

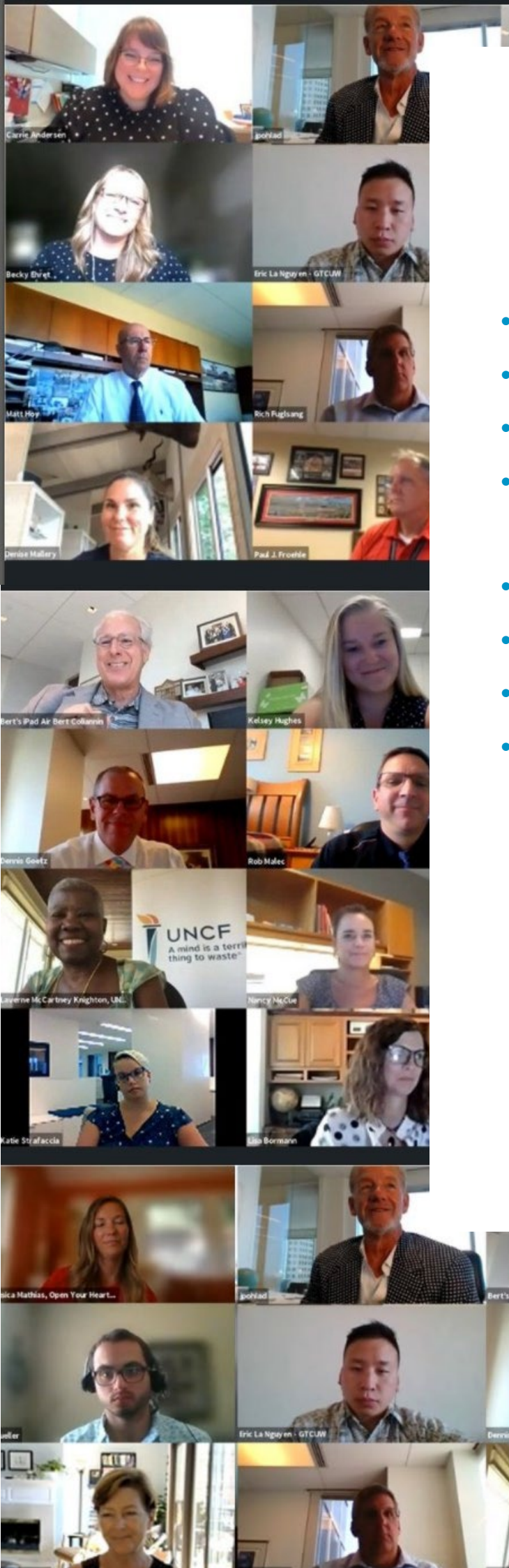
WE ARE ALL IN

Diversity Equity and Inclusion

2021 ANNUAL REPORT



POHLAD
companies



In this report

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Our Values

The Pohlads Companies are comprised of diverse businesses, united by a proud legacy, creating value and opportunities for our employees, customers, communities and the family.

We expect of ourselves...

INTEGRITY – Ethical standards are never compromised. We do things the right way.

RESPECT – We value each other's experiences, differences, perspectives and talents. We are open: we listen; we always treat others with fairness and professionalism.

PERFORMANCE – We set and achieve measurable, meaningful objectives. We compete aggressively, always striving to be the best.

RELATIONSHIPS – Our success depends on strong long-term relationships with our customers and communities.

TEAMWORK – We work together. We achieve more.

INVOLVEMENT – We make a difference through our interest, participation and contributions to our communities.

CLARITY – How we communicate is important. We are concise and transparent to ensure understanding and mutual commitment.

ACCOUNTABILITY – We take responsibility. We do what we say we will do.

And always...

We depend on capable, engaged and committed employees working within this culture to ensure individual as well as organization growth and long-term success.

Our Diversity, Equity and Inclusion Promise

We are ALL IN: We are committed to the full experience of belonging and success for all employees while making a purposeful impact within our community.

We expect of ourselves...

- We will recognize the uniqueness of all employees, and value how a diverse team's perspectives and experience will help our organization.
- We will grow and evolve our culture in ways that give all employees a sense of belonging, engagement and opportunity.
- We will listen, learn and engage with partners in the wider community, to push meaningful change beyond the walls of our organization.

