

Rezidor Sustainability Report

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THE
REZIDOR
HOTEL GROUP

2008

**REZIDOR JOINS
GLOBAL
COMPACT**
...page 3



GREEN

is the new black

...page 1

We are living in a world which increasingly views green initiatives as a crucial foundation for business. Not only in terms of being a responsible business, but also as a means of creating a healthy bottom-line; green is indeed the new black.

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Experience meetings on the green side.



We are committed to taking responsibility:

The Rezidor Hotel Group has an award-winning comprehensive Responsible Business programme in place across its hotels in Europe, the Middle East and Africa since 2001. The programme covers issues such as the health and well-being of guests and employees; resource efficiency relating to energy, water and waste; community outreach and charity; and can contribute to making your meeting green.

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MESSAGE

from the President and CEO

2008 HAS BEEN an eventful year for The Rezidor Hotel Group from a sustainability perspective. Though the first part of the year was characterised by optimism and strong pressures from corporate clients and guests on the hospitality sector to step up Responsible Business efforts – the economic downturn led to negative growth in occupancy throughout Europe and an increased emphasis on efficiency and cost containment.

Our commitment to social, environmental and ethical business conduct will by no means be impacted by the current downturn. A strong focus on sustainability is inherent in our business model and the very core of our vision to take a leadership role in this area. Rezidor was one of the first hotel companies in the world to have a dedicated Responsible Business programme and eight years on our performance is still improving. We are living in a world which increasingly views green initiatives as a crucial foundation for business. Not only in terms of being a responsible business, but also as a means of creating a healthy bottom-line; green is indeed the new black.

During 2008, we launched an innovative new Responsible Business training programme, tripled the number of eco-labelled hotels and launched our Code of Business Ethics. More recently we joined the United Nations' Global Compact and we look forward to contributing to and learning from the wide spectrum of specialised workstreams, management tools and resources and to sharing best and emerging practices with other participants.

We have no doubt that the huge strides we made during 2008 will help us remain strong in face of whatever 2009 may bring.



Kurt Ritter,
President and CEO,
The Rezidor Hotel Group

2008

AT A GLANCE

APRIL

Rezidor greens events

BS 8901, the new British Standard on Sustainable Event Management, which is likely to become an international standard, was conceived in 2007. One of its key objectives is to assist the London 2012 Olympic team in ensuring their event will be as sustainable as possible. The Rezidor Hotel Group sponsored the pilot of this new standard at The European Meetings and Events Conference at ExCel in London in spring 2008 which was attended by up to 750 delegates. As well as contributing financially to the sustainability aspects of the conference, volunteers

from Rezidor hotels and corporate office participated in the sustainability team during the event. On the basis of this experience, we have also tested our own responsible meeting and events concept among selected hotels. During 2009, we will continue to refine this concept further and roll it out in selected regions.

JULY

Living and Leading Responsible Business

In July 2008, Rezidor launched a brand new suite of Responsible Business training. Former training modules were revisited and fully updated

to become energetic, practical and interactive sessions which encourages our employees to be engaged, proactive and responsible. The training has two components: Living Responsible Business is a mandatory training for all staff members which aims to inspire employees to make a difference both at home and at work – and provides information and practical tips on how they can do that. It lasts 2.5 hours. Leading Responsible Business is 1.5 hours long and targets Heads of Departments and General Managers to ensure they set the right example on a daily basis. It encourages them to make maximum use of the tools available so they

Responsible Business performance indicators

SUSTAINABILITY-RELATED PERFORMANCE INDICATORS	2008	2007	2006
Energy/m ² (kWh) Radisson Blu	292	308	285
Energy/m ² (kWh) Park Inn	308	350	297
Water/ Guest Night (litres) Radisson Blu	461	475	468
Water/ Guest Night (litres) Park Inn	375	403	389
Waste/ Guest Night (kg) Radisson Blu	1.70	1.74	1.69
Waste/ Guest Night (kg) Park Inn	1.77	2.16	2.24
Climate Analysis Employee Satisfaction score	85.1	85.1	85.5
Average 3T Monitor Safety and Security self-audit score (goal 90)	92.3	91.4	N/A

can respond to Responsible Business demands from stakeholders as diverse as guests, employees, property owners and the local community.

JULY

Code of Business Ethics

During the summer, Rezidor finalised and distributed the company's Code of Business Ethics which covers employee rights, conflict of interest, shareholder influence, transparency, purchasing policies, communication, infringements and much more. This was integrated into the company's financial handbook and distributed to all employees as part of the WHY? Radisson SAS and WHY? Park Inn books which describe our brand essence and what we aspire to. Our Code of Business Ethics describes how we want to be perceived as a company – it's simply our way of doing business (see page 23 for more information).

SEPTEMBER

Responsible Business Action Month focusses on health and wellbeing

This year The Rezidor Hotel Group celebrated its 5th Responsible Business Action Month. In September, over 160 hotels across Europe, the Middle

East and Africa organised social and environmental activities – engaging with employees, guests and the local community – raising awareness for Responsible Business and raising funds to support Rezidor's corporate charity organisation, World Childhood Foundation, and other local causes. This year's theme was actions that are good for you and good for the planet, and hotels arranged activities such as Car Free Days, non-smoking campaigns, tree-planting and offering healthy and organic options in staff canteens and restaurants.

SEPTEMBER

Rezidor does television

During September 2008, Radisson SAS Hotel, Edinburgh, and Radisson SAS Resort, El Quseir, were featured on an episode of the "Responsible Business" television series produced in partnership with the UN Global Compact and the United Nations Environment Programme. The series looked at some of the most pressing global challenges including the water crisis, climate change and extreme poverty and reached more than 270 million homes. It highlighted companies around the world with outstanding corporate responsibility initiatives, showing busi-

ness and development working hand-in-hand, and also demonstrated how small ideas can make big differences in our lives.

DECEMBER

Rezidor signs up to the Global Compact

The Rezidor Hotel Group was one of the first international hotel groups to join the United Nations' Global Compact – the world's largest corporate citizenship initiative. This voluntary strategic policy initiative is for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. Our long-standing Responsible Business programme means we are well-prepared to contribute to this worthy initiative and we look forward to learning from our fellow participants so that we might improve even further.

Rezidor's eco-labelled hotels – approaching the 100 mark

AT THE REZIDOR HOTEL GROUP we value third party certification of our Responsible Business activities – as this ensures the communication about our achievements is fully transparent and credible. We therefore decided to aim high in this area in 2008, with the ambitious objective of tripling the number of externally certified eco-labelled hotels.

