



CARLSON™

UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS 2021

To Whom It May Concern,

Since first signing the United Nations Global Compact in 2010, Carlson has remained staunchly committed to its Ten 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.

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, 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 with an eye towards building a lasting legacy.

Richard C. Gage,
Carlson Board Chair

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. This includes treating individuals with dignity and respect, providing a safe and healthy work environment, 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.

We do not in any way participate in or condone practices that breach International Declarations covering key human rights issues, and we work to rid prevalence of such breaches and strengthen local communities by running a responsible operation. The Universal Declaration of Human Rights, and the UN Global Compact Human Rights and Labor Principles underlie our relationship with our employees. All business entities comply with local laws regarding work hours and payment. Our entities have routines in place to ensure alignment with our Equal Opportunity and Prevention of Discrimination and Harassment Policies, so that discrimination due to age, race, religion, gender or disability does not take place.

Our Guiding Principles and Policies

Carlson acknowledges and respects the principles contained in the United Nations Declaration of Human Rights, which are consistent with Carlson's core values and commitment to be a force for good. Carlson endeavors to conduct its business operations in a manner that seeks to promote and enhance human rights within its sphere of influence. This commitment is aligned with and supported by documents like our Code of Business Ethics and Conduct, and the principles of the United Nations Global Compact, to which Carlson is a participant.

Ethical Business Conduct

Carlson believes that it is defined both by the results it achieves, and the way it achieves them. Carlson is committed to maintaining a high standard of business ethics, integrity, and honesty in full compliance with all applicable laws. The Carlson Code of Business Ethics and Conduct contains rules and guidelines and serves as a reminder of its commitment to do what is right and ethical for Carlson and all of its stakeholders. This Code applies to every individual or contractor that works for or represents Carlson. While these individuals shall comply with the laws and agreements applicable to operations and positions in the countries and jurisdictions where they operate, this Code helps all to adhere to the core values and good business practices that have built the excellent reputation of Carlson.

Protection of the Rights of Employees

Carlson is dedicated to maintaining a positive work environment that exceeds legal requirements, where employees are treated with courtesy, dignity and respect and supported by an inclusive culture enabling all employees to contribute to their full potential. All Carlson employees shall comply with the company's policies of Equal Opportunity, Diversity and Inclusion, and Respect and Nondiscrimination. Carlson will provide equal employment opportunity without discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, national origin, citizenship status, marital status, age, disability, genetic information, veteran status, uniformed military status or any other legally protected classification under federal, state or local law. Discrimination is prohibited against employment candidates, employees, customers, vendors, contractors, and subcontractors by any person in the course of their work for Carlson. Carlson supports the freedom of association, and the elimination of forced labor, prison labor, indentured labor and exploited bonded labor.

Protection of the Rights of Children

Carlson supports every child's right to a safe and secure childhood and is committed to the principle that all people have the right to grow up and develop without fear of exploitation or harm. Carlson condemns all forms of exploitation of children. The Company does not recruit child labor, in accordance with the applicable International Labor Organization Conventions, and supports the elimination of exploitive child labor. Carlson and its employees shall comply with the company's Protection of Children from Sexual Exploitation Policy, as well as 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.

Combating Human Trafficking

Carlson is committed to combatting modern-day slavery through the adoption and promotion of business practices that seek to protect victims of human trafficking, and the development of proactive measures to educate employees and encourage its partners and the broader business community to take a stand against human trafficking.

Businesses Ending Slavery and Trafficking (BEST) Employers Alliance:

Carlson continues to support this first public-private partnership in the nation to work across industries in preventing sex trafficking and exploitation. [BEST](#) aligns and equips leaders to use the power of business to prevent human trafficking. Through training, consultation and collaboration, BEST works with businesses to drive behavioral change and improve the lives of the victims involved. Carlson uses its tools and networks to evaluate the current status of anti-trafficking efforts and help identify areas of opportunity within the company and externally.

