Ongoing Commitment to the Ten Principles of the UN Global Compact

The UN Global Compact is the world's largest voluntary corporate responsibility initiative, with more than 12,000 corporate participants and other stakeholders from over 145 countries. By committing to this strategic policy initiative in 2012, CWT formally pledged to align its operations and strategies to ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. CWT's signing of the UN Global Compact signaled the company's determination to further operate in a way that nurtures respect, dignity and sustainability. In 2013, CWT used the UN Global Compact self-assessment tool to evaluate the evolution of its performance in implementing the ten principles.

HUMAN RIGHTS

Principle1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

LABOR

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

<u>Principle 8:</u> undertake initiatives to promote greater environmental responsibility; and

<u>Principle 9:</u> encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



Responsible Business Report In Brief 2013

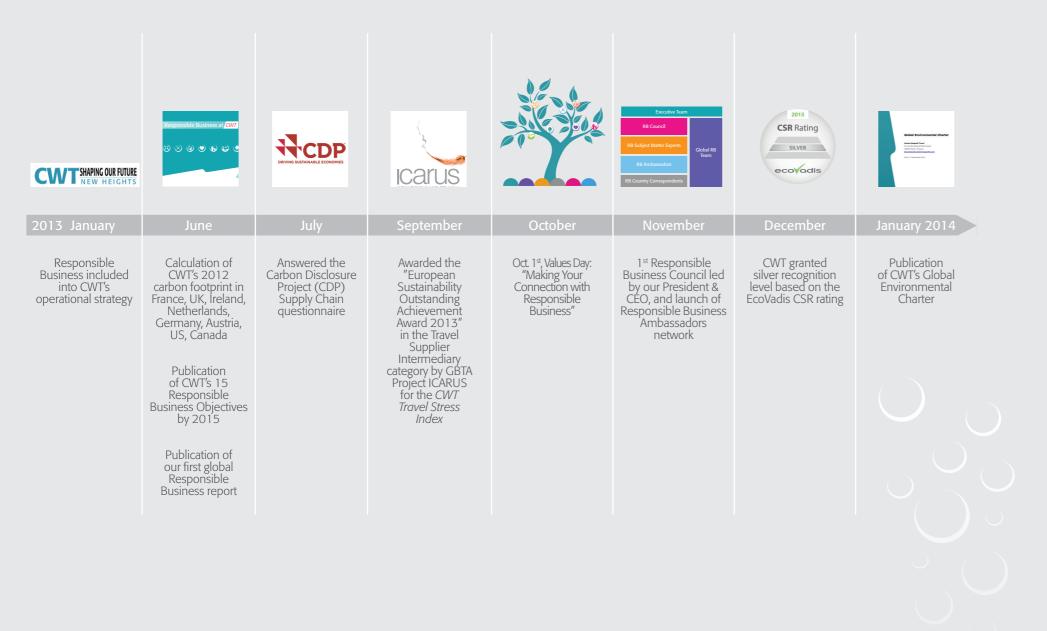






2013: Illustrated Year in Review

Here are a few examples of Responsible Business achievements and events which helped continually refine our policy and develop momentum:



ast year, Carlson Wagonlit Travel (CWT) released its first consolidated, corporate-level annual Responsible Business (RB) report that illustrated the company's 2012 commitments and initiatives across the globe.

This year's report aims at showing the progress we have made in 2013 - from the formalization of our RB strategy to the establishment of a solid governance to ensure the strategy's effective deployment.

We have created a dedicated section on RB Governance as well as RB Performance - illustrating our initiatives, main indicators, and priorities for 2014 and 2015.

activities.

The report is available on CWT's corporate website at: www.carlsonwagonlit.com.

contact us at:

Introduction

As a United Nations Global Compact (UNGC) signatory, the full version of the report

also represents our annual Communication on Progress report, detailing how we are integrating UNGC's Ten Principles into our

We welcome your feedback, suggestions and questions. To learn more about Responsible Business at CWT, please

responsiblebusiness@carlsonwagonlit.com

66

CWT remains fully committed to the Ten Principles of the UN Global Compact. In these important areas, the Global Compact provides the inspiration and values that underline our Responsible Business program.