These are priorities for us in thought, decision and action because we believe that when talent and innovation thrive, we all will prosper – our employees, our businesses and our communities.



A message from Jim, Bob and Bill Pohlad

It is our responsibility to listen, learn and take action to address the problems of systemic racism and injustice that have persisted in our country for generations.

We are committed to using our influence and financial resources to impact structural change. In 2020, our family committed \$25 million to help fight for racial justice. In partnership with the Pohlad Family Foundation, we are working with grassroots organizations, local government, philanthropic organizations and the business community to further the goal of ensuring the continued cultural diversity in our businesses and communities.

We recognize that change starts at home, so we are strengthening our commitment to actively build a diverse and inclusive environment within all our Pohlad Companies' businesses. And, because we recognize the impact we can have when we all work together, we are leading efforts to coordinate employee volunteerism, expertise and financial support across Pohlad Companies' businesses.

We are firmly committed to helping to enact meaningful change in our community. We know this will take time and effort, but together, we can create a better quality of life that is shared by all.



In 2019, Pohlads Companies shareholders approved eight strategic goals. One of our goals is to measurably diversify our workforce at all levels in the Pohlads organization. We created a DEI Strategic Leadership Team with representation from all businesses to build a plan that would accelerate our progress. In 2021 we hired Erryn Williams as Chief Talent and Diversity Officer and couldn't be more pleased with the work Erryn, our DEI Strategic Leadership Team, and our employees are doing to help further our diversity goals. We understand that this is a responsibility that falls to all of us, and we are ALL IN.



- Bert Colianni, Chief Executive Officer

Our commitment to achieving our DEI goals is strong and enduring, driven by our values and desire to make an impact in our businesses, in our communities and within ourselves. We know that having diverse representation at every level is key to our future success, and that an inclusive workplace provides opportunity for all voices to contribute and individuals to thrive. We invest in the talent needed to achieve our business, professional and personal goals and we are committed to recruiting, advancing and valuing the unique experiences and backgrounds of our employees. In short, we are ALL IN.



- Pam Lampert, Chief Human Resources Officer

At Pohlads Companies, we are committed to growing and evolving to be a more diverse, equitable and inclusive organization. We believe that DEI principles are the fundamental building blocks to our values, our goals, how we do business and show up in our communities. Our dedication comes from valuing unique perspectives and experiences and creating an environment that leads to an opportunity for all to prosper. These beliefs fuel our motivation to recruit and grow diverse talent at all levels of the organization. It drives our behavior and actions to foster an inclusive culture that enables employees in our businesses to thrive, feel valued and contribute to our success.

To achieve progress, we are educating our organization on DEI principles, while arming ourselves with data, insights, and partnerships so that we can take action that makes meaningful impact. In addition to setting specific goals for 2025, we've introduced new recruiting partnerships, launched mentoring and sponsoring programs and taken time to celebrate the diverse cultures in our community.

We recognize there is much work for our organization to do, we hope this report showcases our 2021 investment and demonstrates our commitment to be ALL IN.

- Erryn Williams, Chief Talent and Diversity Officer



We are ALL IN!

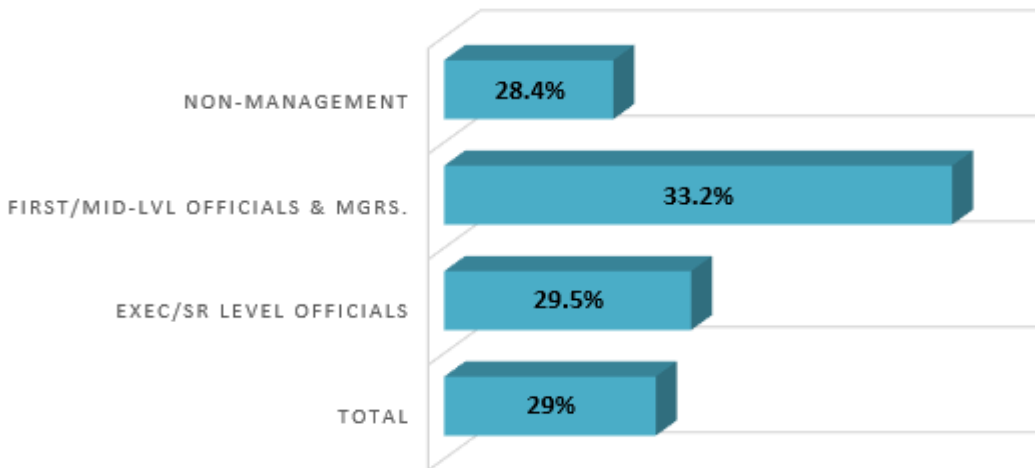
By the Numbers

This report reflects where we are today. It's part of our initial effort to be transparent about our collective work. There is no magic solution to this complex work. But we know that by better understanding the data, we can adjust and make informed decisions.