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

Carlson has long supported the Tourism Child-Protection Code of Conduct ([The Code](#)), as well as its supporting institution: End Child Prostitution, Child Pornography and Trafficking of Children for Sexual Purposes ([ECPAT](#)). Carlson supports 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. Carlson condemns all forms of exploitation of children. The protection of children from sexual exploitation is a moral imperative, and socially responsible business policies and practices must reflect this principle. Recently, Carlson and CWT collaborated with ECPAT to develop employee training modules specific to travel management and meetings and events companies worldwide. This training was provided in multiple languages to all Carlson and CWT employees worldwide in 2019. 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) for the viewing, storage, distribution, promotion, or other use of materials which sexually exploit children
- 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, 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 the Carlson Code of Business Ethics and Conduct.

Additional Information

Carlson is a privately held enterprise, headquartered in Minneapolis, Minnesota, and operating in nearly 150 countries. The foundation of the Carlson portfolio is the premier business and travel management company CWT.

Learn more about CWT human rights policies and initiatives in its [Annual Responsible Business Report](#). This report includes further details on CWT [Responsible Business Strategies](#), [Human Rights](#) initiatives, and efforts to combat [Human Trafficking](#). Additionally, these CWT charters and codes are available on [mycwt.com](#): [Code of Conduct](#); [Global Diversity & Inclusion Charter](#); [Statement Against Slavery and Human Trafficking](#); [Responsible Supplier Code](#).

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 continues to be recognized (in both 2019 and 2020) as a Top Member by The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism (known as [The Code](#)).

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.

Supplier Contracts

The Protection of Children from Sexual Exploitation policy presents the requirement of the legal department to: *Introduce clauses in contracts with relevant suppliers committing the parties to a common repudiation of commercial sexual exploitation of children.* This language has historically included the following: (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.

Additionally, the CWT Responsible Supplier Code includes the following language:

Anti-human Trafficking and Anti-Slavery:

The Supplier shall ensure that it is in compliance with all applicable laws and regulations related to anti-human trafficking. This includes but is not limited to laws with respect to trafficking of people for sexual purposes, and modern slavery, including the requirements set out in the UK Modern Slavery Act 2015 (as amended) ("Modern Slavery Act"). The Supplier

shall implement effective measures to ensure Modern Slavery (as defined in the Modern Slavery Act) is not taking place either within its own business or that of its supply chain.

Child Exploitation:

The Supplier shall ensure that is in compliance with all applicable laws and regulations related to the prevention of child labor and commercial sexual exploitation of children, including child prostitution and child pornography.

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.

External Collaboration against Human Trafficking

Carlson continues to utilize its network and influence whenever possible to champion the promotion and protection of Human Rights. Below are just a few recent examples of these activities:

Global Business Coalition Against Human Trafficking (gBCAT):

As a founding member of [gBCAT](#), Carlson fully supports its mission to mobilize the power, resources and thought leadership of the global business community to end human trafficking, including all forms of forced labor and sex trafficking. This coalition capitalizes on the major organizational strengths, resources, and reach of global businesses to accelerate progress on human trafficking. Through three workstreams, members share learnings through webinars and in-person meetings, incubate ideas, publish reports, identify areas for action, and publicize findings.

International Delegations:

Carlson supports the U.S. State Department's International Visitor Leadership Program (IVLP) which focuses on combating the trafficking of persons. Partnering with Global Minnesota, Carlson regularly hosts IVLP delegations from around the world to:

- 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 industry, Carlson works to build relationships with these international delegates, and provide a framework they can use to foster partnerships with business, government, and non-profit organizations within their own respective countries.

Thorn

Another organization with whom Carlson, CWT, and the Carlson Family Foundation partner in this work is Thorn, a nonprofit which builds technological solutions to defend children from sexual abuse and assist law enforcement in finding sex trafficking perpetrators. In 2019, CWT's EVP and Chief Technology Officer partnered with Carlson, the Carlson Family Foundation, and local corporations to develop and conduct a Thorn "Hackathon" at the Carlson headquarters in Minnesota. This was a gathering of dozens of the most talented technologists and computer engineers from many companies across the region to help the organization find solutions to better defend children from sex trafficking.

World Childhood Foundation

Carlson and Carlson Family Foundation Trustees provide leadership on the World Childhood Foundation Boards of Directors in Sweden, Brazil and the United States and the CWT Chief Legal Officer & General Counsel is on the Board of the US entity.