99



Douglas Anderson

President & CEO





Responsible Business Strategy & Governance

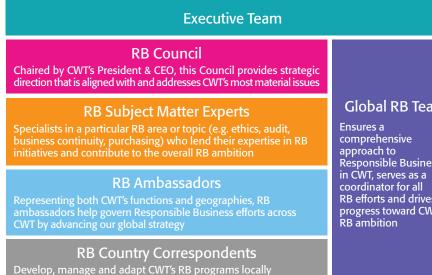
ong-dedicated to corporate responsibility, CWT elevated its commitment to the next level in 2013 with the publication of the company's Responsible Business (RB) strategy and objectives. The company's RB strategy is to install a structured, comprehensive approach company-wide and to instill corporate responsibility at the core of our business.

A Materiality Approach

In dealing with RB challenges, major stakes are prioritized and mapped according to their contribution to the company's business activities and stakeholders' expectations. This rigorous, methodical approach enables the company to set RB strategies and programs, develop implementation plans and track progress. A major step forward was achieved in 2013 with the definition of 15 concrete RB objectives CWT aims to achieve by end of 2015.

A Global Governance

To further embed RB into its day-to-day activities, the company has developed a robust RB governance framework and organization, carefully-designed to ensure accountability and alignment across the company.



Global RB Team

Responsible Business **RB** efforts and drives progress toward CWT's

he CWT Code of Business Ethics and Conduct (the "Code") provides the foundation for the company's commitment to high standards and ethical behavior. Updated and expanded in 2013, the code applies to all CWT employees and to all CWT business partners. Closely aligned to the company's Core Values, the enhanced Code of Business Ethics and Conduct presents not only the letter of the company's rules but also the spirit behind them.

To ensure the highest standards of ethical conduct, CWT has invested in a global compliance organization. Comprised of recognized professionals, the compliance team monitors activities on a regular basis and initiates corrective action as needed.

The company's compliance program is designed to detect and prevent violations of the law, respond to potential issues and proactively deter problematic behaviors and actions. Preventive measures implemented include mandatory live and online trainings and awareness programs driven by the Global Compliance team. Dedicated compliance officers are located in every region worldwide.

The company has put into place multiple ways for employees to raise concerns over ethics and business behavior, including (where permitted by law) a 24/7 telephone hotline and internet reporting form. Employees who raise good faith concerns regarding potential compliance violations are protected from retaliation.

As part of its commitment to ethical business, CWT is dedicated to protecting data and personal privacy. The global Data Protection & Privacy Steering Committee oversees and provides guidance to CWT's related programs in this area. The CWT Data Protection and Privacy Policy covers a comprehensive range of data practices, from data collection and processing to data storage, transfers and deletion.

66

Our Code is the foundation of all CWT policies and can guide us toward sound decisions in unclear or complex situations. It helps us maintain the trust we have built with our employees, clients, and suppliers, which is essential for the success of our business.

99

Extract from the Code





s a provider of services, CWT recognizes that the company's success depends heavily upon its people. In recent years, CWT has placed a growing emphasis on talent acquisition. The goal of the company's global recruitment process is to attract and retain the most talented internal and external candidates from across industries and markets. Through CWT's global recruitment process, talent acquisition has become more selective in all countries – effectively targeting the best talents that will fit into our culture and embody our core values.

At the same time, CWT's comprehensive approach to human resource development and management is designed to ensure all employees have the opportunity to develop and harness their full potential. A huge and important part of this is ensuring the sustainability of the company's talent pool by giving particular attention to continuous development of leadership skills and capabilities.

To enhance competencies at all levels of the organization, CWT is increasingly adopting high-impact learning methodologies in its talent development and management programs. These are aligned with CWT's global Performance Management approach by assessing employee performance based on both results and behavior.

As the largest population within CWT, travel counselors play a key role in the company's overall performance. Hence, preparing them for future opportunities and challenges through specific learning and development programs aimed at strengthening their skills is one of the company's top priorities.

CWT's success depends heavily upon its people. Initiatives to attract the best talents and continuously developing and engaging them are among the company's top priorities. Further, the bar has been raised not only to measure the levels of employee engagement, but also to inspire employees to be proactive actors in improving engagement and CWT's results. Initiatives around employee recognition, diversity and inclusion, among others, are also continuously being performed and implemented across the different sites in the organization. CWT recognizes the importance these play in our dayto-day activities and culture as a whole. Put in place in different countries in the last couple of years. This culminated into the formalization of the company's global approach in this domain, including the creation of CWT's Global Environmental Charter in 2013. Combined with CWT's acknowledgment of the environmental principles of the UN Global Compact, the Charter reaffirms the company's commitment to sound environmental practices and to actively reduce the environmental impact of its activities.

