child Protection" training module is designed to provide employees with a better understanding of how they can positively impact and safeguard children in our communities.

Today, Carlson Rezidor's "Child Protection" training has been fully rolled out globally to all brands. Ongoing training is monitored by an independent auditing consultant.

Language in Supplier Contracts:

Carlson and Carlson Rezidor Hotel Group use the following language in new and updated contracts:

Carlson supports a child's right to a safe and secure childhood and condemns all forms of commercial sexual exploitation of children. Supplier will use its best efforts to assist in that support by: (1) not knowingly using any form of child or forced labor, including without limitation using subcontractors or suppliers who use child or forced labor; (2) not knowingly engaging in or supporting the business of, or doing business with companies who engage in or support, the commercial exploitation of children; (3) prohibiting the use of all company equipment for the viewing, storage, distribution, promotion or other use of materials, which sexually exploit children and establishing procedures to enforce such policies; and (4) prohibiting the use of images or concepts in its marketing or on its premises which sexually exploit children.

Carlson supports the values of human rights, labor standards, the environment and anti-corruption. Supplier will use its best efforts to assist in that support by: (1) affording all employees basic human rights by treating them with dignity and respect, providing a safe and healthy work environment and (2) protecting the communities and environments in which they operate by having effective environmental policies and complying with existing legislation and regulations regarding the protection of the environment.

Children at Risk – Asia Pacific Region:

Following the Carlson Family Foundation's long-standing commitment to help children, Carlson Rezidor Hotel Group in Asia Pacific launched the Children at Risk initiative in 2012. The initiative focuses on addressing child mortality in Asia Pacific.

Carlson Rezidor hotels in the region are supporting the Children at Risk initiative through activities such as organizing a one-day Health Camp for school children, installing liquid soap dispensers schools and contributing funds to make polio immunization available for children in need.

Carlson hosts international diplomats to raise awareness for combating human trafficking:

Carlson supports the U.S. State Department's International Visitor Leadership Program (IVLP) which focuses on combating the trafficking of persons. Partnering with the Minnesota International Center (MIC), Carlson regularly hosts delegations of IVLP visitors from around the world for several-day visits that:

- introduce participants to U.S. policy and strategy to prevent and actively combat trafficking of persons, including prosecution and enforcement against traffickers;
- provide a comprehensive overview of the trafficking issue domestically and abroad, and the power of local, national and international cooperation;

- share information about initiatives to protect, assist and provide social reintegration of trafficking victims;
- demonstrate how representatives from a variety of societal sectors can effectively work together to address this issue, and to encourage similar cooperation among program participants in their work abroad.

This unique opportunity to raise awareness and share ideas with potential, future world leaders is a priority for Carlson as it works to eradicate this global problem. Sharing practical examples of the work it has initiated within the hospitality industry, Carlson works to build relationships with these international delegates, providing a framework they can use to foster partnerships with business, government, and non-profit organizations within their own respective countries.

Training and Development:

The Carlson Rezidor Business School is the educational platform for classroom training provided to hotel managers, department heads, and corporate leaders across all of our hotel brands throughout the Americas. For optimal access, the Business School is hosted several times each year in a different city to provide ongoing training and networking opportunities that attract, advance and retain talented people.

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Measurement of outcomes

Description of how the company monitors and evaluates performance.

Carlson Named Top Member of The Code:

Carlson along with forty-three other companies around the world were recognized as top members for successfully completing all six criteria of The Code within their own business operations, reporting their efforts, and choosing to make their child protection work public on The Code's website.

To view Carlson's annual reporting to The Code visit:

<http://thecode.force.com/publicPdf?id=0019000000GxgPjAAJ&year=2013>

Presidential Award for Extraordinary Efforts to Combat Trafficking in Persons:

Carlson is the first company to receive the Presidential Award for Extraordinary Efforts to Combat Trafficking in Persons.

Carlson received the award for its demonstrated commitment and corporate leadership in combating modern slavery through the adoption and promotion of business practices that seek to protect victims of human trafficking, and the development of proactive measures to train employees and encourage its partners and the broader business community to take a stand against human trafficking.

The company has been a leader and early supporter of efforts to recognize and prevent human and sex trafficking around the globe, and proactively trains its employees to be aware of the risks of sex trafficking, particularly of children.