With this support, and funding from the Carlson Family Foundation, World Childhood developed and launched the [Out of the Shadows Index](#) in 2019, a ground-breaking research and benchmarking tool to measure countries' response to child sexual exploitation. By covering 70 percent of the world's children, this index is a crucial resource in reaching the UN SDG 16.2 – to end all forms of violence against children by 2030.

To commemorate the 20th anniversary of World Childhood in 2019, CWT's hotel booking service, RoomIt, donated \$100,000 to the organization by giving \$1 for each booking made with CWT up to that amount. In addition to those funds, World Childhood received public awareness with over 2.7M digital impressions to CWT travelers.

World Travel and Tourism Council

In 2019, The World Travel & Tourism Council organized a Human Trafficking Task Force as the first global industry-wide initiative to assert zero tolerance and share best practice. Carlson and CWT joined as founding members, contributed to the formation of the group, and continue to assist in its development.

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MEASUREMENT OF OUTCOMES

Description of how the company monitors and evaluates performance.

Rule of Law

Carlson has been recognized by the UN Global Compact Businesses for Rule of Law as a leader in Rule of Law for Partnering with Public Sector and NGOs Worldwide to Fight Child Trafficking; also recognizing CWT for Displaying Sex-tourism Warnings on Travel Itineraries.

Carlson Named Top Member of The Code

Carlson was again recognized as a Top Member of The Code in both 2019 and 2020 for successfully completing all six criteria within business operations, reporting efforts, and choosing to make child protection work public on The Code's website.

CWT Traveler Awareness

CWT has historically provided travel alerts on the itineraries of travelers going to countries identified as high risk for child sexual exploitation by the U.S. State Department. In 2018, CWT updated this process to provide digital anti-trafficking "advertisements" on its myCWT web platform. In collaboration with ECPAT, these ads include information about the reach of trafficking and exploitation issues, as well as the method a traveler can use to report suspicious activities. Through 2019 and 2020, this resulted in more than 3.6 million unique impressions, and roughly 3.75 million impressions to date.

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LABOR

ASSESSMENT, POLICY AND GOALS

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

Carlson believes in affording all employees basic human rights as defined in the United Nation Declaration of Human Rights. This includes treating individuals with dignity and respect, providing a safe and healthy work environment, 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.

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Protection of the Rights of Employees

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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, or security department.

Non-Discrimination

Carlson will provide equal employment opportunity without discrimination on the basis of race, color, religion, sex, sexual orientation, gender identity, national origin, citizenship status, marital status, age, disability, genetic information, veteran status, uniformed military status or any other legally protected classification under federal, state or local law. Discrimination is prohibited against

employment candidates, employees, customers, vendors, contractors, and subcontractors by any person in the course of their work for Carlson. Every employee shall ensure that all of our values are practiced and will uphold the principles set forth in the Code of Business Ethics and Conduct Policy and comply with all employment policies that apply to their business and local laws.

Respect

Carlson 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.

Workforce Development and Job Creation

Carlson has a strategic focus around workforce development and job creation. These initiatives are supported through corporate grantmaking, participation in community partnerships and collaborations, and the support of employee professional development and training.

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IMPLEMENTATION

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

Reporting of Possible Violations

Employees should immediately report which is or may be contrary to any of the policies mentioned above or guidelines laid out in the Carlson Code of Business Ethics and Conduct Policy. Employees are instructed to go to any of the following entities: a manager with whom they feel comfortable, Human Resources, or the Ethics Hotline or website. Retaliation is prohibited at Carlson, so employees can rest assured that they will never be punished for coming forward with a good-faith reporting of wrongdoing, as laid out in company policies.

Supplier Conduct

Carlson 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 believes in and is committed to advancing the Global Compact's core values in the areas of human rights, labor, environment, and anti-corruption. Suppliers are expected to abide by all applicable laws, codes, and regulations in the countries in which they operate.

Workforce Development

Carlson and the Carlson Family Foundation support a wide variety of workforce development initiatives, including organizations such as [Orphaned Starfish](#), which provides vocational and technological skills to children who are survivors of or at risk of abuse. Other workforce development organizations supported through the Carlson Family Foundation include [HIRED](#), [Twin Cities RISE](#), [Genesys Works](#), and mentoring organizations for at-risk and underserved children. Carlson and CWT employees engage throughout the year in volunteer activities to help provide vocational skills in their communities.

