



BI  
WORLDWIDE

# Corporate Social Responsibility Report

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## 2022

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Inspiring **People**. Delivering **Results**.



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# 01: Taking Inspiration to a Whole New Level



## New for 2022

Over the last five years, we have been on a journey to organize and maximize our social responsibility efforts at BI WORLDWIDE. Many of our efforts were challenged during the pandemic years, but as we return to work on a new hybrid schedule, the leaders, associates, and trading partners of BI WORLDWIDE have responded enthusiastically to our mission to inspire people and deliver results.

When it comes to our social responsibility efforts, this mission is truly coming to life. In the past year alone, we have advanced in the following areas:

- Made the commitment to outline a science-based path to Net Zero emissions by the year 2050.
- Switched to 100% renewable energy through the Xcel Windsource program.
- Worked with our customers to identify multiple ways to respect the environment on their programs we deliver for them.
- Created three Resource Groups to foster community and create a space with like-minded individuals.



**MOSAIC:** A space for Black, Indigenous, People of Color and their allies to build new connections and create a sense of belonging.

**PRIDE@BIW:** A space for Lesbian, Gay, Bisexual, Trans, Queer and their allies to build new connections and create a sense of belonging.

**AMPLIFY:** A space for all associates seeking to learn about diversity and inclusion topics.

- Encouraged social dialogue at all levels of the organization in connection with the existing Diversity & Inclusion Steering Committee as well as the new Resource Groups.
- Expanded our passionate and enthusiastic cross-functional Sustainability Team that reports directly to our CEO.
- Developed a tracking system for key suppliers to identify their compliance in four key areas:
  - Environmentally friendly practices
  - Fair hiring practices
  - Philanthropy
  - Protection against terroristic threats
- Identified multiple strategic initiatives for our organization to pursue in the coming months and years to sustain our environment, set the highest standards for our trading partners, and maintain our best-in-class respect for our associates.
- Compiled all our purchasing and ethics policies in a single Ethics Policy Manual and trained 100% of associates on our ethics policies.

If you have any questions about these updates, please contact a member of our team, pictured and listed at the end of this document.





## Introduction

This report summarizes BI WORLDWIDE's goal of organizing our efforts around global standards for Corporate Social Responsibility and Sustainability. As a privately held company founded by a visionary entrepreneur, we have always understood the importance of ethical business practices and responsible management of all resources. And in the words of our founder, there truly is no resource more vital to our enterprise than our employees.

The following report summarizes our efforts over the last three years, from 2020-2022. Our fiscal year runs July 1 – June 30. Some of the data may reflect our fiscal year reporting and will be noted as such. All other data is calendar year.

The information in this document focuses on our U.S. operations only, but may reference global numbers as our entire organization is pursuing similar goals.







# Letter to our Stakeholders

The last few years have been characterized by change. Much of it has been thrust upon us from outside forces such as the COVID-19 pandemic. But as we moved into 2022, many of our customer and supplier organizations were able to look ahead and finally make changes on their own terms. New corporate cultures are emerging. New leaders are being identified. New strategies are being deployed.

For our organization, one of our core values has always been, **“Change is inevitable, so get on with it.”** Our goal is to not be surprised by change, or resist it, or (worse yet), ignore it. Over the last year we have made many changes to our corporate social responsibility efforts.

- First and foremost, we elevated Corporate Social Responsibility (CSR) to one of our core corporate strategies, reporting directly to me.
- We encouraged our employees to embrace diversity, sustain the environment, and maintain the highest ethical standards.
- We challenged our trading partners to follow our lead.
- We have offered tools to our customers to help them achieve their own goals in this area.

These efforts are making a difference. We are seeing the effects of these changes within our organization, and in the world around us. But we can always do better. Our journey identified new goals that we plan to pursue in 2023.

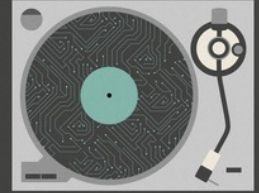
- We will select a path to formally commit to NetZero emissions by 2050.
- Our expanded Sustainability Team has ambitious goals for our employees and our organization.
- We will continue to invest in our people and in our diversity and inclusion efforts.

We thank you for all you have done to support our journey in 2022 and look forward to a future filled with progress.



**Larry Schoenecker - CEO**

Change is inevitable, so get on with it.







## OUR MISSION:

**We are in the inspiration business!**

We apply our talent to get people to change their beliefs and behaviors to produce results for our clients. We work with great companies who value their employees, customers and partners.

## OUR VISION:

**Innovation:** Be a recognized thought and market leader. Apply the science of behavioral economics to our client solutions. Partner with leading organizations and academics. Create new markets and applications for our services. Impress our clients with creativity and ingenuity.

**Growth:** Exceed twice the economic growth in each headquarters country with a healthy product and margin mix.

**Culture:** Be a “best company to work for” in each headquarters location. Make it easier for all of us to do our jobs through simplification and technology. Celebrate success and learn from failure. Help our people realize their dreams and ambitions. Always be grateful.