Oslo Business for Peace Award:

Marilyn Carlson Nelson, former Carlson chief executive officer and chairman emeritus, was honored with a 2014 Oslo Business for Peace Award, the highest form of recognition given to individual business leaders for fostering peace and stability through creating shared value between business and society.

Marilyn was nominated by the United Nations Global Compact (UNGC) for her leadership promoting responsible business practices—ranging from advocacy for the abolition of sexual exploitation of children, to guidance of the UNGC as an active board member. Five honorees were selected by an independent committee consisting of Nobel Prize winners in peace economics.

The Business for Peace Foundation was established in 2007 to encourage the willingness of business leaders to engage with society as partners in developing shared value and increasing trust between business and society. The foundation has promoted the concept of “business worthiness” as a way to understand how business leaders can develop trust with communities, contribute to well-being, and create conditions for sustainable development.

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Labour

Assessment, policy and goals

Description of the relevance of labour rights for the company (i.e. labour rights-related risks and opportunities). Description of written policies, public commitments and company goals on labour rights.

Key human rights issues for the hotel industry include fair wages, women's rights, ability to join trade unions and collective bargaining. We do not in any way participate in or condone practices that breach International Declarations covering these issues. We work to rid prevalence of such problems, and strengthen local communities by running a responsible operation. The Universal Declaration of Human Rights underlies our relationship with our employees. All hotels are required to comply with local laws regarding work hours and payment, and employees are free to join trade unions if they so choose and bargain collectively in accordance with local laws; and have routines in place to ensure that discrimination due to age, race, religion, gender or disability does not take place and aligns with our Equal Opportunity Policy.

Carlson Code of Business Conduct and Ethics:

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At Carlson, we believe that we are defined both by the results we achieve, and the way we achieve them. The Carlson Code of Business Conduct and Ethics helps guide us in that effort.

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Safe Environment:

All employees and contractors must strive to provide a safe and secure work environment for employees, clients and guests, and to protect the Company's physical and intangible assets. Employees must comply with established Company and facility security guidelines and report all incidents involving a potential or actual breach of the security guidelines to their immediate supervisor, human resources department, security department or the Business Conduct and Ethics Hotline.

Non-Discrimination:

We recruit employees without regard to race, gender, age, disability, marital status, sexual orientation, nationality, caste, affiliation with a political organization, national origin, veteran status, religious or union organization, minority group or any other characteristic protected by law. Every employee shall ensure that all of our Values are practiced and will uphold the principles set forth in this Code and comply with all employment policies that apply to their business and local laws.

Respect:

The Company is dedicated to maintaining a work environment where employees are treated with courtesy, dignity and respect. The Company expects employees to behave politely and respectfully in all interactions. This includes face-to-face interactions as well as communications by phone, email, social media or Internet. All employees should act with integrity and professionalism and demonstrate respect for those with whom they work. The Company does not tolerate behavior that threatens the well-being of any colleague, customer or other person. Employees must never verbally or physically mistreat others or engage in offensive behavior. This encompasses sexual and other forms of harassment, abusive treatment or intimidating behavior, inappropriate language or gestures, discrimination and any other conduct that materially distracts from an employee's ability to competently perform the work or meet his or her responsibilities and duties, regardless of whether or not the behavior is illegal.

Diversity and inclusion at CWT:

As a global enterprise, CWT seeks to ensure that its employee body reflects the diversity of its business environment.

Focus on Asia Pacific:

The Diversity and Inclusion Council has initiated many activities throughout the region including:

- Volunteerism leave to encourage community involvement
- Singapore and Thailand – Workplace Health Programs for the well-being of employees. CWT Singapore also has inclusion talks for working parents and has partnered with Movement for Intellectually Disabled of Singapore (MINDS) to raise funds
- Hong Kong – CWT was awarded the Caring Company Award for the second consecutive year by the Hong Kong Council of Social Services recognizing their commitment to caring for the environment, community and employees
- Indonesia – worked with HDI Foundation to provide access to education for underprivileged children
- China – celebrated “Childhood Month” with a Family Day outing and discussions on parenting
- India – organized events with a diversity theme to raise funds for underprivileged children and victims of the Uttarakhand disaster

Focus on Americas:

In the U.S., CWT established its Diversity and Inclusion (D&I) Council in 2007 to ensure diversity and inclusion as a foundational part of CWT’s culture. Comprised of employees from traditionally under-represented groups, the current U.S. Employee Partner Networks consist of:

- L.U.N.A (Latinos Unidos Network Association)
- G.E.T (Generational Excellence Team)
- LGBT+ (Lesbian, Gay, Bisexual, Transgender and Allies) Alliance
- African-American Travel Professionals M.A.D.E (Making a Difference for Excellence)

Additional information:

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Implementation

Description of concrete actions taken by the company to implement labour policies, address labour risks and respond to labour violations.