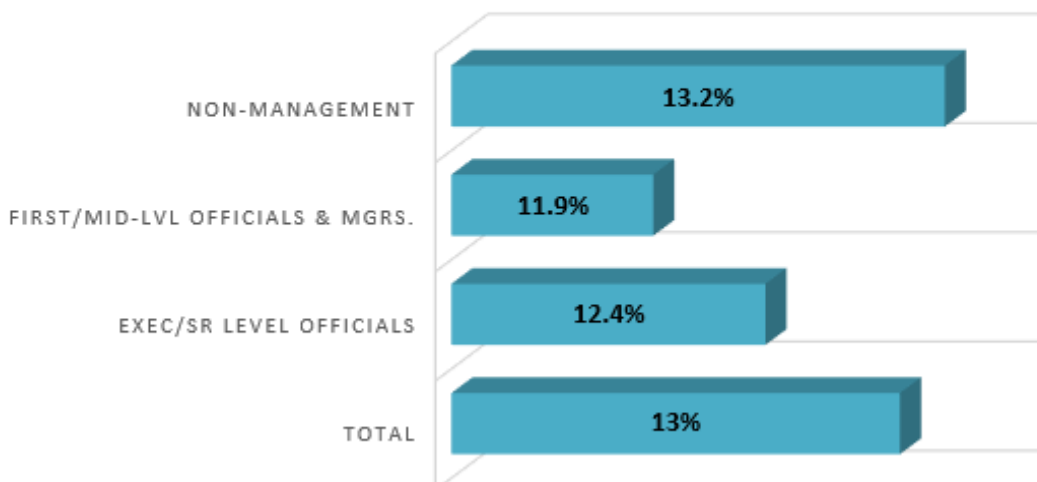
Data is a retrospective review of representation for the fiscal year ending on December 31, 2021.

Total Workforce Count			
Minnesota Twins	1,365	PaR Systems	409
Carousel Motor Group	611	Pohlad Companies	82
NorthMarq	585	United Properties	80
Total Pohlad Companies 3,132			

WOMEN IN THE WORKFORCE FY2021



POC IN THE WORKFORCE FY2021

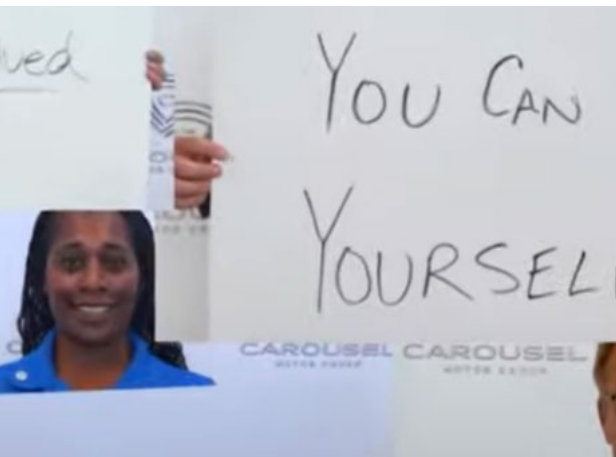


POC is short for person of color or anyone who does not identify as white.

Self-identification is voluntary.



DIVERSE REPRESENTATION



INCLUSIVE CULTURE



COMMUNITY PARTNERSHIP



Our Goals

35% Women and 15% POC by 2025

- 12/2021: 29% Women and 13% POC
- 6/2020: 27% Women and 10% POC

If we stay on trend, we will reach our goal for POC representation before 2025. Our current trend representation for women shows our 2025 goal is achievable.

We want to provide a place where all employees feel a sense of **belonging** and have an equal opportunity to **succeed**.

Our aspiration is for the women and POC in our organization to feel that they belong and have an opportunity to succeed similar to their counterparts. We have added inclusion and belonging questions to our employee engagement surveys and will measure progress and address gaps identified through the results of those surveys.