Our initial focus has been on boosting the number of eco-labels in 5 key regions, representing important markets for Rezidor, and with additionally well-recognised and respected eco-labelling schemes available. In the UK, the selected eco-label was the Green Tourism Business Scheme, in Ireland the Green Hospitality Award and in France, Tunisia and the Netherlands the Green Key. All Rezidor properties in the Nordic region including Norway, Sweden, Denmark and Finland aim to achieve the very ambitious Nordic Swan label. Since no common-

ly recognised label was available in Germany, it was decided that all Radisson Blu hotels would seek to comply with the ISO 14001 standard – one of the best known and respected environmental management standards with global coverage.

Overall, our results have been even better than expected! In total, 65 hotels have now achieved the above certifications – which is an outstanding achievement when compared with the starting point of 17 eco-labelled properties at the beginning of 2008.

But this result looks even better when we take into account the numerous remaining properties that have already submitted their eco-labelling applications and are on track to achieve their certification early this year. Together with additional labels and standards from other regions, this will bring us to around 100 certified hotels – well over a third of the total number in operation.



ABOUT THE REPORT

The purpose of this Sustainability Report, in combination with the Rezidor 2008 Annual Report, is to help shareholders and other key stakeholders to value, assess and understand the operations of The Rezidor Hotel Group. We have an ongoing dialogue with our stakeholders and we report what we consider to be of interest to those we deem key: shareholders, employees, customers, property owners, suppliers, authorities, environment and community & society. Thus the Rezidor 2008 Sustainability Report describes the most material and relevant sustainability aspects of our operations.

Report Content

This Sustainability Report is in line with the Global Reporting Initiative's (GRI) G3 guidelines, self-declaring C level. This allows us to measure performance, achieve transparency and facilitate international comparability with regards to our sustainability performance and reporting. These guidelines

are the most widely accepted and used standard for sustainability reporting and are applied by more than 1,500 companies around the world.

Scope and Boundaries of the Report

Rezidor has limited the reporting boundaries to areas in which the com-

pany has full control over data collection and information quality. Downstream impacts are generally excluded – as we do not at present dispose of reliable measurement tools to reflect these. The numerical data stated in this report refers to the year 2008, unless otherwise stated. The Environmental and Status Report data, col-

lected by the management team from each hotel, forms the foundation for Rezidor’s sustainability reporting. The reporting is based on year-end figures, meaning that all hotels in operation by December 31st were asked to report. Consequently, some hotels report full-year data, and others that opened during the year, only report for the months they were in operation. Hotels that discontinued operations with the Group during the year are not included in the year-end data. During 2008, 24 hotels came into operation under managed and leased agreements, as well as 9 hotels under franchised agreements. Meanwhile, no managed or leased hotels left the system in 2008.

Due to the fact that the reporting base changes from year to year, we use indicators which are based on surface area (m²) or occupancy (guest nights). Performance in relation to the surface area or level of occupancy are the most relevant measures, as these are the dominating factors affecting energy use, and water consumption as well as waste generation respectively, and allow us to report our performance in a fair and transparent manner from year to year.

The scope of this report covers Rezidor as a group, providing examples from operations regardless of brand. This means that the consolidated performance data includes managed and leased hotels in operation for the following brands:

- Radisson Blu – 131 hotels (30,723 rooms)
- Park Inn – 54 hotels (10,216 rooms)
- Country Inn – 1 hotel (93 rooms)
- Regent – 3 hotels (554 rooms)
- Total – 189 hotels (41,586 rooms)

Hotels under franchise agreements, which currently number 68 hotels (12,980 rooms), are not included in the consolidated performance data. Neither are sales offices and staff functions. It should, however, be noted that

the Responsible Business programme is encouraged at all hotels and corporate offices, including franchised properties. Currently around one third of franchised hotels participate in the Responsible Business programme and report on the progress of their performance.

Due to the at present small number of hotels operated under the Regent brand (3 in total), data from these hotels is limited, while the focus is on Radisson Blu and Park Inn. As there is currently only one Country Inn & Suites hotel in operation, this hotel’s data has been incorporated into the Park Inn aggregated results. As no Hotel Missoni was yet in operation in 2008, this brand is not considered here.

Routines for Monitoring

Hotels are asked to report their Responsible Business performance data in two different reports. The overall compliance with, and progress of, the 15 objectives of the Responsible Business programme (see page 24) is assessed through the annual Responsible Business Status Report questionnaire. The Status Report is an internet-based database managed by an external consultant (also available through Rezidor’s intranet), and contains 52 questions touching on all relevant areas of the Responsible Business programme. The questionnaire used is inspired by the UN Global Compact and the Global Reporting Initiative Guidelines.

In 2008, environmental performance data (e.g. energy, water and waste) was collected on a quarterly basis through an Excel based database linked to Rezidor’s comprehensive accounting and financial system. The data requested has expanded slightly since the launch in 2002, while the reporting periods have also been adjusted over the years. From January 2009 we request environmental data on a monthly basis.

Reporting is mandatory for man-

aged and leased hotels. The response rate remains high. In 2008, 100% of hotels responded to the Responsible Business Status Report and reported their environmental performance. Moreover, 77% of hotels have a Responsible Business specific Action Plan in place for 2008 and we expect this number to rise as hotels begin to use the new Responsible Business Manual launched in February 2009. These Responsible Business Action Plans are updated yearly. For 2009, 86% of the hotels have also incorporated Responsible Business related targets into their overall Business Plan.

Periodicity

Rezidor’s Sustainability Reports are published annually in conjunction with the Annual Report. The last Rezidor Annual & Sustainability Report for 2007 was published in March 2008.

Accounting Principles and Verification

The financial data presented in the Sustainability Report are derived from audited annual accounts. In all external reporting, currencies are converted into Euro. Accounting principles for financial reporting, as well as the conversion rates used, are stated in Rezidor’s 2008 Annual Report. The Sustainability Report has not been independently reviewed by auditors or any other third party.

Facts about data collection:

- Conversion factors for different energy sources and emission factors for calculating and reporting greenhouse gas emissions are based on the WBCSD Greenhouse Gas Protocol and guidelines from the Carbon Trust and the Edinburgh Centre for Carbon Management.
- The Responsible Business related performance data is checked internally before data consolidation, with follow ups via e-mail and phone calls to hotels that have reported noticeably high or low figures.