## OUR VALUES:

- Service well done.
- Innovate or perish.
- Fast is better than slow. Action is better than talk.
- Never give up.
- In it for the long haul.
- Play nice in the sandbox.
- Change is inevitable – so get on with it.
- Lead, follow or get out of the way.
- Help each other.
- It's not all about us.
- Work hard, play hard, celebrate!

**Our newest value for 2022: Be An Ally.**

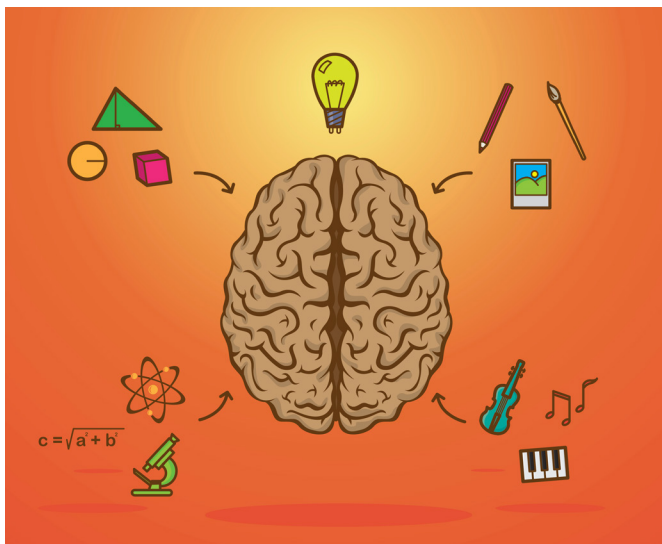


## A global company with a local approach

Our U.S. headquarters is located in Minneapolis, Minnesota. We have more than 25 sales offices throughout the U.S. and headquarters around the world in Australia, Brazil, Canada, China, India, Latin America, Singapore and the United Kingdom. Our worldwide network of offices and partnerships not only give us unmatched local resources but also allow us to deliver culturally relevant programs and solutions no matter where our customers and their audiences are located.



## The science behind our success



How did we get to be so good at inspiring people and delivering results? Experience is part of it but it also stems from our unique approach to building solutions. We design and deliver customized employee, sales, channel, customer and event solutions that are grounded in the science of behavioral economics. In other words, we look at how thought and emotion combine to drive human decisions and behavior. We don't have to guess at what might motivate employees or customers because we use scientific research and data to determine what will really inspire them. Then we act on it.

We also pride ourselves on being a full-service agency, which means we can offer end-to-end, integrated solutions. Looking for an all-employee

recognition system and a way to reward your top sales performers? We can do that. Need to launch a new product at your annual dealer conference and provide training for your corporate employees? We can do that too. Our single focus is not on providing a single solution — it's on partnering with you to understand where your business is headed and combining our variety of solutions to help our customers get there.



## 02: Our Key Resource, Our Associates

As a company that works with many large organizations to improve their employee engagement and organizational health, we regularly see areas for improvement, as well as best practices. One of the highlights of 2022 was hosting a webinar for our customers featuring the research of Dr. Brad Shuck, a leading researcher and thought leader in the area of engagement, leadership, and employee health and well-being.



Dr. Shuck partners with BI WORLDWIDE on a regular basis to do additional research and share his thought leadership.

In addition to academic thought leaders such as Dr. Shuck, our internal thought leadership continues with the industry-leading Rules of Engagement research conducted by our Strategy Team. This research informs a variety of employee and labor relations insights such as:

- Manager and Leadership engagement and connection to the employee experience
- The role played by tangible recognition to creating healthy organizations and working conditions
- Diversity and Inclusion guidance for organizations looking to improve their efforts in this area

Here are some examples of how this research has been shared with leading organizations, specifically in the area of diversity and inclusion:

- Equity and Inclusion Advisor for managers.
- Equity and Inclusion Communications and Creative Strategy.
- Employee and Management Training in the area of DE&I.
- Inclusion Index – to give organizations a view of their efforts and progress in the area of diversity and inclusion.
- Manager nudges to ensure adoption and sustainment.





## Continued Improvement in 2022

Our journey continues to diversify our workforce and create a more inclusive environment for our associates. As referenced in the Dr. Shuck research, employee health and well-being continue to be a driver of our strategic plan. Here's a summary of existing and new associates resources:

### New Resource Groups

This year we introduced three Associate Resource Groups (ARG) with the goal of creating spaces with like-minded individuals, fostering community, and building a more diverse and inclusive work force. These associate-led groups provide associates and leaders a forum to improve social dialogue, working collaboratively to identify and implement ideas that will strengthen the sense of belonging in our culture.

**Mosaic ARG:** This is a space for Black, Indigenous, People Of Color and their allies to build new connections and create a sense of belonging.

**Pride@BIW ARG:** This space is for Lesbian, Gay, Bisexual, Trans, Queer and their allies to build new connections and create a sense of belonging.

**Amplify ARG:** This is a learning space for all associates seeking to learn about diversity and inclusion topics, and to understand how they can become allies.