Build **mutually beneficial partnerships** with external organizations and minority owned businesses.

While each of our businesses contributes to and partners with a variety of community organization, we have not historically captured the investment and outcomes of these partnerships. We will gather this information to create a baseline of 2021 activity, add a goal to partner with and positively impact at least two community organizations in each business in 2022, and measure and report our results at the end of 2022.

Definitions

Diversity: Defined as the presence of differences in a group. It's what makes us unique individuals. Diversity comes in many dimensions both primary (what is seen or experienced) and secondary (what you can't see or is unknown). As an organization we strive to understand, respect and value differences.

Equity: While equality is about treating everyone the same, equity is more about realizing that people aren't always on equal footing to start. To ensure equitable treatment within our organization, one of our first steps was to review policies and processes and adjust so that everyone has the same opportunity to succeed.

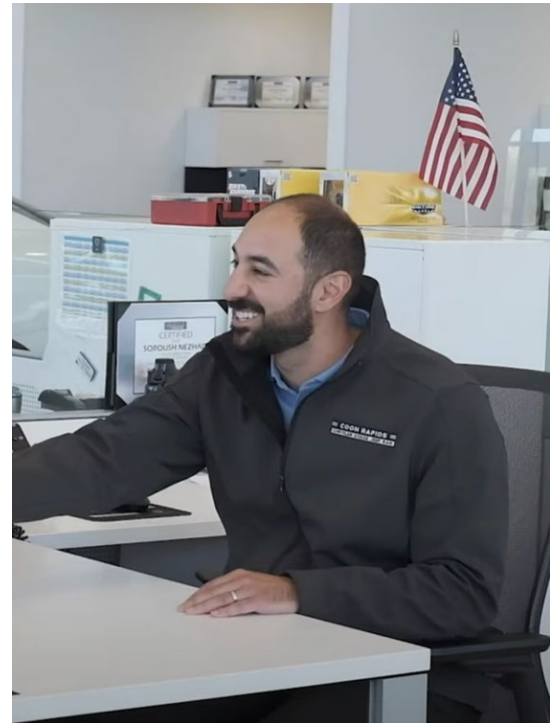
Inclusion: About the feeling of belonging. As an organization, we are committed to the full engagement and experience of all our employees—ensuring everyone feels welcome, respected and valued.



Our Approach

We plan to accelerate our progress by concentrating on five key focus areas:

- **HIRE TALENT:** To diversify our talent pipeline and develop inclusive processes so our hires are reflective of the available talent pool.
- **CREATE CAREER GROWTH OPPORTUNITIES:** Putting rigor around development and career opportunities so diverse talent can achieve their goals.
- **BUILD AN INCLUSIVE CULTURE:** Build a culture that fosters belonging so that everyone feels valued.
- **ENSURE EQUITABLE PROCESS & POLICIES:** Review, disrupt and redesign policies and practices to reduce bias.
- **DEVELOP COMMUNITY PARTNERSHIPS:** Partner with organizations that advance our DEI aspirations while demonstrating support to their own missions or business goals.



Accelerating Our Progress

SPONSORSHIP PROGRAM

One focus for our organization is enhancing the development and providing opportunities, ensuring women and POC advance at the same rate as their peers. One crucial lever to accelerate our efforts is the launch of **the Pohlads Sponsorship Program.**

This 12-month program helps our employees connect to what's next with the active support of a senior leader. Each leader uses their network and influence to provide advocacy, visibility and professional development opportunities.

Meet our 2021 cohort:

- Sponsored Talent: **Christopher Taylor**
 - Sponsored Talent: **Emily Worthen**
 - Sponsored Talent: **Tamara Vega**
 - Sponsored Talent: **Maria Jamero**
 - Sponsored Talent: **Mari Guttman**
 - Sponsored Talent: **Ivan Cardona**
 - Sponsored Talent: **Camrin King**
 - Sponsored Talent: **James Moosaie**
 - Sponsored Talent: **Erryn Williams**
- Sponsor: **Jeff Hildebrand**
Sponsor: **Heather Anderson**
Sponsor: **Heidi Grange**
Sponsor: **Denise Mallery**
Sponsor: **Laura Day**
Sponsor: **Thad Levine**
Sponsor: **Pam Lampert**
Sponsor: **Todd Olson**
Sponsor: **Bert Colianni**