OUR SUSTAINABILITY STRATEGY

Definition of Sustainable Development and Responsible Business

The Brundtland Commission defined sustainable development as development that "meets the needs of the present without compromising the ability of future generations to meet their own needs." The notion of corporations assuming a greater societal and environmental responsibility and contributing to this goal, has grown in importance during the past decades. This is in part due to the challenges that globalisation brings, but also because there is increasing awareness that being responsible makes good business sense.

At Rezidor, we have created the Responsible Business programme because we believe it is our personal and professional responsibility to make things happen – following our core philosophy, "Yes I Can!". Without taking that responsibility, we cannot make a difference or sustain long-term profitability.

Vision and strategy: Taking a leading role

Our vision for this programme is to take a leadership role in the international hospitality industry. We also strive to achieve recognition and to reap the economic benefits of this leading position. In order to be a leader, our Responsible Business programme must be anchored in our core business

and touch upon the work routines of all employees. Moreover, the programme must be continuously updated and developed, and our work with Responsible Business must be measured so as to spur continuous improvements.

Rezidor's Responsible Business programme was launched in 2001, expanding on our environmental management system dating from 1996. Fully aligned with our core business objectives, the programme was instated to increase awareness and readiness to handle risks and reduce costs, but also as a means to capture opportunities in the process of achieving the goal of being an industry leader with solid long-term profitability.

An important aspect of taking this leading role is our eco-labelling strategy (see page 3), where the results have been even better than expected. Nearly a third of the total number of hotels in operation were certified in our key focus regions by the end of 2008 – an outstanding achievement.

In December 2008, The Rezidor Hotel Group proudly joined the United Nation's Global Compact, the world's largest voluntary corporate responsibility initiative. Our long-standing Responsible Business programme means we are already well-prepared to aligning our operations with the ten universally accepted principles of the Global Compact in the areas of human rights, labour, environment and anti-corruption.

Responsible Business time-line

1989

- First environmental policy driven by SAS Group

1996

- Launch of the Radisson SAS environmental programme with 24 action points
- Founding member of the International Hotels Environment Initiative

2001

- Launch of the Responsible Business programme encompassing the three pillars of health and well-being, social and ethical responsibility, environmental responsibility

- Responsible Business Coordinators appointed and trained
- First Responsible Business Training initiated with 35% of staff trained by year-end
- Regular reporting of energy, water and waste
- Save the Children becomes corporate charity organisation

2003

- Launch of Hotels Environment Action Month (now Responsible Business Action Month) – 89 hotels participated
- Radisson SAS Plaza Hotel, Oslo, is first Rezidor property to receive third-party environmental certification with the Nordic Swan Eco-label

- Rezidor becomes chair of IHEI Executive Committee

2004

- Awarded "Worldwide Hospitality Award for Environmental Protection"
- Development of internet based database for environmental legislation with self-audit and quarterly updates
- Carlson Companies signs ECPAT Code of Conduct against sexual exploitation of children

2005

- First Rezidor Responsible Business Award given to Radisson SAS St Helen's Hotel, Dublin, at Annual General Manager conference
- Launch of Rezidor SAS Code of Conduct

2006

- Awarded HOFTEL Owner-Friendly Innovation of the Year

2007

- Launch of Responsible Business Best Practice database
- World Childhood Foundation becomes corporate charity organisation

OUR SUSTAINABILITY IMPACT

Prioritising material topics

The World Travel & Tourism Council estimated in 2008 that the travel industry generates 238 millions jobs and contributes 9.9% of the global gross domestic product. An industry of this size has a considerable impact on social, economic and environmental conditions around the world.

The hospitality industry faces a plethora of issues, risks and opportunities related to sustainability. These include addressing climate change and resource consumption, minimising generation of waste, and attracting and retaining high-performing employees. The industry must also respond to sustainability-related expectations expressed by customers and the local and global communities. In addition, and increasingly in today's business climate, comprehensive management of health and safety, ethics, corporate governance and a socially and environmentally responsible supply chain have become ever more important priorities.

We believe the above non-financial issues ultimately impact on our profitability. This view is also reflected by an evolution in shareholder perspective as we observe an increased interest from investment funds, banks and the Socially Responsible Investment (SRI) community with regards to companies' environmental and social performance. In a 2008 European SRI study, Eurosif estimated that total SRI assets under management in Europe had reached €2.7 trillion as of December 31, 2008, representing as much as 17.5% of the asset management industry in Europe. This corresponds to a remarkable growth of 102% since December 31, 2005. We also observe that an increasing number of mainstream asset owners, investment managers and professional service partners sign up to the Principles for Responsible Investment.

There are many ways to run a hotel business and these impact on how a hotel operator can manage risk and take advantage of opportunities related to sustainability. Rezidor's business model which entails operating hotels but not owning the properties, sometimes limits the actions we can take. But by and large we are able to control the key issues pertaining to sustainability as demonstrated in the paragraphs below.

This section reviews the most material sustainability issues on the basis of:

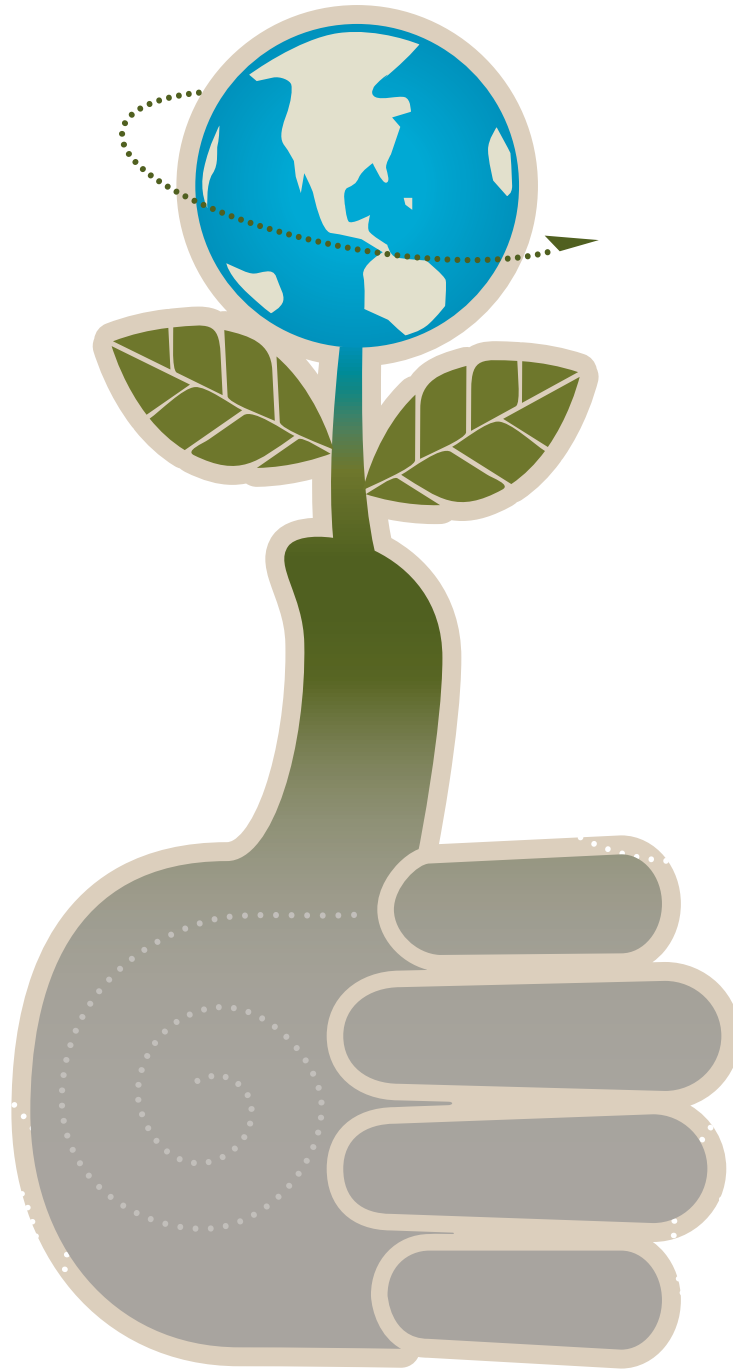
- risks and opportunities for our business
- significance of economic, environmental and social impact
- importance for key stakeholders.