Reporting of Possible Violations:

Employees should immediately report to the Legal department any conduct which is or may be contrary to any of the above policies or guidelines. Alternatively, where legally permissible, employees may

anonymously share information regarding any actual or suspected violations by utilizing the Company's Business Conduct and Ethics Hotline.

Supplier Code of Conduct:

Carlson Rezidor Hotel Group is committed to ensuring the highest ethical standards in conducting business, and the same is expected of suppliers. As a supporting member of the UN Global Compact, Carlson Rezidor believes in and is committed to advancing the Global Compact's core values in the areas of human rights, labor, environment and anti-corruption. These principles are the foundation for Carlson Rezidor's Supplier Code of Conduct which outlines standards that suppliers to Carlson Rezidor are expected to achieve. In addition to these standards, suppliers are expected to abide by all applicable laws, codes and regulations in the countries in which they operate. Carlson Rezidor suppliers are responsible for communicating the content of the Supplier Code of Conduct to employees and subcontractors.

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Measurement of outcomes

Description of how the company monitors and evaluates performance.

Champion of Equality Award:

In March 2013 Carlson received the Champion for Equality Award from the Women's Foundation of Minnesota.

Carlson was the unanimous choice for the award, based on its significant number of women in upper management; its actions to ensure that all Minnesota women and girls have the chance to lead; and its dedication to building women's leadership in the workplace, most notably the company's recent appointment of Trudy Rautio as president and CEO, and its announcement that Marilyn Carlson Nelson has been succeeded by her daughter, Diana Nelson, as chairman of the board of directors. Carlson also supports women and girls through corporate giving and philanthropy. The company has been a leader and early supporter of efforts to recognize and prevent sex trafficking around the globe, including being a lead local sponsor of the Women's Foundation campaign, Minnesota Girls Are Not for Sale, which is working to end the trafficking and prostitution of girls.

Dave Thomas Foundation Top 100 Adoption Friendly Workplaces:

For the seventh year in a row, Carlson was named one of America's top 100 adoption-friendly companies, on the 2013 Best Adoption-Friendly Workplaces List by the Dave Thomas Foundation for Adoption. Carlson also again earned the number one ranking in the hospitality and travel industry category. Rankings are determined by an analysis of a company's adoption benefits available to employees, such as financial reimbursement and paid leave.

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Environment

Assessment, policy and goals

Description of the relevance of environmental protection for the company (i.e. environmental risks and opportunities). Description of policies, public commitments and company goals on environmental protection.

Protecting the communities and environments in which we work and live by having an effective environmental policy and complying with existing legislation and regulations regarding the protection of the environment. This may include managing hazardous materials to ensure their safe handling, storage, recycling, reuse or disposal; reducing waste and managing the treatment and disposal of waste; and monitoring and controlling the discharge of air emissions that could harm the environment.

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Implementation

Description of concrete actions to implement environmental policies, address environmental risks and respond to environmental incidents.

Supplier Code of Conduct:

[Carlson Rezidor Hotel Group](#) is committed to ensuring the highest ethical standards in conducting business, and the same is expected of suppliers. As a supporting member of the UN Global Compact, Carlson Rezidor believes in and is committed to advancing the Global Compact's core values in the areas of human rights, labor, environment and anti-corruption. These principles are the foundation for Carlson Rezidor's Supplier Code of Conduct which outlines standards that suppliers to Carlson Rezidor are expected to achieve. In addition to these standards, suppliers are expected to abide by all applicable laws, codes and regulations in the countries in which they operate. Carlson Rezidor suppliers are responsible for communicating the content of the Supplier Code of Conduct to employees and subcontractors.

Global Sourcing Council:

Carlson's Global Sourcing Council is made up of leaders from [Carlson Rezidor Hotel Group](#); [Carlson Wagonlit Travel](#) and other Carlson business affiliates; collaborates to create, leverage and share best practices.