MOSAIC



PRIDE@BIW



Amplify





## Diversity, Equity, and Inclusion

We continued the momentum started in 2021 with many more initiatives around diversity, equity, and inclusion:

- Hired an additional Talent Acquisition Manager in our HR department to support our focus on diverse hiring practices.
- Planned, organized and executed diversity equity programming throughout the year that supports our minority groups and educates dominant group people around cultural differences.
- Introduced a new value, Be An Ally, to support our strategy of training and educating our associates to be an ally for those from marginalized groups.
- Developed a focus group strategy led by our Director of Diversity and Inclusion to improve, enhance minority group experiences among our associates. This will be formalized in 2023 to ensure that ideas and improvements are captured and shared with the Diversity Steering Committee and the CEO.
- Built new talent channels such as
  - LinkedIn Professional Groups (Example: Society of Women Engineers)
  - Community Agencies (Example: Minneapolis Urban League, Hispanic Alliance for Career Advancement)
  - Other Partnerships and Events (Examples: University of Minnesota Multicultural Alumni Network, LatinoLEAD and Society of Hispanic Professional Engineers, Professional Diversity Network)
  - Continued our practice of requiring hiring managers to interview at least one person of color for every position, with a focus on candidates from the Black or African American community.
- Continued our practice of having our HR team (led by CHRO) regularly review salaries to identify and take action on any pay gaps.

## Diversity and Inclusion Steering Committee

Our Diversity and Inclusion Steering Committee was created in 2021 to ensure that the organization was making progress in this vitally important area. The overall strategy includes a Steering Committee that reports directly to the CEO. Two subcommittees are organized to identify issues and deploy tactics in key areas around the company.

The overall Steering Committee is responsible for:

- Creating social dialogue within the organization.
- Conducting research and survey current associates from underrepresented communities.
- Incorporate key findings and strategies into the D&I plan.
- Set diversity hiring goals for each region, area, department, and division of the company.

Subcommittees include Hiring & Retention teams to support new and current associates.



## Inclusion Statement

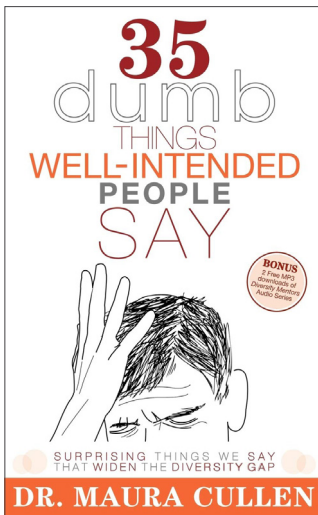
Each job description at our company starts with our inclusion statement: At BIW, we are committed to creating belongingness, where D&I is a priority. We invite you to join us as we continue to expand our culture of inclusivity, collaboration, and authenticity together.

## Summer Upturnship Program

For the second summer we hired multiple college students of color for “Upturnships” with assistance from Upturnships.org. Two of these individuals were hired into full-time positions. The program has expanded for 2023, with our first upturn supporting the development of this CSR Report and other Sustainability initiatives.







## Diversity and Inclusion Training

BIW University features a section entitled “Inclusion Academy” featuring over 13 hours of learning around topics such as:

- How to be an inclusive co-worker.
- Cross-cultural communication.
- Resources for an inclusive workforce.
- Systemic racism explained.

In addition, after all managers went through training around the book, “35 Dumb Things Well-Intentioned People Say” by Dr. Maura Cullen, the training was expanded to all associates.

## Sponsorship of Martin Luther King Breakfast

One of the core capabilities of our customers is creating engaging events for their employees, sales teams, and channel partners. Last year, we hosted events of all sizes all over the world. But one of the events we are truly proud of is our involvement in the Martin Luther King, Jr. Day Breakfast Event in Minneapolis.

Not only is our company a proud sponsor of the event, but our Meetings and Shows team produces the event. This event benefits the United Negro College Fund (UNCF).

Our company also added Martin Luther King, Jr. Day to our paid time off holidays for our associates.



## Women in Tech Mentorship Program

We convened focus groups to support the Women in Tech mentorship program.

## DIVERSITY AND INCLUSION PERFORMANCE 2022

Area of Reporting	FY 2021	FY 2022	FY 2023 Target
Percent of workers from minority groups	12.56%	14.62%	20%
Percent of women employed	52%	52%	50%
Percent of workers in top leadership positions	6.86%	6.21%	6%
Percent of women in leadership positions (Mgr., Dir., VP)	36%	41%	45%
Percent of workforce receiving regular performance reviews	99% of active, full-time associates	99% of active, full-time associates	99% of active, full-time associates
Percent of managers completing Diversity Training	100%	100%	100%

## Social Dialogue Management & Associate Feedback Opportunities

Social dialogue between associates and management is a vital strategy to improve our efforts in areas of working conditions and benefits. Starting in the latter half of 2021 and into 2022, our Director of Diversity and Inclusion began to hold events targeted at social dialogue. Our Director of Human Resources also holds feedback sessions when changes are made such as a new health plan.

- Diversity Book Sessions
- Watch and Learn Diversity Sessions
- Focus Groups for Young BIPOC, Women in Tech, and other groups
- Associate Resource Groups
- Diversity Steering Committee Meetings

Initial tracking for this area of social dialogue is measured in the number of events that are held that include management & associates.