Adjusting to climate change and reducing resource consumption

There is no doubt that travel and tourism contribute to climate change. Travel consultancy DestiCorp estimates based on UN World Tourism Organisation (WTO) data, that international travel will spawn 2.5 billion tons of carbon dioxide, the main greenhouse gas, in 2020, up from 506 million tons in 1990. However it is important to acknowledge that Rezidor does also face risks due to climate change. First and foremost, if the travel industry fails to reduce carbon dioxide emissions, the rate of travel could very well decrease in the long run as a result of legislative pressures (for example carbon tax) resulting in increased travel costs, or through voluntary actions of our customers to limit travel. But there are also risks related to more sudden impacts caused by climate change – for example disrupted travel patterns due to natural disasters or damage to hotel properties due to severe weather events such as storms or flooding. Some locations may face geographically specific risks that could affect the safe and profitable operation of hotels. The effects on earnings and risk as a quantitative measure are difficult to estimate to date. We handle risks through our Responsible Business and Safety and Security programmes. The framework for managing operational risks is presented on page 56 of the Rezidor 2008 Annual Report.

By signing the UN Global Compact we have committed to promote greater environmental responsibility alongside a commitment to a number of other important principles for operating a responsible business. We are continually monitoring developments through active participation in environmental forums, and with our internal awareness and training programme "Living Responsible Business" we are doing what we can to limit our own environmental impact and our vulnerabilities to climate change and resource consumption issues.

Consumption, by our hotels, of resources such as energy and water and the disposal of waste impact on the natural



environment in terms of resource depletion and the generation of emissions. It also affects our business – particularly with regard to operational costs. We have measured our resource consumption and associated costs for many years – and these metrics provide us with the backbone of our environmental management framework. One of the key roles of the Responsible Business teams in the hotels is to continuously strive for more efficient natural resource use, thereby contributing to the reduction of operational costs – and the mitigation of environmental risks – along with the reduction of associated legal, insurance and

financial expenses. As the graphs on pages 17 demonstrate, we are progressing in the desired direction as we have yet again achieved substantial reductions across all indicators and all brands. We believe that our ambitious eco-labelling strategy (see box on page 3) has strongly contributed to these achievements.

One of our main challenges is to devise and implement strong climate change and resource management programmes adjusted to the different conditions in the 46 countries where we operate hotels. We work actively to measure, monitor and reduce our carbon footprint and to enhance

resource efficiency and this involves closer discussions with our property owners and developers.

Many of the actions we need to implement require investments in the properties. As we are a hotel management company, this can mean that the property owner would take the initial investment cost, while the hotel would benefit from the resulting reduced operational running costs. A close dialogue with our property owners regarding Responsible Business and the related investments is therefore important for the success of the Responsible Business Programme. The vast majority of hotels have informed their property owners about the Responsible Business programme and of necessary actions and investments for sustainable practices when renovating and refurbishing their hotels.

In addition to investments in existing properties, it is important that we minimise the environmental impact from the beginning of new projects by utilising smart design. To this end, we have recently completed Responsible Construction and Renovation Guidelines to be used in conjunction with our Technical Standards.

Rezidor as a responsible employer

Taking into account all hotels, under all contract types, a total of 32,000 employees were working under the Rezidor brands during 2008. We count no less than 134 nationalities amongst our workforce, 52% of which is male.

We hire a diverse and relatively young workforce and try to recruit our management internally, providing training and a viable career path. Rezidor sees an opportunity in investing in its employees and strives to provide favourable working conditions to retain them. This contributes to delivering a high quality service, an important value driver and differentiator from other hotel chains and brands.

As early as 1991 The Rezidor Hotel Group started to measure employee satisfaction. An independent organisation is commissioned to conduct this annual survey entitled Climate Analysis. In 2008 the results from our managed, leased and franchised hotels stood tall at 85.1 (out of 100) – the same score as 2007. At the same time the number of respondents increased from 17,900 to 19,300 participating employees.

Rezidor has for many years successfully focussed on achieving a positive effect on the bottom-line through active people management. We offer a range of tools in order to attract and retain talented people by hiring for attitude and train them to skills. The strong focus of the company on its internal talents has a long track record of success.

A proactive approach to safety and security

At Rezidor, we acknowledge that the safety and security of our guests, employees and property is an imperative aspect of hotel operations. Since the terrorist attacks in the US in 2001, in Amman in 2005 and more recently in Islamabad, Pakistan and Mumbai, India – there has been a great shift

BEST PRACTICE

Employee Well-Being

CHALLENGE The Responsible Business team at The Regent Esplanade Zagreb know that many illnesses today can be attributed to smoking and were keen to help their smoking colleagues.