Over the past year, the council has worked toward incorporating language into supplier agreements that support Carlson's responsible business values. Language that condemns all forms of commercial sexual exploitation of children ([ECPAT](#)) and supports the values of human rights, labor standards, the environment and anti-corruption, are embedded into our agreements.

CWT's Carbon Management Project:

[Carlson Wagonlit Travel's](#) (CWT) Carbon Management Project lays the foundation for a systematic, companywide approach to managing the company's carbon emissions. The project will produce an overview of CWT's carbon footprint and provide a benchmark for future carbon reduction efforts at the corporate level.

Phase One in 2012: Creation of a worldwide approach to measure greenhouse gases and establishment of a carbon reporting mechanism.

Phase Two in 2013 and 2014: Definition of comprehensive action plans. These plans are defined by leveraging experience and know-how developed in leading-edge countries.

This program is designed to respond to the expectations of our various stakeholders (employees, customers, investors, regulatory bodies, etc.) and create opportunities for energy cost savings.

Meetings Minus Carbon:

Club CarlsonSM, the hotel rewards program for Carlson Rezidor Hotel Group, purchases carbon credits to offset the estimated carbon footprint of 100 percent of Club Carlson for Planners meetings and events globally, across the group's participating brands totaling 1,077 hotels in operation worldwide.

Meetings Minus Carbon – a free service for the meeting planners – is managed through Carlson Rezidor's new partner, Carbon Footprint Ltd. Carbon credits are purchased and invested in renewable energy in India and with the planting of one tree for every ton of carbon offset in the Great Rift Valley in Kenya. Club Carlson's members also have the opportunity to redeem Gold Points[®], in various increments in support of these carbon offsetting initiatives.

Since this initiative was launched on Earth Day, April 22, 2013, the program has offset nearly 18,000 tons of carbon.

Radisson Blu® Experience Meetings

Radisson Blu recently announced the rollout of Experience Meetings, the brand's exciting, new meetings and events program. Developed as a means to improve the effectiveness of meetings, the program places a strong emphasis on innovations in food and beverage; changes to the spatial environment; commitment to sustainability and advancements in meeting technology.

Formally recognized by the Green Meeting Industry Council (GMIC), as a leader in sustainable meetings, the Radisson Blu Experience Meetings program ensures a green approach to all global meetings and solidifies the brands' dedication to reducing the carbon footprint. Supporting the green guarantee will be paperless meetings, a dedicated 'One Touch' application for smart phones, and carbon offsetting through Club CarlsonSM for Planners' Meetings Minus Carbon program, which purchases carbon credits to offset the estimated footprint for every meeting booked through the program.

Country Inns & Suites By CarlsonSM Ditches Disposables:

Country Inns & Suites was the first upper midscale hotel brand to introduce classic dining ware to its complimentary hot breakfast program. The decision to roll out classic dining ware in its hotels is a more sustainable solution to disposables and reduces waste.

Clean the World:

Carlson Rezidor Hotel Group has partnered with Clean the World to assist hotels in recycling their used bars of soap and amenities to help save lives.

Clean the World is a non-profit organization that collects used soaps and bottled amenities (shampoos, conditioners, lotions and gels) from hospitality partners throughout North America and Asia, sanitizes them and sends them to places where the need is greatest.

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Measurement of outcomes

Description of how the company monitors and evaluates environmental performance.

The Global Sourcing Council has developed supplier and product strategies that will help align and optimize our system's resources. For example, our seafood strategy looks to suppliers that help create

sustainable farming practices that support the growth of fisheries. This not only helps to assure supply, but also helps manage commodity costs. With our chemical strategy, we seek new technologies that help us use less product and natural resources, thereby reducing our impact on the environment.

Other successful examples of responsible sourcing include the following:

In 2013, our signature World of Radisson service attributes were enhanced with the addition of the nature-inspired Rituals body care line. Rituals products use only natural, renewable and organic ingredients and safe alternatives for anything nature cannot provide. All formulas are biodegradable with no parabens and no animal testing. Product bottles are made from 100 percent recycled plastic and packaging for ancillary items are made with 50 percent recycled content. All packaging is totally recyclable.

Radisson Blu® has forged an alliance with British-based This Works® to give its guests natural-based bath amenities. Created exclusively for Radisson Blu hotels, the new products will solidify the brand's holistic and earth conscious approach to travel by offering a natural indulgence free of harsh chemicals and packaged with recyclable materials. The product mirrors the commitment from Radisson Blu to reduce the carbon footprint.