### SOCIAL DIALOGUE OPPORTUNITIES 2022

Measurement	2021	2022	2023 Target
Monthly number of social dialogue opportunities	3.5/month	4.5/month	5.0/month





## 2022 Employee Survey Results

Each year we use the Top Workplaces survey process and criteria to gather associate feedback and compare ourselves against other organizations in our area. We use the survey results to identify areas to improve across the organization, and set goals for strategic change in our organization. The third-party survey encourages:



Organizational Alignment



Better Management



Emotional Connection



Increased Effectiveness



Innovation

### TOP 5 WORDS THAT INCREASED IN FREQUENCY:

1. INCLUSIVE
2. REWARDING
3. COLLABORATIVE
4. MOTIVATING
5. HELPFUL

### KEY SURVEY STATS

BIW SURVEY  
RESPONSE RATE:  
**75.7%**

BIW OVERALL  
EMPLOYEE  
ENGAGEMENT:  
**66%**

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OVERALL  
BENCHMARK  
AVERAGE:  
**55%**

### STRENGTHS BY FACTOR:

#### APPRECIATION

EMPLOYEES FEEL GENUINELY APPRECIATED.

#### INCLUSION

EMPLOYEES FEEL INCLUDED AT BI WORLDWIDE.



### Top Workplace Awards

For the fifth year, we were honored as a Top Workplace by the Minneapolis *Star Tribune*.

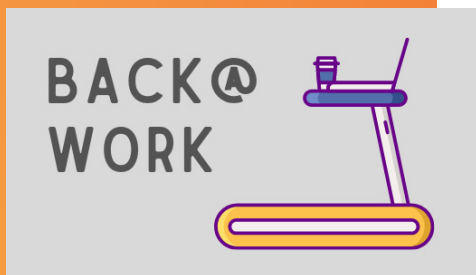
## Health and Wellness

We continue to encourage all associates to engage in healthy lifestyles to the best of their abilities. The following four areas are vital in this journey, and we have developed communications and multiple resources around each of them:

- Emotional Well-Being
- Financial Well-Being
- Physical Well-Being
- Social Well-Being

These are all featured on our company Intranet (BIW Insider). In addition, we provide the following benefits for all associates:

- Health care (medical, dental, disability, STD, LTD, life insurance)
- Employee Assistance Program (EAP) for mental health and other assistance
- 401k plan and company match
- Six weeks paid parental leave
- Frequent fitness program, gym membership reimbursement, and rewards through the Vitality app
- Healthy savings program (i.e., fresh produce discounts)
- Financial counseling services and webinars
- Paid tutoring services
- Walking treadmill desks and Roman back chairs
- College scholarships



## HEALTH AND WELLNESS PERFORMANCE 2022

Benefit	PERCENT OF ASSOCIATES PARTICIPATING		
	FY 2021	FY 2022	FY 2023 Target
Company-Paid Short-Term Disability (Non-Elective)	100%	100%	100%
Company-Paid Long-Term Disability (Non-Elective)	100%	100%	100%
Company-Paid Life Insurance (Non-Elective)	100%	100%	100%
Employee Assistance Plan (Non-Elective)	100%	100%	100%
Medical Insurance (Elective)	74%	71%	N/A
Dental Insurance (Elective)	68%	68%	N/A
Vision Insurance (Elective)	50%	52%	N/A





## Career Management Training

Much the same as we have nearly four million of our customer's employees on our engagement software, we also have 3.8 million customers and employees on our learning software, taking over 12.7 million courses in over 200 countries. We know strong learning is key for any organization that wants to:

- Recruit the best candidates.
- Onboard them quickly.
- Provide an ongoing training plan.

All these areas are based on relevant materials to their unique place in the organization.

At BI WORLDWIDE, our HR department and training manager work with each hiring manager to formulate a unique onboarding experience for new associates. This includes:

- Assignment of a Mentor/Buddy from their new team.
- Communication touchpoints starting before the associate's first day.
- Manager checklist to ensure all steps are completed on-time.
- HR follow-up and support for questions or concerns that may arise.

For 2022, we used this process on 100% of all new associates who started with the company.