RESPONSE The team decided to make employees aware of the effects of their bad habits and do something concrete to change behavior. In January the hotel started their "No Smoking Project" and results are even better than expected. 22 out of 158 employees have decided to stop smoking. In order to actively support the staff, the hotel provided nicotine patches and chewing gum. Experts were invited to present different quitting strategies and provide professional support. During a staff meeting in the autumn employees who managed to quit smoking were rewarded with a voucher for relaxing massage.

in how hotel security is perceived. We feel that the best way to maintain the high levels of safety and security required is dependent on the everyday actions of every employee at every level in every hotel and every Rezidor office in every country. We have a structured risk management formula entitled TRIC=S which promotes proactive behaviour throughout the company. TRIC=S stands for Threat assessment + Risk management + Incident response + Crisis Management = Safe, Secure hotels.

Page 22 provides further details about our Safety and Security programme.

Examples of actions to keep us safe:

- We work to limit the risk of any guest becoming injured, ill or suffering any loss while visiting a Rezidor property.
- To protect the assets and investments of our owners, we will actively work to prevent operational disruptions in the hotel and to ensure that any disruptions that may occur are as limited as possible, both in cost, length and degree.
- All hotels will actively work to prevent fires and reduce the risk of igniting fires on hotel property.
- All hotels will have equipment, procedures and training programmes designed to limit the risk of damage done if a fire should occur.
- The 1-2-3 programme (Alert, Save Lives, Solve the Problem) is used as a tool to help fulfil our Safety and Security policy.

Managing sustainability in our supply chain

We consider that purchasing from suppliers that demonstrate environmental and social responsibility is an important aspect of Responsible Business conduct. Rezidor's central purchasing programme, RezPIN, is an online market platform which allows registered buyers and suppliers to exchange information about products needed and offered. This is creating a win-win situation for both market sides, as it leads to reduced transaction costs for both the supplier and the buyer.

In addition to the information function of the corporate Purchasing Department which is to provide different busi-

BEST PRACTICE

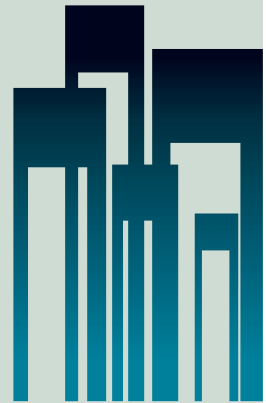
Community Outreach

CHALLENGE In Bratislava there is a popular coffee shop, Radnicka, which provides people with intellectual disabilities with employment opportunities. However due to building works this summer, the coffee shop was about to close and the future of their employees was uncertain.

RESPONSE Radisson SAS Carlton Hotel, Bratislava, wanted to do something special and meaningful in order to show the full potential of Responsible Business and thus opened its doors to employees of "Radnicka". They provided cross-trainings in the bar and restaurant so that the Radnicka team could experience the atmosphere of working in a large international hotel, but also to draw attention to the challenges these people face.

The new trainees received a warm welcome from General Manager Sonja Dive-Dahl and the whole team was impressed by their enthusiasm.

The hotel prepared information leaflets which were placed in all guest rooms, menus and in the elevator so clients knew and understood the project. Radnicka employees worked at the hotel for four days, integrating themselves among staff and impressing their new colleagues with their willingness to learn new things and the joy they obtain from the simple things in life. The team at Radisson SAS Carlton Hotel, Bratislava, are proud not just to have helped these people find jobs and their place in the society but also to encourage others to open their doors for those who do not have the same opportunities.



ness units with information about best quality products at a suitable price, it also ensures that contracted suppliers keep in line with the conditions of Rezidor's corporate Responsible Business philosophy. All suppliers included in the system are required to sign The Rezidor Hotel Group Supplier Code of Conduct and we are working on a RezPIN feature which will allow suppliers to also display their own Responsible Business profile so hotels can make an informed choice. Hotels also actively engage with suppliers with regard to their Responsible Business practices. In 2008, 73% of hotels provided the Rezidor Supplier Code of Conduct to their suppliers. At the same time, over 70% of hotels included social, ethical and environmental issues in supplier contracts. The number of hotels carrying out supplier audits in these areas increased from 33% in 2007 to 40% in 2008 and half of our hotels provide support to their suppliers with the objective of improving their environmental, social and ethical performance.

Our Licence to operate in the Community

Tourism is dependent on a healthy local economy as well as cultural and natural heritage. Hotel companies contribute positively to the social and economic development of regions in which they operate. Hotels hire a majority of their employees locally and pay local taxes – and tourists buy local goods and services, thereby boosting the local economy. It is interesting to note that Rezidor's business model, where 26% of hotels (68 properties) are operated on franchising basis, actually strengthens the local bonds and economy. Franchised hotels are generally owned by local owners and only a small share (the franchising fee) goes to Rezidor. So a great deal of the income generated stays in the local business community, hopefully re-invested to benefit the region.

To respect the co-dependency and to strengthen the community, Rezidor strives to hire local people when possible and many hotels make a special effort to employ people who have difficulty accessing employment. For example, the Radis-

son SAS Hotel, Warsaw, has joined the Youth Career Initiative of the International Tourism Partnership, which aims at providing young people from less advantaged communities internship placement in the hotel teaching them professional work skills. We also give support through the restoration of cultural heritage sites, by sponsoring local events and charities and by partnering with research and interest organisations. Being well thought of helps to safeguard our reputation and strengthen our brand. It enables us to more easily acquire licenses to operate and facilitates the process of establishing operations and securing business partners in local markets.

Human Rights and Corruption

Key human rights issues for the hotel industry include fair wages, women's rights, ability to join trade unions and collective bargaining. Breaches of good practice and association with social problems can cause considerable long-term damage to a company's reputation and may result in a company being denied future licenses to operate, sometimes even facing international boycotts. Rezidor operates hotels in countries where corruption and human rights issues exist. We do not in any way participate in or condone practices that breach International Declarations covering these issues. On the contrary we feel that our presence can be a positive influence. We work to rid prevalence of such social problems hands-on, strengthening local communities by running a responsible operation. The UN Declaration of Human Rights underlies our relationship with our employees. All hotels within Rezidor comply with local laws regarding working hours and payment, and employees are free to join trade unions if they so choose and bargain collectively in accordance with local laws. Our hotels have routines in place to ensure that discrimination due to age, race, religion, gender or disability does not take place in line with our Equal Opportunities Policy. Please refer to the Social Results section for more information about these issues.



THE RESPONSIBLE BUSINESS PROGRAMME

Responsible Business Policy and Stakeholder Engagement

Rezidor's Responsible Business (RB) programme builds on the principle of sustainable development, where all hotels shall strive to take economic, social, ethical and environmental issues into consideration when making decisions in their everyday work.