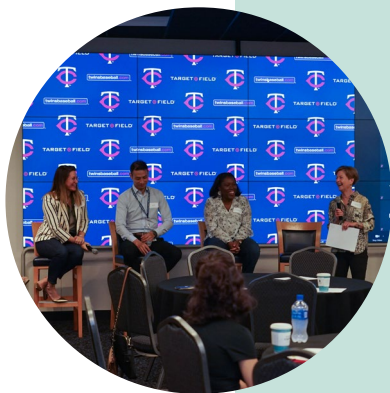


Accelerating Our Progress

MN APPRENTICE NETWORK (MNAN)

We are proud to be an inaugural corporate partner of the **MN Apprentice Network** whose mission is to more equally distribute career opportunities within our communities.

Building this apprentice program will allow us to embrace a more equitable change in our recruitment process while helping to train a new pipeline of highly-skilled and diverse employees.



DEI Strategy Team & DEI Committees

We know that we need employees of all backgrounds, businesses and levels to be champions for Diversity, Equity and Inclusion in our organization; these passionate people are driving our vision, providing ideas and activating change across our organization.

Our **DEI Strategy Team** is made up of executive leaders from across our organization. These leaders provide guidance and support to our DEI Committees.

DEI Committees are teams from each of our businesses working to implement DEI initiatives in their own businesses. They also collaborate with each other across businesses to consult, provide feedback and activate shared initiatives.

Accelerating Our Progress

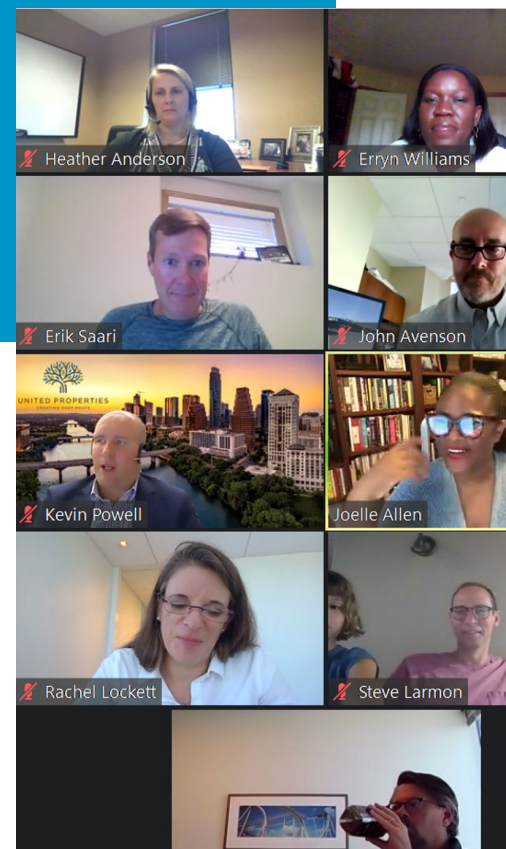
Leadership Listening Sessions

When it comes to making progress towards diversity, equity and inclusion, we know it's crucial to engage our leaders. So, we offered a peer learning experience to support our top 80 leaders on their DEI journey and to champion the efforts of the organization.

Leaders began their experience with the Intercultural Development Inventory (IDI). Following the IDI, we partnered with Joelle Allen, CEO of Interaction Traction, who moderated a series of trainings and discussions called Leaders Listening Sessions.

The leadership cohort met as a large group and split into smaller groups, both by business and across businesses, to focus on building foundational knowledge and to discuss topics on equity, barriers progress, building goals which include diverse perspectives and leading with inclusive behavior.

Each business also hosted a variety of facilitated conversations to encourage additional discussions across their teams.



Our Stories: DEI in Action



Celebrating local artists of color with nonprofit Roho Collective

United Properties' Inclusion & Diversity Committee hosted a holiday luncheon with Roho Collective, a Twin Cities-based nonprofit organization representing over 50 artists of color.