# BIWU

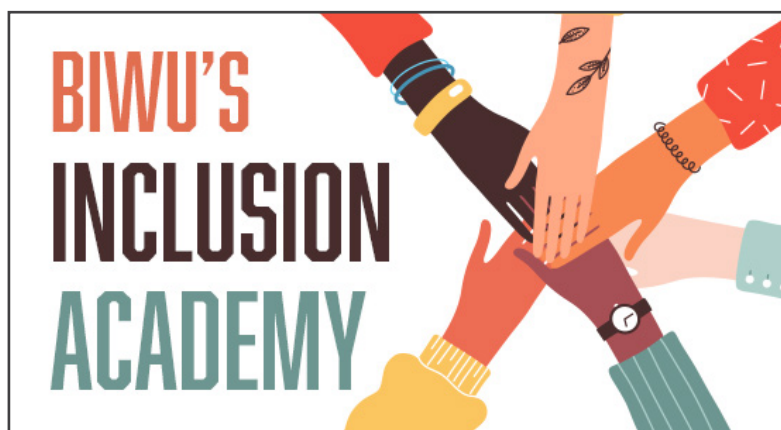
BI WORLDWIDE UNIVERSITY



## New Associate Training

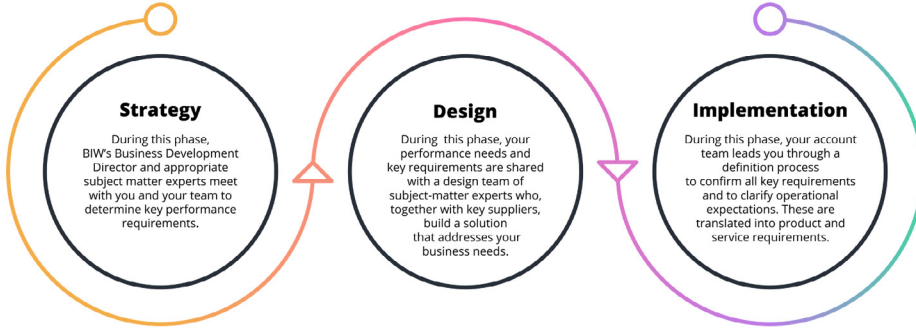
All new associates are required to take 17 classes in BIW University to get them off to a great start. This year we added one additional class in Information Security and one new course titled Be An Ally. Be an Ally supports our new corporate-wide value as well as our commitment to diversity & inclusion for all associates.

1. Introduction to Behavioral Economics
2. BIW Mutual Respect Policy - Introduction
3. Mutual Respect: Workplace Harassment Prevention
4. Information Security - Spear Phishing
5. Information Security - Advanced Spear Phishing
6. Customer Service - Signature Service
7. Customer Service - CX3 Process
8. Introduction to BRAVO (Our Employee Recognition & Rewards System)
9. True Colors (Communication Styles)
10. Collaboration
11. BIW University Reference Guide
12. Meeting Management
13. Creating a Timesheet
14. BIW Brand
15. New World, New Rules (Engagement Training)
- 16. New for 2022: Information Security - Privacy & Security**
- 17. New for 2022: Be An Ally**





**The CX3 methodology incorporates three major phases into one core service methodology.**



**Overall Customer Satisfaction Score**  
**9.53**

**Customer Retention Rate:** **81%**

**Customer Experience Training and Leadership**

BIW introduced a companywide Customer Experience Process (CX3) at the start of 2020, just when the pandemic took us out of the office and into remote work. The CX3 process continues to steer our efforts to design the strongest, most strategic solutions and deliver them to the satisfaction of our customers.

The three key areas of the process include:

**Strategy** – ensuring we are bringing forward solutions that meet our customer’s needs.

**Design** – integrating all aspects of the solution in a manner that produces measurable results.

**Implementation** – standardizing the process for delivering on-time, on-target and on-budget solutions for our customers.

Overseeing the process is a Vice-President level manager as well as a team of support individuals and auditors.

**EMPLOYEE TRAINING AND PROCESS MEASURES**

Metric	FY 2021	FY 2022	FY 2023 Target
Percent of the total workforce across all locations who received career or skills-related training	<b>Career and skills-based training is available to 100% of associates and is assigned by their manager or taken on an as-needed basis.</b>		
Average hours of training per associate	27	28	30
CX3 audits performed	19	20	25
Percent of business units audited	100%	100%	100%



Pictured here is our Warehouse Team, represented by the Teamsters. We are proud of our relationship with this group who work hard to ensure our participants receive their rewards and our Warehouse Windfall runners have full shelves on race day.

## Working Conditions

We believe in continuous improvement of our working conditions, with our facilities team meeting monthly to determine specific initiatives that will be started. Each time we make major improvements, not only do we consider sustainability for our headquarters locations, we also include associate health and safety.

Two key measures we use for determining the safety of our working conditions are the number of Occupational Safety and Health Administration (OSHA) recordable incidents and our worker's compensation experience modification rate (EMR or Experience Mod). Our annual targets are zero OSHA incidents and an EMR below 1.0.

## WORKING CONDITIONS PERFORMANCE MEASURES

Metric	FY 2021	FY 2022	FY 2023 Target
Percent of workforce represented by formal collective agreements	<1%	<1%	N/A
OSHA reportable incidents	0	0	0
EMR	.74	.64	.65
Number of meetings of the Facilities Team	24	24	24



## 03: Commitment to the Environment



### Sustainability

Our environmental and sustainability journey continued this year with multiple new initiatives, and the re-formation of our Sustainability Team for long-term impact on the environment. Our headquarters operations consist of five buildings in suburban Minneapolis, Minnesota. Here are some details about our progress in this area this year:

### NetZero Commitment

Although we have not formally subscribed to a science-based target methodology, we have the commitment of our Executive Team that this will be a major initiative in 2023. We will also be using the CDP, Carbon Disclosure Project, to disclose our headquarters emissions publicly moving forward.

### Switch to Windsource Energy

In 2022, we switched to 100% renewable energy. Our local energy provider, Xcel Energy, offers a program by which we can purchase renewable energy to power our corporate headquarters buildings. Here is how Xcel describes the program:

*Windsource® allows customers to get more or all of their energy from renewable resources. As one of the nation's largest voluntary renewable energy programs, Windsource is an easy, inexpensive way to make a difference. Thanks in part to Windsource customers, the amount of renewable energy we produce today is above and beyond government requirements and continues to grow.*





## BI WORLDWIDE **Sustainability Team**

### **Energy Audits**

In November 2022, we completed energy audits for all five buildings at our headquarters. The facilities team is working to determine the priority of suggested projects. As a bonus for completing energy audits, we received free door sweeps for all external doors — leading to energy savings.