The programme encompasses 3 key pillars:

- Taking responsibility for the health and safety of employees and guests
- Respecting social and ethical issues in the company, as well as in the community
- Reducing our negative impact on the environment

Our long-term success depends on our understanding, and ability to address, the needs of those who affect or are affected by our operations. Therefore, the Responsible Business programme is built around eight key stakeholders – and based upon their expectations

from the company from an economic, social or environmental point of view.

Identification and Selection

As one of the fastest growing hotel companies in the world, we recognise that we have an impact on a very wide selection of stakeholders, either directly or indirectly. The basis for identifying and selecting our key stakeholders mainly relates to the extent that we influence or impact them: economically, socially and environmentally. We attempt to estimate the interdependence between Rezidor and these stakeholders and focus our efforts where we have the potential to make a difference.

Stakeholder Concerns and Engagement

Our stakeholder relations encompass a number of environmental, social and economic issues, such as efficient use of resources, limitation of emissions and waste, childrens' rights and wellbeing, workplace and guest health and safety as well as cultural heritage. Many of our stakeholders have differing expectations, and these may sometimes be contradictory. A responsible business must be able to balance these different expectations so that, within reason, all stakeholder groups feel their demands are being met.

The table on the next page lists our key stakeholders and main policy objectives in relation to these. It also includes what we believe to be their expectations in relation to Rezidor.

Management and Organisation

Under each initiative in the policy described above, there are objectives that state our ambitions for each area. These objectives are in turn made practical through suggestions for actions, underpinned by performance-based targets. The Summary of Progress section lists our key performance indicators, commitments and targets and achievements for the year 2008.

At the corporate level, key depart-

ments including Responsible Business, Human Resources and Safety and Security provide General Managers of hotels with ongoing support to implement Responsible Business practices. The Responsible Business department in turn collaborates in various areas with other key departments (see box below).

At an operational level, the General Managers are responsible for the management of social, ethical and environmental matters. In order to support them in this responsibility, we have equipped our hotels with several tools to better manage Responsible Business. Each hotel devises its own personalised Responsible Business Action Plan based on the corporate objectives. Hotel employees are guided by a Responsible Business Manual, as well as a continuously updated intranet that contains information about policies, reporting requirements, best practice examples, certification and awards and other useful resources. There is also a regional framework in place for Responsible Business, supporting the hotels at a regional level and providing a liaison between the hotels and the Corporate Responsible Business Department. The regional Responsible Business Coordinators meet twice a year, where they are informed about and discuss the most recent developments and plans for the Responsible Business programme, and share best practice.

In addition, our General Manager Certification Programme, which is mandatory for all General Managers includes a dedicated Responsible Business session that prepares participants for all the responsibilities to be fulfilled in order to carry out the Responsible Business programme successfully.

Reporting requirements for each hotel are described in further detail in the About This Report section.

Governance

Sustainability issues are treated in the same way as any other important stra-

tegic business issue at Rezidor; this aspect is fully integrated into the overall governance of the company. The ultimate responsibility for Responsible Business lies with the Executive Committee at corporate level and General Managers at hotel level. The Corporate Responsible Business Department reports to the Executive Committee. To read about Rezidor's governance, please see the Corporate Governance Report on page 49 of the Rezidor 2008 Annual Report.

From an operational standpoint it is the General Manager of the hotel that is ultimately responsible for the hotel's Responsible Business activities. To assist him or her there is an assigned Responsible Business Coordinator at each property who then establishes a Responsible Business Team consisting of employees from different functions and all levels of the organisation. The team members work with the Coordinator to review current practises, and act to achieve and audit the results of the programme. This includes ensuring that the information regarding the Responsible Business programme is disseminated to all departments of the hotel.

Examples of Cooperation with other Corporate Departments during 2008

Technical Development

- Responsible Construction and Renovation Guidelines
- Benchmarking of environmental performance

Purchasing

- Supplier Code of Conduct
- Supplier Responsible Business Profile on RezPin

Sales & Marketing

- Responsible Meetings and Events
- Carbon Offsetting through goldpoints plusSM

Safety & Security

- Code of Business Ethics
- rezidorethics.com

People Development


- Living and Leading Responsible Business Training

Finance

- Environmental Reporting and Analysis

STAKEHOLDER	POLICY	EXPECTATIONS
Employees	We shall educate and facilitate for our employees to make a conscious decision in favour of environmental, ethical and social issues in their private and work lives.	fair and equal treatment; secure and safe working environment; training and career progress; good pay
Customers	We shall inform and make it easy for our guests to participate in Responsible Business related activities at our hotels.	leading service; good value for money; flexible approach; environmentally responsible; good global coverage; benefits and generous loyalty programmes
Property Owners	We shall work together with property owners to find innovative solutions that satisfy our economic, environmental and social objectives.	good returns from property management; high level of security.
Shareholders	We shall provide shareholders and investors with timely, accurate and transparent information on Responsible Business related risks and opportunities.	transparent information; sound strategy and corporate governance; high return on investment; minimisation of risks
Suppliers	We shall strive to purchase products that have a reduced environmental impact during their lifecycle, from suppliers that demonstrate environmental and social responsibility.	fair and equal treatment; value-based pricing
Authorities	We require our managers to abide by local and international legislation, especially regarding labour laws, Health and Safety, human rights and the environment.	compliance with rules and regulations; financial contributions (taxes and fees)
Community	We shall take an active role in the international responsible business community, and contribute to the local communities where we operate.	forming an active and responsible part of society; sponsorships of projects; contribution to infrastructure; contribution to attractiveness of destination
Environment	We shall do our utmost to continuously improve our performance in the areas of energy, water, chemicals and resource consumption, and waste generation in order to reduce our negative impact on the environment.	reduced consumption of energy, water, and chemicals; resource-efficiency; biodiversity protection; minimisation of waste; responsible purchasing; sustainable transport

ECONOMIC RESULTS



Responsible Business contribution to cost containment and driving revenue

We believe that non-financial issues addressed through our Responsible Business approach have a long term impact on our profitability.

Implementing Responsible Business activities can help contain costs through reduced utility consumption, for example. During 2008, 49% of hotels undertook a significant investment to improve their environmental performance. As the types of investment vary substantially between hotels, we do not provide a consolidated figure for investments made. Investments carried out included installation of Building Management Systems, waste sorting facilities, energy savings technology including sensors, low energy demand equipment, as well as water conservation fittings such as low flow toilets and taps. The majority of hotels also reported immediate savings or cost avoidance achieved due to these investments.