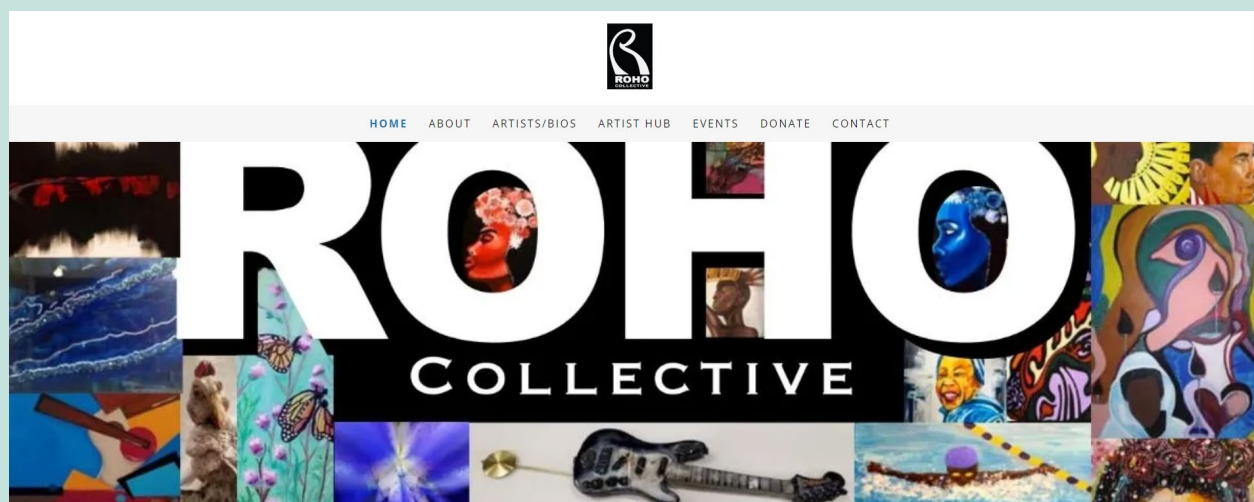
One of UP's Inclusion & Diversity Committee's 2021 goals is to identify and work with diverse vendors. The most recent effort is to partner with an art curator to help identify artists from the BIPOC community who can be featured in UP buildings. Later this month, one of Roho Collective's artists will start work on an art mural in The Nordic.

United Properties Commissions Local Artist Yao Jian

United Properties (UP) is committed to creating deep roots in the community and supporting the local arts and culture ecosystem.

This year, UP commissioned an artist to create artwork that represents their charitable giving initiative and featured it on the front of the UP holiday card.

Yao Jian is a Chinese-born, Twin Cities-based illustrator and artist who created the special cover featuring UP's brand elements and captured the company's commitment to supporting the local communities where we work and live.



Our Stories: DEI in Action



Coon Rapids Chrysler Dodge Jeep & Ram Dealership sponsors Minnesota Softball Military Appreciation Foundation

In September, Coon Rapids Chrysler Dodge Jeep & Ram Dealership sponsored the Minnesota Softball Military Appreciation Foundation Tournament. The event gives back to Minnesota's military families. The event started with a small softball tournament to thank the military veterans in Minnesota and help a single family in need. As the tournament grew in popularity, the foundation's focus has shifted to supporting local veteran organizations, allowing them to help more veterans each year. CRCDJR is proud to show support to our local military veterans.

Audi creates LGBTQ+ customer and community event for Twins Pride Night

On July 6, Audi Minneapolis and Audi St. Paul hosted 12 lucky winners and their guests in a suite at the Twins Pride Night game. This was the outcome of a recent customer contest held at Audi St. Paul to celebrate Pride month.

The Audi stores have been on their DEI journey for more than a year, focusing on leadership learning, personal reflection and empathy. They wanted to do something timely and relevant to further DEI efforts, beyond just changing their logo colors.

"This event was about showing support for the LGBTQ+ community, engaging with our larger community and reinforcing to our customers that everyone is welcome here," said Carl Berwald, sales manager, CMG. "We want to be a visible ally to the community and build a culture of inclusion and belonging."



Our Stories: DEI in Action



MN Twins Win 2021 Latino Business Award

The Latino Business Awards is Minnesota's premier Latino event that showcases a wide array of successful Latinos in business and organizations who have contributed to the Minneapolis Latino Community. Winners were nominated by the public and entries were voted on by a panel of judges. We are proud that the MN Twins won "Corporation of the Year" for their activism and support.

Women's History Month Spotlight: Baseball and the Minnesota Twins

The past several years have seen a monumental shift in the presence of women in baseball operations departments, an area traditionally dominated by men. This ongoing wave, which has seen several historic hires in recent years, reached an apex last November, when the Miami Marlins made Kim Ng the first female general manager in major league history.