### **Sustainability Team**

After working primarily off-site during the pandemic, this year saw the re-formation of our Sustainability Team (last year called the Green Team). This 15-person team meets regularly and reports to the CEO for guidance. The mission of the team includes:

- Reviewing BIW's current environmental practices.
- Recommending and implementing changes to improve our practices.
- Sharing information to inspire associates to become individuals more deeply invested in sustainability.
- Providing opportunities for associates to participate in sustainability-related activities.





## Other Environmental Activities

- Continue to sort and recycle all corrugated cardboard, office paper, newspaper, glass, aluminum, and plastic.
- Doing business with vendors that abide by the Old Growth Forest Program.
- Employing building management systems and/or setback thermostats to control environmental conditions based on occupancy and time of day.
- Continued monitoring of air quality on our campus and air purification systems using Needlepoint Bipolar Ionization technology to:
  - Attract and kill viruses, mold spores and bacteria – 99.4% effective against SARS-CoV-2/ COVID-19.
  - Reduce dust, dander, pollen particles in the air, as well as reducing odors.



## SUSTAINABILITY PERFORMANCE 2022

Metric	CY2019 - Baseline	CY2022	CY2023 Target
<b>Energy Star Certification (score 75 or higher)</b>			
▪ Building 1	77	82	75
▪ Building 2	93	99	75
▪ Building 3	39	50	50
▪ Building 4	78	70	75
▪ Building 5	90	96	75
<b>Scope 1 (direct) GHG emissions (metric tons)<sup>2,3</sup></b>	<b>519</b>	<b>494</b>	<b>Goal is to set science-based targets in 2023.</b>
<b>Scope 2 (indirect) GHG emissions (metric tons)<sup>2,3</sup></b>	<b>918</b>	<b>720</b>	
<b>Energy consumption (MWh)<sup>2,3</sup></b>	<b>2,118</b>	<b>1,608</b>	
<b>Energy consumption from wind power (renewable)</b>		<b>30%</b>	<b>100%</b>

1. Building 3 contains BIW's Data Center  
 2. Energy Consumption (MWh) and Greenhouse Gases (metric tons) are calculated using Energy Star's Portfolio Manager. These KPIs are reported to Hennepin County Efficient Buildings Collaborative and the City of Edina, Minnesota in compliance with the city's requirements for any building over 25,000 square feet.  
 3. BIW uses Energy Star Certification to gauge the energy efficiency and environmental impact of its buildings.

## CORPORATE ENVIRONMENTAL POLICY

At BI WORLDWIDE our mission is to turn inspiration into real results for our clients. We understand how to attract, engage, and retain employees, run effective sales contests and incentives, build dynamic customer loyalty programs and create impactful corporate.

BIW is committed to a long-term sustainable approach to caring for and safeguarding the environment. We constantly endeavor to balance environmental considerations and social responsibility with our business goals. Consequently, we strive to consistently evolve and implement our Corporate Environmental Policy in addition to complying with environmental laws and regulations.

BIW shall promote the adoption of environmental protection goals and practices by contractors and suppliers acting on behalf of BIW and strongly encourage improvements in our contractors' and suppliers' practices to make them consistent with those of BIW.

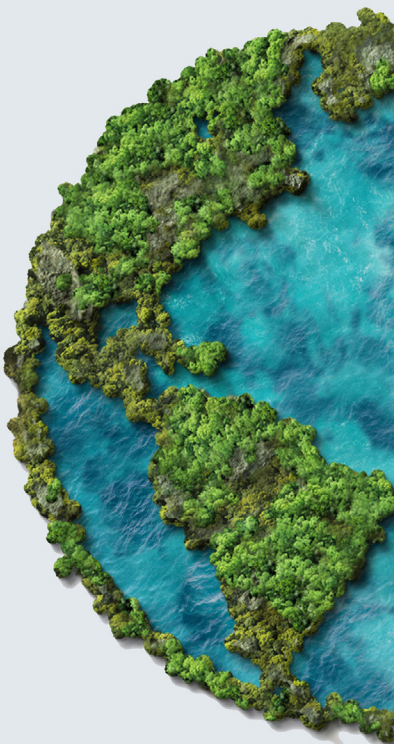
BIW increases employee awareness of environmental concerns, actions, and responsibilities through communication. Our goal is to assure associates understand the various ways we can all strive to reduce our impact on the environment.

BIW reviews our environmental performance against targets and objectives annually and makes them available to our associates and clients on our corporate website. Our KPI's include:

- Energy Star Score
- Total Energy Consumption of facility
- GHG emissions

BIW reports energy and water annually through the Hennepin County Efficient Buildings Collaborative.

In the long-run, only a sustainable approach will benefit the customers, associates, and communities we serve by both meeting our business goals and protecting and improving the quality of the environment in which we all live.