BD Imports, selected as Radisson's in-room coffee supplier, is an importer of green coffee (un-roasted) from sustainable sources in coffee producing countries and is fully engaged in the fight to eradicate extreme poverty and hunger through its commitment to the United Nations Millennium Development Goals, the principals of the UN Global Compact and the work of the International Women's Coffee Alliance.

A fabric, which uses 100 times less water than cotton, made its debut at Radisson hotels in the United States in the form of bed linens made from Tencel+Plus Lyocell. The fabric, produced by Austria's Lenzing Fibers and sold by Valley Forge, is derived from eucalyptus trees grown in Forest Stewardship Council (FSC) forests which are protected from over-cutting. FSC is an independent, non-governmental not-for-profit organization established to promote responsible management of the world's forests.

Country Inns & Suites By CarlsonSM partners with Royal Cup Coffee and the Rainforest Alliance to offer high quality certified sustainable coffee while helping to conserve the rainforest, protect wildlife, and sustain farming communities. Country Inns & Suites is proud to offer Rainforest Alliance Certified coffees at our properties.

At Country Inns & Suites By Carlson and Park Inn by Radisson®, front desk uniforms from the Cintas' Regeneration Suiting Collection made of 100% recycled polyester are produced entirely from post consumer waste. According to the Environmental Protection Agency, apparel made from recycled material uses 66 percent less energy compared to the manufacturing of polyester fiber. The process also reduces water usage by 90 percent and helps eliminate harmful air emissions.

Clean the World:

Carlson Rezidor Hotel Group has partnered with Clean the World to assist hotels in recycling their used bars of soap and amenities to help save lives.

To date, participating Carlson Rezidor hotels participating in the Clean the World program have donated 68,486 pounds of soap and 36,166 pounds of bottled amenities, which translate into 365,249 bars of recycled soap distributed to those in need and approximately 104,652 pounds of waste diverted from landfills.

Green hotels:

Carlson Rezidor Hotel Group believes that external confirmation of the environmental performance of our hotels is critical as it ensures the communication of our achievements is fully transparent and credible. More than 400 Carlson Rezidor hotels have earned eco-labels from recognized third-party organizations.

Carlson Rezidor Hotel Group, Americas has partnered with Green Key Global which uses a comprehensive 160-question audit covering a broad area of operational areas and sustainable practices. Based on the

resulting tabulations, a hotel receives a ranking of one to five keys and receives a customized performance report outlining an action plan for the hotel to achieve the next level of sustainability. Green Key Global's random on-site verification inspections of audit results mitigates the risk of score inflation.

All Carlson Rezidor hotels in Europe, Middle East and Africa will have third-party certifications by 2015; and in Asia Pacific, Carlson Rezidor has partnered with EarthCheck to help our hotels benchmark their sustainability achievements and to improve their operational performance.

Linen and Towel Reuse Program:

Carlson Rezidor hotels have linen and towel reuse program standards in place. A linen and towel reuse program can have a significant impact on the environment, saving 6,000 gallons of water and 40 gallons of detergent monthly at a 150-room property, according to Green Suites Hotel Solutions. These programs also reduce wear-and-tear on linens and towels.

Country Inns & Suites By CarlsonSM and Park Inn by Radisson allow hotels to choose to implement an environmentally friendly terry and linen reuse program in the guestrooms. The program enables participating hotels to change linens every third day for stay-over guests, but allows guests to opt out if they prefer to have their linen changed daily. More than 90 percent of these hotels comply with this standard.

Radisson hotels must implement the environmentally friendly terry and linen reuse program in the guest rooms. The program enables the hotel to change linens every two days for stay-over guests. Guests opt out, if they prefer to have their linen changed daily. Brand audits show 93 percent of Radisson hotels are participating in the linen and towel reuse program in 2013.

Radisson Blu in the Americas has a similar program with 100 percent compliance.

Carlson Headquarters Earns LEED Certification:

Carlson's world headquarters, located in Minneapolis, Minnesota, has earned the U.S. Green Building Council's (USGBC) LEED Silver level certification for Existing Buildings: Operations & Maintenance (LEED EB O&M[®]) certification. LEED is the nation's preeminent program for the design, construction and operation of high performance green buildings.