CWT measures its carbon impact using the Greenhouse Gas (GHG) protocol and reports results to the Carbon Disclosure Project (CDP) Supply Chain program. As part of a two-year corporate carbon management project launched in 2012, CWT aims to further reinforce its environmental action plans in order to reach its 2015 overall objective which is to reduce by 10% its GHG emissions per employee.

As a leading business travel management provider, CWT is also committed to help clients reduce the environmental impact of their travel programs. The company can support customer environmental efforts through such services as the *CWT Program Management Center*, which gives clients a comprehensive view of their travel program's environmental impact, and *CWT Online*, powered by *KDS*, which includes a "green" travel booking option.



66

As a global leader specialized in business travel and meetings and events, CWT is committed to the highest standards of Responsible Business. That is why environmental stewardship is part of our core strategy, culture and day-to-day activities.

99

Extract from the Global Environmental Charter



B eing prepared for potentially disruptive situations before they occur is vital to CWT's commitment to responsible business practices and the worldclass service provided to customers. Over the past two years, the company has defined and deployed a set of policies and practices to refine its Business Continuity management and systems in line with globally-recognized ISO Business Continuity certification standards.

Business Continuity Plans (BCP) ensure that critical functions remain available for customers, suppliers, regulatory bodies and other key stakeholders requiring access to services in the event of an issue. BCPs have been put into place at all offices in CWT's 50 wholly-owned countries, with a network of Business Continuity owners responsible for stewardship. This firmly lays the groundwork for entrenching resilience into the company's business operations.

Aside from providing assurance of the company's readiness to respond amidst disruptive events, CWT also developed a range of products and services to help clients achieve their responsible business goals. These include a way to evaluate and reduce travel stress, specialized services for high-risk industries, a traveler messaging service, personalized travel service and a set of tools that enable client organizations to reduce their carbon footprint.

8

ong-dedicated to community involvement at the local and global level, CWT is developing a strategic approach to heighten the impact of its efforts. By concentrating on three key areas – Education, Emergency and Essential needs (3E) – the company aims to contribute to community development while leveraging its expertise and skills. The idea is to build upon community-focused initiatives that bring to life the CWT core values that most-strongly resonate with community involvement: commitment to excellence, cultural diversity, customer care and entrepreneurial spirit.

Many of the ongoing community involvement programs at country level align with the company's 3E approach. These range from support for PhD and postgraduate students in Estonia to CWT Sweden's holiday season support for the homeless and schooling for orphans to CWT Italy's ongoing contributions to education programs in Africa.

At the corporate level, in the Education field of action, CWT supports student career opportunities in travel and tourism through the Advisory Board of the Global Travel & Tourism Partnership (GTTP). In the Emergency field of action, the company contributed to Red Cross Red Crescent relief efforts for victims of Typhoon Haiyan, which devastated vast areas of the Philippines in 2013.

CWT has deployed Business Continuity Plans in all 50 wholly-owned countries, laying the groundwork for ensuring the company's resilience amidst disruptive events.





Our Responsible Business Ambition for 2015

CWT's Responsible Business (RB) strategy takes into account current RB trends, regulatory issues, environmental and societal concerns, as well as the results of the RB materiality assessment. In 2013, we took a major step forward by formalizing our strategy into a set of <u>15 long-term commitments</u> that embrace top priorities in each of the RB domains.

Progress will be measured and tracked based on 15 global objectives for 2015. In 2015, new objectives will be defined to take into account progress, achievements, evolving regulations and stakeholder expectations.

Legend/key:



Domains	Key Priorities	15 Long-term Commitments	15 Objectives for 2015	Status as of end of 2013
Ethics and	Business Ethics & Compliance	Strategically address compliance and ethics worldwide: conduct our business in line with our values, our Code of Business Ethics and Conduct, and the UN Global Compact principles	All employees are periodically trained to our ethics and compliance policies	0
Business Behavior		2 Spread the word to our key stakeholders about our ethics and zero tolerance approach	Our set of global policies is fully deployed and their implementation monitored and regularly tested	0
	Privacy and Data Protection	3 Maintain a secure business environment for a global data and privacy protection program	Further develop a global program to ensure consistency despite different and varying local legal requirements to protect personal data	0
Human	Diversity	4 Leverage diversity as one of CWT's major assets	Further expand diversity and inclusion initiatives in all regions	\mathbf{O}
and	Employee Engagement	5 Cultivate a highly engaged workforce	Reach the level of best performing companies	0
Human Rights	Human Capital Development	6 Establish workforce readiness to deliver against future business needs	Ensure leading edge development planning to our talents worldwide	0