Responsible Business also helps us drive revenue. Long term sustainable profitability and growth require Rezidor's operations to be able to meet demands set by customers. These include requirements related to environmental performance as well as social accountability and ethical

behaviour. A 2008 Deloitte survey on sustainability in the hospitality industry found that 38% of the business travellers interviewed had taken steps to find out whether a hotel was 'green'. We notice this trend in particular when we receive requests for proposals from our corporate clients, where we are asked to comply with increasingly detailed requirements regarding environmental and ethical issues. In response, we have ensured that the provision of information about our environmental and social profile to clients is part of the sales and marketing process. We have also started to develop a responsible meeting and events concept in line with the British Standard for Sustainable Events (see 2008 highlight, page 2).

More recent consumer research points out that consumers are currently less inclined to pay a premium for green product offerings due to the economic downturn (Greenaware, 2008), which is a trend that could very well become noticeable more broadly across the hospitality sector. However we expect though that our corporate and leisure guests will continue to make their Responsible Business expectations heard and that attractive opportunities will continue to exist for responsible hotel companies with long-standing social and sustainability programmes.

Direct costs of Responsible Business

COSTS RELATED TO REZIDOR'S RESPONSIBLE BUSINESS PROGRAMME IN 2008	TEUR
Total Energy costs	21324
Broken down as follows:	
Electricity	13 237
Oil	228
Natural Gas	2 022
District Heating	2 418
Other Energy	3 421
Water	2 447
Costs related to the Responsible Business programme	947*
Costs related to donations to World Childhood Foundation	75
Security related costs	601*
Total	25394

*) "Costs related to the Responsible Business programme" and "Security related costs" relate to personnel, consultants and development costs at corporate level. In addition to these, hotels bear the cost of hotel-specific improvements in the area of energy, water and waste management, as well as security related start-up audits and workshops. A central overview of these costs is not available.

Our Economic Impacts

The International Tourism Partnership estimates that one job created in the tourism industry generates about one and a half additional jobs in other industries (for example restaurants, sightseeing, taxis, laundries, etc.) Hotels also help to create job opportunities and provide incomes in regions where the possibility for industrial activity is small, thus providing an opportunity for people to stay in areas with otherwise difficult employment circumstances.

As the paragraphs below demonstrate, Rezidor's economic impacts as a business partner and an employer are substantial. We also contribute to charity initiatives both locally and globally and contribute to infrastructure investments.

Governmental Financial Support

The Rezidor Hotel Group receives no direct and significant financial subsidies from governmental organisations in the countries where we operate hotels. However it is worth noting that some Rezidor properties such as Radisson SAS Resor, El Quseir, and Radisson SAS Resort, Taba, have received funding from the Danish International Development Agency (DANIDA) in recent years. These grants were for projects that have resulted in the establishment and development of jobs, training and education of staff and local inhabitants in community.

Purchasing and Local Suppliers

With more than 360 hotels in operation and under development in 55 countries in Europe, Middle East & Africa, a large proportion of our spending is directed towards locally-based suppliers. We estimate that in 2008 approximately one quarter of purchases were sourced through our central purchasing programme. The rest is purchased through regional or local agreements.

Local Workforce and Management

Rezidor has a direct and substantial financial impact as an employer. Personnel costs, such as wages, training and benefits, are by far the largest cost for the company, 56% amounting to MEUR 277.

Infrastructure Investments

The hotels we operate are highly dependent on local infrastructure and the well-being of the surroundings. The establishing of our hotels often results in a considerably better condition of local infrastructure (such as walkways and parks) by bringing in economic interests making investments viable. It also happens that we may directly contribute to establishing and financing infrastructure when opening a new hotel, which is the case for example with leased hotels. In addition, many hotels reach out to help manage public property by clean-up days or to facilitate improvements through donations of money or materials.

Charity initiatives at local and global level

Throughout the year, our hotels sponsor many charities and non-profit initiatives at local level through actions such as fund-raising assistance, training, free meeting rooms and other in-kind donations. In 2008, over 160 hotels participated in the annual Responsible Business Action Month in September when hotels are encouraged to organise environmental and community activities.

The Rezidor Hotel Group is also proud to have the World Childhood Foundation as its international charity organisation. Through various fund-raising activities at hotel and corporate level during the year, we managed by year-end to raise EUR 75,000 for Childhood.

World Childhood Foundation

SINCE JUNE 2007, Rezidor's corporate charity organisation is World Childhood Foundation (Childhood) – a non-profit organisation dedicated to serving the most vulnerable children in the world: street children, sexually abused and exploited children, children trafficked for sexual purposes and institutionalised children, with a particular focus on girls and young mothers.

Rezidor's mission is to provide its several mil-

lion guests each year with a comfortable and restful stay away from home. Childhood aims to help children who are abused and exploited to ensure that they are given a safe and secure childhood, or simply put, a home. These parallel aspirations mean that Rezidor's support to Childhood is natural to who we are as a company and a corporate citizen. As we move forward towards achieving our growth objectives, we will also

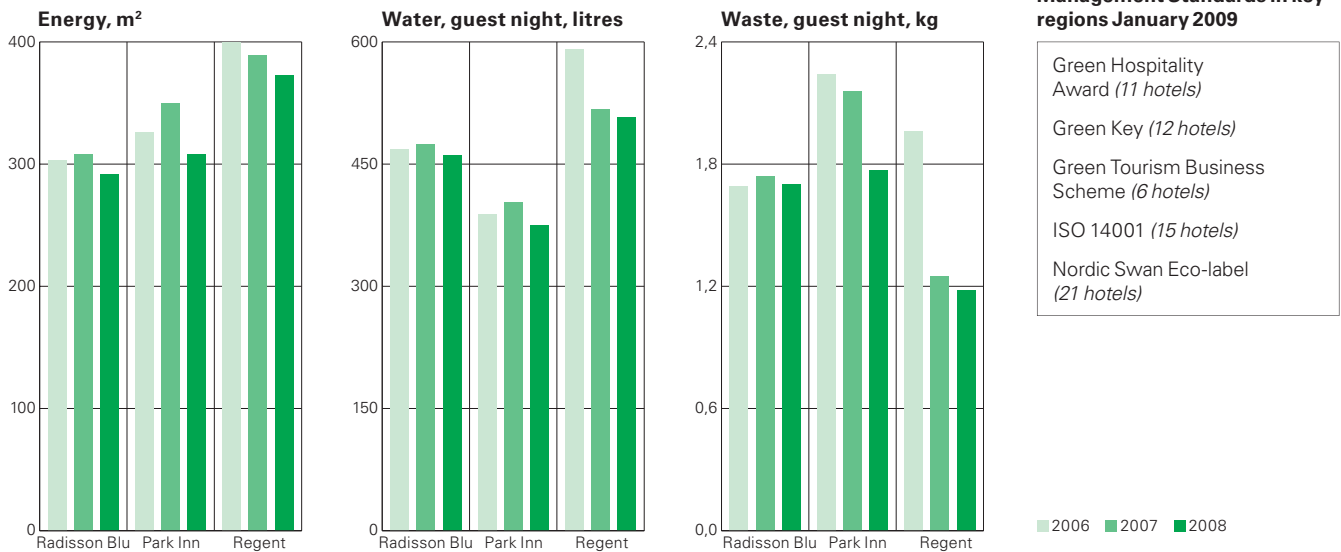
WORLD CHILDHOOD FOUNDATION

continue our commitment to support children around the world and to provide them a safe home and a better childhood.