The building achieved LEED certification for operational best practices and superior environmental performance, including a perfect score of 48 LEED credit points, an ENERGY STAR score of 87 placing the property in the top 15 percent of all comparable buildings nationwide, implementation of an interior pest management program to reduce toxicity of pesticides, replacement of all high-flow restroom fixtures with water-saving models, ENERGY STAR-rated IT equipment and sustainable food purchases through the Farm-to-Fork program initiated by the building café's service provider, Bon Appétit.

Carlson Rezidor's Asia Pacific Headquarters Achieves EarthCheck Gold:

The Carlson Rezidor Hotel Group Asia Pacific headquarters in Singapore is the first administrative office in the region to receive the prestigious EarthCheck Gold Certification.

Reaching all eleven EarthCheck benchmarks, the Singapore headquarters has demonstrated exemplary performance and commitment to continuous improvement. In comparison with other administrative offices in Singapore, Carlson Rezidor scored above "best practice" level in four indicators: energy consumption, greenhouse gas emissions (at only 49.7 kg CO₂-e/square meters), potable water consumption and waste that goes to landfill.

To obtain Gold Certification, our Singapore office has reported and verified its environmental performance through EarthCheck, providing third-party assurance, for the past five years. EarthCheck, a program delivered by EC3 Global, is considered to be the world's most credible environmental benchmarking and certification program for the travel and tourism sector.

Additional information:

Carlson is a privately held, global hospitality and travel company headquartered in Minneapolis, Minn. and is the parent company of Carlson Rezidor Hotel Group and Carlson Wagonlit Travel.

For more information on Carlson's recent responsible business activities and outcomes visit:

<http://responsiblebusiness.carlson.com/>

Learn more about Carlson Wagonlit Travel's environmental outcomes in its 2013 responsible business report. http://www.carlsonwagonlit.com/export/sites/cwt/en/global/our_company/responsible-business/cwt-responsible-business-report2013.pdf

Learn more about the environmental outcomes of The Rezidor Hotel Group, our partner in Europe, the Middle East and Africa, in its 2013 Responsible Business Report. http://media.corporate-ir.net/media_files/irol/20/205430/2013_Rezidor_Responsible_Business_Report_EN.pdf

Anti-Corruption

Assessment, policy and goals

**Description of the relevance of anti-corruption for the company (i.e., anti-corruption risk-assessment).
Description of policies, public commitments and company goals on anti-corruption.**

Carlson Code of Business Conduct and Ethics:

Carlson strives to provide all whom we serve with quality products, services and solutions, and in doing so; we must maintain the highest ethical standards. Our guests, clients, colleagues, franchisees, partners, property owners, financial partners, suppliers and shareholders expect us to act ethically. At Carlson, we believe that we are defined both by the results we achieve, and the way we achieve them. The Carlson Code of Business Conduct and Ethics helps guide us in that effort. Annual Ethics training and certification is required of certain Carlson employees.

Integrity is the foundation for how our decisions and actions help Carlson attain its highest aspirations – in service to each other, our customers, our guests and the communities in which we operate. The Carlson Code of Business Conduct and Ethics provides insight and clarity to that foundation. To view Carlson's Code of Business Conduct and Ethics visit: <http://responsiblebusiness.carlson.com/assets/CODE-OF-BUSINESS-CONDUCT-AND-ETHICS-clean-final-9-13-13.pdf>

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Implementation

Description of concrete actions to implement anti-corruption policies, address anti-corruption risks and respond to incidents.

Reporting Ethical Problems:

Carlson is committed to providing an environment that helps employees resolve any ethical business dilemmas they may face. Any employee who encounters an ethical problem or has information about a questionable practice that does not comply with the Code, its overall spirit and intent, the Company policies or applicable law, must contact management or the Carlson Human Resources department.

If the persons to whom an employee reports an ethical problem or questionable practice is not responsive or if there is reason to believe that reporting to the persons indicated above is inappropriate in a particular case, then an employee should contact the Company's Legal department, the Company's Internal Audit department or the Company's Business Conduct and Ethics Hotline.

In no event will any action be taken against the employee for reporting, in good faith, ethical problems or information on questionable practices.