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MEASUREMENT OF OUTCOMES

Description of how the company monitors and evaluates performance.

Human Rights Campaign Corporate Equality Index

Carlson was again recognized by The Human Rights Campaign ([HRC](#)) with perfect scores (2019 & 2020) on their [Corporate Equality Index](#), making it one of the "Best Places to Work for LGBTQ Equality" since 2006. The index is the only nationally recognized measure of lesbian, gay, bisexual, transgender, and queer (LGBTQ) workplace equality.

The Corporate Equality Index measures the extent to which employers protect their LGBTQ employees from employment discrimination. Ratings are based on factors like non-discrimination policies, diversity training, and benefits for domestic partners and transgender employees.

Carlson has implemented comprehensive workplace policies and benefits, including medical benefits and adoption assistance, to include LGBTQ employees. Our goal is to accommodate the wide-ranging needs of our employees and their families with programs and policies that are inclusive and fair to all employees and that demonstrate our commitment to diversity.

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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.

Carlson believes in protecting the communities and environments in which we work and live, and lays out its efforts within the Carlson Code of Business Ethics and Conduct. The Company promotes the protection of the environment through effective conduct and compliance with existing legislation and regulations. Carlson strives to pursue environmentally sound business practices in its day-to-day activities. Our encouragement of global and local initiatives helps Carlson to improve its environmental footprint and consciousness. We make a point to follow and exceed the laws and regulations that apply to our work, no matter where we conduct our business.

Carlson is also committed to assisting clients to address their environmental issues and to provide information that can enable them to reduce their environmental impact.

Additional Information

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IMPLEMENTATION

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

Supplier Conduct

Carlson 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 believes in and is committed to advancing this Global Compact's core value of environmental protection.

These principles and expectations are not only evident in the conduct of Carlson, but also within its business entities.

CWT Carbon Management

Since 2013, CWT has been measuring and reporting its carbon emissions. In 2019, these measurements included 23 countries from three global regions, and represented 80% of CWT revenue. This is part of a systematic approach to better understand and target efforts to reduce emissions across CWT operations. Based upon this data, CWT put various initiatives in place in 2016, including an environmental awareness campaign, the implementation of best practices across operations, and four offsetting activities. After the success of the 2016 pilot, which helped reduce 1,205 tons of CO₂ equivalents and distributed 2,700 water filters to 25,680 beneficiaries, CWT continued to offset the carbon impact of more events. In 2019, CWT offset more than 1,400 tons of CO₂ equivalents to make a number of internal meetings and events carbon neutral. The events,

ranging in size from big client events to small team meetings, represent savings to the equivalent of more than 1,570 round trips from Paris to New York in economy class.

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MEASUREMENT OF OUTCOMES

Description of how the company monitors and evaluates environmental performance.

LEED Certified

Carlson's Minneapolis world headquarters earned the U.S. Green Building Council's (USGBC) LEED Silver level certification for Existing Buildings: Operations & Maintenance (LEED EB O&M®) certification with a perfect score of 48 LEED credit points. It's ENERGY STAR score of 87 placed it in the top 15 percent of all comparable buildings nationwide. Among the environmental efforts are:

- An interior pest management program to reduce toxicity of pesticides
- Replacement of high-flow restroom fixtures with water-saving models
- Implementation of ENERGY STAR-rated IT equipment

CWT EcoVadis Platinum Rating

In April 2020, CWT was awarded Platinum status by EcoVadis, the independent Corporate Social Responsibility (CSR) rating agency. This was the fourth consecutive year of being rated in the top 1% of more than 60,000 companies evaluated worldwide both within and across all industries. CWT was among the first group of recipients to receive this new Platinum rating that recognizes this 1% of top scorers. [EcoVadis](#) uses a methodology that rates companies according to 21 CSR criteria, grouped under four themes: Environment, Labor, Fair Business Practices, and Sustainable Procurement. CWT's performance in each of these four themes was evaluated looking at policies, actions, and results.

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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 Ethics and Conduct

Carlson is committed to maintaining a high standard of business ethics, honesty, and integrity, and requires all employees to comply with its Code of Business Ethics and Conduct. These rules and guidelines serve as a reminder of its commitment to do what is right and ethical for Carlson and all of its stakeholders.