# 04: Responsible Sourcing and Procurement

Although many of the policies and processes that are in effect across our organization only apply to those associates who directly make and approve purchases, in 2022 we took a company-wide approach to ethics, sourcing and procurement.

This year we increased our analysis of supplier commitments, tracked more areas, and made it easier to understand all our policies tied to ethical behavior.

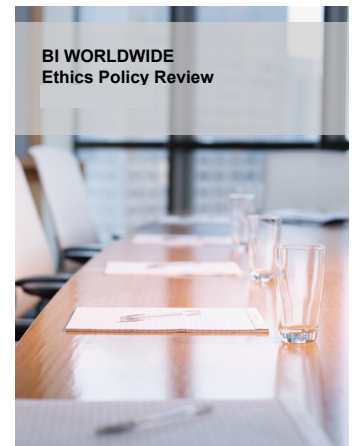
## Ethics Policy Communications and Training

Our company-wide Ethical Purchasing Policy states:

BIW has a responsibility to monitor its quality of service by maintaining the highest standards of ethical conduct in all its business transactions. This is especially important in purchasing, where any conflict of interest, real or apparent, could compromise the reputation and best interests of the company (e.g., anti-bribery policies). A “conflict of interest” is defined as a situation in which an individual, or their family, may realize personal gain resulting from their position and responsibilities in the company (e.g., anti-corruption policies).

This year, 100% of our US-based associates were trained on our ethics policies. Here is a summary of what was included:

- Overview of our policies and commitment.
- Specific communication of the role of associates and managers.
- Offer to answer any questions associates have around existing policies.
- Official Employee Code of Conduct including Confidentiality Policy, Zero Tolerance Theft Policy, and other anti-bribery and anti-corruption-oriented policies.
- Ethical Purchasing Conduct.
- Detailed Purchasing Policies.
- Compliance Hotline and Whistleblower Procedure.



## ETHICS PERFORMANCE 2022

Metric	FY 2021	FY 2022	FY 2023 Target
Ethics Policy Training	Optional	100%	95%
Code of Ethics breaches	0	0	0
Incidents reported through whistleblower procedure	0	0	0
Number of legal actions for anti-competitive behavior, anti-trust or monopoly practices	0	0	0
Number of security breaches	We currently manage over 100 website and database platforms for our clients which are regularly under attack by bad actors. In the last 5 years, we have experienced only minor security issues that have resulted in continuous improvements to our network and systems.		
Other reportable violations	0	0	0

## Living Green Awards Collection

By far the largest percentage of the purchases we make are on behalf of award-winners in the engagement and incentive programs we operate. Pictured here is an example of how we are moving our Merchandise Marketplace (program catalog) in the direction of offering more sustainable and eco-friendly rewards.

Home > Merchandise > Living Green



Bath & Beauty



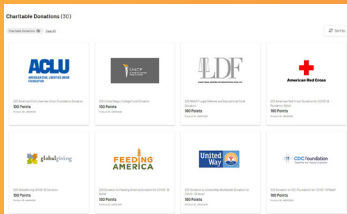
Health & First Aid



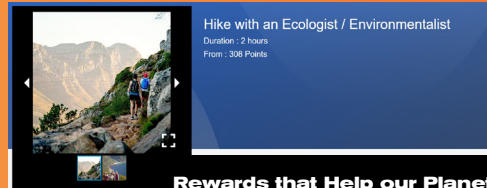
Household Sundries



Kids & Baby



**We have also expanded our offering of charitable donations that can be redeemed-for by award-winners in our engagement and incentive programs.**



**Rewards that Help our Planet**

**Our Sustainable Supplier Team actively seeks out rewards that can help our planet. Examples range from educational hikes in Cape Town to Sustainability Tours in Malmo to experiencing and appreciating our vital rainforests.**

## Sustainable Supplier Team

In 2022, we formally convened a Sustainable Supplier Subcommittee as part of our CSR Steering Committee to focus on improving the diversity and sustainability of our suppliers. We also appointed a Senior Product Manager on our Merchandising Team to lead the effort in identifying these suppliers, track our spend, and review quarterly with BIW leadership and the Director of Diversity & Inclusion. This team dramatically increased our tracking and ability to report on our progress in this area.

We created the following objectives for this committee:

- Actively seeking to add Minority- and Women-Owned Businesses (MWOB) to our growing list of trading partners.
- Ensuring all purchasing associates are current with our Ethics Policies and Diversity Training (e.g., unconscious bias, inclusive language).
- Regular presentations from a diverse array of suppliers to continue to build our support of minority- and women-owned businesses, as well as more sustainable rewards.

Note: Much of the spend of our business is not direct purchases for which our organization is the final consumer. We offer hundreds of thousands of merchandise and travel offerings to our customers that are chosen by participants in our programs. To this end, see the next section where we are offering options for those participants to steer them to more sustainable choices for the awards they receive.

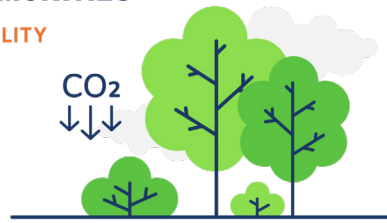


## SUSTAINABLE TRAVEL LIFTS LOCAL COMMUNITIES

### CORPORATE SOCIAL RESPONSIBILITY + SUSTAINABILITY

Travel can bring adventure and new experiences, including the ability to support local economies and positively impact host communities. Event attendees can discover local cultures, immerse themselves in their uniqueness, and contribute to their enhancements.