Prohibition of Bribery:

Employees must never attempt to bribe or otherwise improperly influence the employees, agents or others who may be acting for any third party, including, but not limited to, potential and current customers, clients, franchisees, owners of hotels or other enterprises with whom we want to do or retain business in an attempt to obtain or retain business or to gain any other benefit for the Company. You should be aware that some countries, including the United States and the United Kingdom, have laws which make commercial bribery illegal.

Diversity and Inclusion:

The Company seeks to maintain a culture that supports employee well-being and inclusion, and is committed to encouraging a positive working environment that meets and exceeds legal requirements.

We recruit employees without regard to race, gender, age, disability, marital status, sexual orientation, nationality, caste, affiliation with a political organization, national origin, veteran status, religious or union organization, minority group or any other characteristic protected by law. Every employee shall ensure that all of our values are practiced and will uphold the principles set forth in this Code and comply with all employment policies that apply to their business and local laws.

Conflicts of Interest:

Employees may encounter situations where their own personal interests, or that of persons or companies in which they have ties or links (financial or otherwise), could conflict with the Company's interests. Each of us must avoid situations that could create a conflict, or the appearance of a conflict, between the Company's interests and our personal interests.

Examples of Conflicts of Interest:

Employees must disclose all possible and potential conflicts of interest to management, the Human Resources department or the Legal department. Examples of conflicts of interest include: (i) deriving personal gain through the Company's information or business; (ii) owning (yourself, your spouse or a family member residing with you) a financial interest in suppliers to, or competitors of, the Company (except for stock ownership of less than one percent in publicly traded companies); (iii) accepting outside compensation for work already being paid for by the Company; and (iv) serving as director, officer, employee or consultant of a supplier to, or competitor of, the Company.

Employees may not ask for or receive any payment from actual or potential franchisees, partners, property owners, financial partners, competitors or suppliers. No employee may use the Company's proprietary information or other confidential information entrusted to the Company for any purpose, outside their role at the Company. Employees should never use or attempt to use their position with the Company to obtain any improper personal benefit for themselves, their families or for any other person or company. Employees may not take ownership of, misuse, license or sell for personal gain any Company information, property or assets.

Gifts

(Please note: The following is not applicable to interactions and dealings with government and party officials and political parties. Please see that section of the Code with respect to all such matters.)

The Company recognizes that gift-giving (including reasonable and infrequent meals and appropriate entertainment) to non-governmental customers, franchisees, owners or their employees may be appropriate and acceptable under very limited circumstances; that is, if it is in compliance with the policies of your business unit and when giving gifts is an expected and widely recognized cultural norm. In such circumstances a modest gift (other than cash or any cash equivalent) may be provided if, and only if, it is: (i) of less than \$100 in value; (ii) legally permissible under local law; (iii) not prohibited under the policies applicable to the recipient; (iv) not provided on an inappropriately frequent basis; and (v) provided solely for the purpose of building generalized goodwill and not for the purpose or with the expectation of receiving anything in return. Anyone wishing to provide a gift should obtain advance confirmation from the recipient that doing so would not violate the policies under which the recipient operates, or any applicable law, and ensure that doing so complies with all policies adopted by your business unit.

Reasonable and infrequent meals and entertainment provided in connection with general business promotional activities or the performance of an existing contract are also permissible. However, nothing specific can ever be expected in return. When evaluating the reasonableness of the expense, the frequency with which meals and entertainment are provided for a particular person must be taken into account, as modest goodwill offerings, frequently provided, can become lavish and improper over time.

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Measurement of outcomes

Description of how the company monitors and evaluates anti-corruption performance.

Carlson Code of Business Conduct and Ethics:

At Carlson, we believe that we are defined both by the results we achieve, and the way we achieve them. The Carlson Code of Business Conduct and Ethics helps guide us in that effort. Annual ethics training and certification is required of certain Carlson employees.

This Code applies to all officers, directors, employees and agents (third parties acting on Carlson's behalf) of Carlson and of all its subsidiaries, including The Rezidor Hotel Group and Carlson Wagonlit Travel (collectively "the Company"). Everyone to whom this Code applies is expected to understand and act in accordance with both the Code and the spirit of the Code. The Code will be enforced promptly, consistently and effectively. Violations by employees could result in disciplinary action, up to and including termination. Business opportunities do not take priority over our reputation or our Code. In addition to the expectations set forth in the Code, all employees are required to know and understand the policies and expectations of their particular business and organization and comply with local and all applicable laws.

To view Carlson's Code of Business Conduct and Ethics visit:

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