Within this policy, the Company commits to comply with the laws of all countries and jurisdictions in which it operates. Additionally, the Company will not cause or permit any director, officer, or employee to take any action which would result in violation of applicable laws or regulations. The Company will forego any business opportunity that requires a violation of the law or this policy.

All Carlson employees, and contracted parties shall comply with the laws, treaties, regulations, and agreements applicable to operations and positions in the countries and jurisdictions where they operate.

Carlson does not tolerate bribery or corruption in any form and clearly details unacceptable behavior in this Code and additional policies specific to such areas as: Charitable Contributions; Customer Data and Privacy; Memberships on External Boards of Directors; Insider Information; etc.

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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 of Business Ethics and Conduct, 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, or the Ethics Helpline or website.

Carlson strictly prohibits acts of retaliation, and 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

As detailed within the Carlson Code and related policies, Carlson strictly prohibits all forms of bribery, and willful blindness to corruption by a third party will not be tolerated. 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, or other enterprises with whom the Company wants to do or retain business in an attempt to obtain or retain business or to gain any other benefit for the Company.

Conflicts of Interest

The Carlson Code details expected behavior regarding potential conflicts of interests. It directs employees to avoid 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. Employees are required to promptly disclose any and every conflict of interest between themselves and the interests of the Company to their supervisors, the Human Resources Department, or the Legal Department. The situation will then be properly reviewed, to manage the conflict and determine a resolution.

Gifts

In alignment with the Code of Business Ethics and Conduct, Carlson employees are to avoid giving or receiving gifts, merchandise, services, travel, donations, or business courtesies in connection with Company business relationships, except as legally permissible and recognized as courtesies of the trade such as meals and entertainment reasonably related to a legitimate Company business purpose. Appropriately acceptable gifts (given or received) must meet all of the following criteria:

- Modest or otherwise reasonable in value and not lavish (not in excess of \$100 USD or local equivalent). Gifts in excess of \$100 USD (example: sporting event tickets) or gifts that would be considered excessive in the local market should be approved by management
- Infrequent
- Transparent, in good taste, and in an appropriate environment
- Unsolicited
- Not cash or cash equivalent such as a gift card
- Not in contrast to the third parties' policy
- Not restricted or prohibited by the law

Employees are also required to confirm any gifts given comport to the business partner's gift policy prior to giving the gift. Additional expectations related to government agents are detailed in the Code to ensure employees stay apprised of more stringent rules in these situations and always err on the side of caution when interacting with government officials and customers.

Additional Information

Carlson is a privately held enterprise, headquartered in Minneapolis, Minnesota, and operating in nearly 150 countries. The foundation of the Carlson portfolio is the premier business and travel management company CWT.

Learn more about CWT anti-corruption policies and initiatives in its [Annual Responsible Business Report](#). This report includes further details on CWT [Responsible Business Strategies](#) and [Ethics and Business Behavior](#) initiatives. Additionally, these CWT charters and codes are available on mycwt.com: [Code of Conduct](#); [Responsible Supplier Code](#).

MEASUREMENT OF OUTCOMES

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

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. At Carlson, we believe that we are defined both by the results we achieve, and the way we achieve them, and this belief is consistent throughout all business entities.

CWT Code of Business Ethics and Conduct

CWT recently carried out a detailed review of their Code to reflect the latest industry best practices and legislative trends. The process involved refreshing and updating the content from key internal groups (including Human Resources, Internal Audit, Information Security, Responsible Business, Legal and Compliance and Communications) as a first step. Beyond this, CWT also worked to simplify the language of the Code to make it more engaging and readable for our stakeholders. The fully revised Code of Business Ethics and Conduct is in the public domain and can be downloaded [here](#).

Each year, CWT runs mandatory training on the Code and its policies, both for new recruits and current staff – CWT achieved a 100% completion rate in 2019. CWT also runs Responsible Purchasing training for those working with our suppliers. The CWT Compliance team has access to metrics on how employees are performing on each compliance topic, and benchmarking data that shows how we are performing as a business against our peers. CWT uses this insight to determine if additional training is required.

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