The Twins' baseball operations department – which encompasses everyone from athletic trainers and strength coaches to the club's communications department – is renowned as one of the best in the game and includes a dozen women, ranging from Assistant Strength and Conditioning Coach Andrea Hayden, the first woman to hold that position at the major league level, to Director of Baseball Administration Kate Townley and Senior Manager, International Administration Amanda Daley (the latter two of whom have both been key members of the club since the mid 2000s).



Our Stories: DEI in Action



Houston office visits Camp Hope to learn about innovative PTSD Program

The NorthMarq Houston office had the privilege of visiting Camp Hope last week to see firsthand the remarkable work being done for our veterans in need. Camp Hope is the only program in the United States of its kind, providing veterans suffering from combat-related PTSD a haven to recover with fellow servicemembers.

Camp Hope's primary goal is to drastically reduce the veteran suicide rate, which is sadly increasing year over year. We were inspired by the staff and facilities at Camp Hope, and we are committed to supporting our veterans through Camp Hope and the PTSD Foundation of America going forward. NorthMarq kicked off its support of Camp Hope by sponsoring a team at Camp Hope's annual BBQ Cook-Off Fundraiser.

NorthMarq DEI Speaker Series

As a part of NorthMarq's DEI focus, they launched a speaker series to raise awareness and educate employees on DEI. The series kicked off with Ed Padilla, former CEO and current chairman. Ed was invited to share his personal story as a Cuban-born immigrant and how he and his family overcame significant adversity.

The series continued by focusing on the business value of DEI and why unique perspectives matter for innovation and growth. The panel was titled, "NorthMarq Women in Debt & Equity." This panel was facilitated by Susan Branscome, Managing Director Cincinnati/ Louisville and included:

- Nancy Ferrell, EVP/ Regional Managing Director, Debt & Equity
- Reina Abboud, VP, Debt & Equity – Richmond
- Briana Harney, VP, Debt & Equity – San Francisco



Our Stories: DEI in Action



Pohlads Companies sponsors two students to work at a local nonprofit

Pohlads Companies are a long-time Cristo Rey sponsor. Cristo Rey Jesuit High School students come exclusively from families of limited economic means. Cristo Rey provides an innovative college and career preparatory curriculum focusing on the development of the habits of mind and spirit.

Believing in the mission of Cristo Rey, Pohlads Companies have supported interns in a few unique ways. Last year Pohlads Companies sponsored students "in-kind" as they were unable to work in our office in person due to the COVID-19 pandemic. One of Pohlads Companies' former Cristo Rey interns joined the Pohlads Companies team part time after graduating high school as she works her way through college. This year Pohlads Companies sponsored two students at half time each to work at a local nonprofit. The students benefit, the non-profit benefits and we continue to support an organization we believe does great work for our community.

Coffee Roulette

Fostering a sense of belonging is a primary purpose of the RBC DEI Council. This can require intentional effort during a time when many employees are working remotely. To help encourage connection, the RBC DEI Council launched Coffee Roulette.

Coffee Roulette randomly matches employees to grab a cup of coffee and get to know each other. The hope was to spark new connections and strengthen existing connects among employees who might not interact on a frequent basis. The launch was a great success with over 30% participation among our employees and the coffee was on us!



Our Stories: DEI in Action



PAR Marine Gives Back

This is Andrew from Brunswick, Georgia. Andrew, who has a disability, commutes five miles one way to his job and his only means of transportation is a three-wheel bicycle. While working his shift at the local grocery store, his bicycle was stolen, leaving him with no way to get to work except to walk. Andrew is a hard worker and always willing to give a helping hand no matter what as demonstrated by his interactions with store customers. After finding out about his bicycle being stolen, PaR employee George Miller came to work and asked a few co-workers if they knew of a three-wheel bicycle for sale. It turned out that many co-workers wanted to donate money to purchase a new bicycle for Andrew. In a short amount of time, they raised enough money to buy Andrew a new three-wheel bicycle, a chain, a bike lock to safely lock the bicycle and a gift card for additional safety add-ons to his new bike. Andrew was so grateful and excited about his new bike that several times he continued to thank George and everyone that was a part of getting him a new bike. It's AWESOME to see people within the PAR family come together and help people in need within our community. Thank you to all who donated!



We are ALL IN!