Domains	Key Priorities	15 Long-term Commitments	15 Objectives for 2015	Status as of end of 2013
	Energy and Carbon Management	7 Develop an environmentally responsible culture	Ensure full deployment of a Responsible Business training, including a module on Environment	0
Environment		8 Measure our global carbon footprint	Measure the total Greenhouse Gas (GHG) emissions of the countries representing at least 70% of the company's overall revenue	0
		9 Implement a global environmental strategy	Reduce by 10% the GHG emissions per employee vs 2012. Define a 2020 target in 2015	0
	Responsible Portfolio	10 Contribute to our clients' CSR/ Responsible Business ambitions and promote sustainability	Offer an innovative suite of responsible products and services	0
Responsible Products and Services	Business Continuity	Ensure a robust Global Business Continuity management system	CWT to fulfill with the requirements of the best standards and norms in the domain such as ISO 22301	0
		12 Establish a best-in-class crisis management approach	Become the reference in terms of crisis management in the travel industry	0
Community Involvement	Corporate Community Involvement	Care for the communities where we live and work, and contribute to their development through our skills and expertise	Deploy CWT's <i>"glocal"</i> approach and 3E* strategy worldwide <i>*Education, Emergency, Essential needs</i>	0
Responsible	Global Responsible Business Governance	14 Ensure progress transparency	Monitor and report our progress on an annual basis as from 2013	\mathbf{O}
Business Governance		15 Integrate Responsible Business into our activities	A network of RB Ambassadors and a Responsible Business handbook are fully deployed	\mathbf{O}

Responsible Business Performance

	Domain	Indicators	Scope	2013	2014-2015 Priorities
	Responsible Business Governance	Number of Responsible Business Councils per year	Global	Due to the launch of the global governance at the end of 2013, 1 meeting was held	 Deploy the RB governance: Organize RB Councils several times a year Regular meetings with RB Ambassadors and RB Country Correspondents Monitor progress through a set of indicators
		% of employees trained about the Code of conduct/ethics, anti-corruption	Global	Almost 100% Ethics Training Completed	Ethics and Compliance event to further heighten
X	Ethics and Business	% of employees who acknowledged the Code	Wholly-owned countries	Approx. 100%	global awareness and promote the rollout of the enhanced Code of Business Ethics and Conduct
	Behavior	Ethics Helpline	Global	available 24/7: - online in 44 languages - by phone in 26 languages	 Training throughout 2014-2015 A Responsible Supplier Code to supplement the Code of Business Ethics and Conduct
	Human	Number of employees	Global	19,000	Further expand diversity & inclusion initiatives and
	Resources	% of women among executive population	Global	34%	develop a diversity & inclusion charter Inclusion of a Responsible Business (RB) category in
	and	Employee engagement survey	Wholly-owned countries	Approx. 90% of employees responded	our annual CEO Awards to recognize employees/
	Human Rights	Delivering the perfect trip core curriculum training	Wholly-owned countries	9,555 travel counselors assigned	teams that make significant RB progress and create impact in this area
	Environment	Ratio: tCO ₂ e emissions per employee	France, US, Canada, UK&I, Germany/Austria, Netherlands	2.8 tCO ₂ e	 Continuation of the last two year's carbon reporting project
	Environment	Recycled waste	Global and EMEA Paris office	4,552 kg (Apr to Dec)	 Develop an environmentally responsible culture Reduce our GHG emissions
		Business Continuity Plan (BCP) in place, documented and tested, with two drills completed	Wholly-owned countries	Achieved	 Roll out BCP version for partner countries and ensure training workshop Deploy a risk assessment process in all CWT wholly-
	Responsible Products	Formal documentation of a crisis management process	Wholly-owned countries	Achieved	owned countries, documenting risk and impact analyses and risk responses
	& Services	All executive members of the Corporate Crisis Team have been trained and have participated in a full activation drill	Global	Achieved	 Fully roll-out Regional Crisis Teams in the Americas and APAC, covering procedure, training, and table-top drills Enhance our products, services and solutions portfolio to further integrate Responsible Business needs
	Community Involvement	% of wholly owned countries active in community involvement	Wholly-owned countries	50%	Roll-out our 3E Community Involvement action plan

CWT, Global Responsible Business

31, rue du Colonel Pierre Avia 75015 Paris - France

www.carlsonwagonlit.com

Contact us: responsiblebusiness@carlsonwagonlit.com



Printed on PEFC-certified paper by a disability-smart and equal opportunity employer.



Copyright ©2014 CWT