BI WORLDWIDE Events support sustainability initiatives on a global basis while working with our customers. Your BIW account manager uses a checklist identifying opportunities to encourage more environmentally friendly choices while planning your event. In addition, we recommend carbon offset programs, such as Trees4Travel and Terra Pass, so that you may elect to offset your environmental footprint by paying to reduce greenhouse gas emissions elsewhere. Both programs have an on-line calculator where we can determine the carbon tonnage to be offset and at what monetary cost to your organization.



### REDUCING CARBON ONE FOREST AT A TIME



- + Robust, on-line calculator for transportation miles (air, rail, taxi, motorcoach, etc.), commute, venue (hotel nights and venue space), water, meals
- + Uses the Gold Standard, Verified Carbon Standard, the Climate Action Reserve, CSA Group and the American Carbon Registry as carbon offset standards
- + Trees as off-sets; also has a clean water program



- + Simple, on-line calculator for transportation miles (number of miles, to-and-from, and type of transport) and venue (type of stay and room nights)
- + See the actual locations of your trees and watch them grow
- + Only vetted and robust plantation partners
- + Support the welfare of local planting communities
- + Plant indigenous trees with the highest environmental impact
- + Receive ongoing monthly reports on progress
- + Cost per tree planted is \$3



## Participant Sustainability Offerings

As a leader in our industry, we constantly challenge ourselves to develop additional ways to support our customers on their journey to respect human rights, reduce emissions and protect the environment.

For the millions of participants who we offer travel and merchandise awards, our Sustainable Supplier Subcommittee developed multiple objectives in 2022 to make these rewards more diverse and sustainable.

- Project managers in our travel and events division have a sustainability checklist they use with customers to identify opportunities unique to their program or industry.
- We work with Terrapass for those customers who choose to purchase carbon offsets.
- We also work with Trees4Travel, an online calculator that allows travelers to purchase indigenous trees in local planting communities to offset the effects of their travel.
- Added an EcoCheck option to encourage more sustainable travel bookings. In 2023, we will explore ways to track this new offering.
- Worked with our customers to identify and offer more sustainable and diverse hotels, airline flights and activities when they are traveling for a reward.





## Supplier Compliance

In 2022, we expanded our tracking of suppliers to be more detailed in four areas.

1. Maintain business operations that demonstrate fair and ethical employment practices.
2. Environment-friendly manufacturing and services.
3. Demonstrate philanthropy through support of social causes, nonprofit organizations, local community programs and charities.
4. Safeguard against any terrorist activity or funding.

## RESPONSIBLE SOURCING/PURCHASING PERFORMANCE 2022

Tracking, reporting and setting targets for increasing our spend with suppliers that adopt and adhere to social responsibility principles will be a new area of focus starting in 2023. Therefore, we do not have results in FY 2021 and our FY 2022 results will serve as our baseline for our FY 2027 targets.

- Our goal is to nearly double our annual spend with certified minority- and women-owned businesses (MWOB) from 5.38% in FY22 to 10% in FY27.
- Our goal is to increase our annual spend with top suppliers (i.e. represent 80% or more of total spend) from 74.1% in FY22 to 80% or more in FY27.

Metric	FY 2021	FY 2022	FY 2027 Target
Percent of dollars spent associated with at least one of the four CSR elements	24.5%	74.1%	80%+
Maintaining business operations that demonstrate fair & ethical employment practices	N/A	73.8%	80%
Environmentally-friendly manufacturing & services		42.6%	60%
Demonstrate philanthropy through support of local community charities, social causes, nonprofit organizations		71%	80%
Safeguard against any terrorist activity/funding		43.6%	60%
Percent of spend with minority & women-owned suppliers (MWOB)†		5.38%	10%

† The vast majority of spend is made with large, publicly traded, multinational companies that do not qualify as MWOB.



# BI WORLDWIDE Corporate Social Responsibility Report 2022

## Summary

Our goal is to be a recognized leader in our industry in Corporate Social Responsibility. In 2022, we made great strides in all areas as well as improving our transparency. In 2023, our goal is to continue building on the significant progress we made in 2022. Here is a list of the Corporate Social Responsibility Committee members responsible for leading our social responsibility and sustainability efforts:

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## Corporate Social Responsibility Steering Committee

### Executive Leadership

Larry Schoenecker, CEO

Nancy Martinson, CHRO

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### Human Resources & Facilities

Kristin Murawski, Managing Director, HR

Nikhil Enugula, Director of Diversity & Inclusion

Jodi Jovanovich, Communications & Training, BIW University

Vicki Talberg, System Manager

Karen Wantock, Property Manager, Administrative Services

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### Merchandise & Travel Divisions

Chris Awes, Vice President, Merchandise

Claudia Nixon, Vice President, Event Solutions

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### Client Services

Walter Ruckes, Vice President, Life Sciences & Healthcare

Scott Smestad, Vice President, Technology Vertical

Andrea Hanson, Art Director

Asha Bashir, Project Management Intern

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