ENVIRONMENTAL RESULTS



8 years of Responsible Business – and environmental performance still improving across the board



Operating hotels involves the use of raw material, energy and water, and results in waste generation. Rezidor’s main environmental impacts are a result of energy use and the consequent contribution to climate change, in addition to consumption of materials.

In 2008 we committed to tripling the number of hotels with third-party environmental certifications to ensure hotels are doing their utmost to reduce these impacts. The focus of these certifications is on concrete savings, better indoor environment, waste management, energy efficiency, environmental training of employees and informing guests about the Responsible Business programme.

Material Use

Many of our social and environmental impacts are derived from activities in our supply chain. As a hotel company we use a large variety of products and the majority of our material use is in the form of products we purchase from suppliers. Controlling whom we buy products from and what we buy is an important part of our strategy to reduce our negative environmental and social impact. For some products where we buy large quantities and where we perceive the negative environmental impact to be high, we have set strict environmental performance demands. Moreover, our corporate contracts include a set of environmental and social criteria that our suppliers are expected to comply with. We try to positively influence our suppliers by providing incentives to develop environmentally sound products produced in a responsible way. Value for money, quality in relation to price, will always be our prime concern. Once we are satisfied with these parameters, we always choose suppliers and products with the most advanced Responsible Business profile. In other words, with all things equal, we select the most ethical or environmental product.

Waste and spills

Solid wastes are generated by many activities in our hotels like food preparation, pre-packaged items consumed, reading of newspapers, cleaning etc. We have an active agenda to try to minimise our generation of wastes and enable recycling and train our employees accordingly. We invest in tech-

BEST PRACTICE

Waste Management

CHALLENGE Mrs. Seija Sauremaa has been working for the housekeeping department of Radisson SAS Royal Hotel, Helsinki, for 17 years and had noticed the significant amount of unused guest amenities going to waste.

RESPONSE After researching possible actions, since March 2008 housekeepers at the property now collect all unfinished shampoo and soap bottles from guest rooms and donate to a local charitable association “Homeless in Helsinki”. This small extra effort by the housekeeping team has visibly reduced the hotel’s residual waste and provides valuable amenities to those in need. All are very happy to help for this good cause.



nology like fat separation devices and set up routines when for example cleaning the rooms and premises. We also buy products that minimise waste once used by setting central and regional purchasing policies and routines as well as purchasing for example refillable pre-set dosage cleaners.

In 2008 we saw a 2% reduction in waste per guest night at Radisson Blu properties while at Park Inn hotels the reduction was a staggering 22%. We believe these reductions were achieved mainly due to hotels switching waste contractors and therefore increased recycling, and also due to increased employee awareness after the launch of our Living and Leading Responsible Business training this year.

Spills are marginal and not centrally reported, though discharge and chemical use is tracked and controlled. There were no significant environmental spills or leaks during 2008.

Energy Use

Our energy consumption consists of electricity, district heating and cooling, heating oil, natural gas, and LPG gas. Energy costs as a share of Rezidor's total costs is 4.2 % (4.6), and during 2008 we spent TEUR 23,771 (23,304) on energy related costs for leased hotels. Rezidor is committed to contributing to mitigating climate change by continuously improving the energy-efficiency of our operations and by increasing the share of carbon-neutral energy sources.

For Radisson Blu, energy consumption per guest night went down by 6% as compared to 2007 while for Park Inn properties it decreased by 14%. Performance across regions still varies substantially with Germany, Norway, Poland, Russia, the Baltics, Switzerland and Italy continuing to decrease consumption. The United Kingdom where we have a large number of Park Inn properties, although still higher than average, has also achieved a significant reduction this year.

Varying performances across regions is partly explained by the age of the hotel portfolio, partly by price differences driving savings, and also by general awareness regarding energy-saving.

Energy savings

Over 49% (50) of hotels responded that they undertook some kind of environmental investment during 2008. The vast majority of these investments are related to energy saving measures. These measures include the installing of sensors and motion detectors as well as low energy demand equipment, upgrade of heating and ventilation systems, and performance of energy audits. The majority of hotels also reported immediate savings or cost avoidance achieved due to these investments.

Water Use

Water accounts for up to 15% of total utility bills in most hotels, and up to 95% of fresh water leaves the hotel as waste. Normally we pay for our water use twice, first when we purchase fresh water and eventually when we dispose of it as wastewater.

Water consumption per guest night decreased by 3% for Radisson Blu during 2008, and by 7% for Park Inn. Improvements were visible across all regions although consumption remains very high in the Middle East where hotels tend to have large leisure complexes and gardens as well as Iceland where geothermal water is used for heating.

Water discharge

In general terms, any water that comes into the hotel, goes out as water discharge. It is either grey water, which has been used in showers and sinks, and still is relatively clean, or it is black water, which comes from toilets and needs to go directly to a sewage treatment plant. Rezidor can influence its water discharge in two main ways – either by reducing the

BEST PRACTICE

Energy Efficiency

CHALLENGE The Radisson SAS Hotel, Leeds, has five levels of guest bedrooms and each corridor has approximately one hundred compact fluorescent lights. The result is a very bright environment and high energy consumption.

RESPONSE In 2008 the hotel changed one corridor to LED light fittings and the effect has transformed this level dramatically – giving a new modern look to the hotel corridor while maintaining an adequate amount of light for the guest's comfort. The engineering team managed to retain and reuse the original compact fluorescent fittings by inserting a standard GU10 fitting inside the original. This has reduced the cost of the project so that the project was fully completed by the end

of the year on budget and moreover with no additional cost, as the LED lights are priced almost the same as compact fluorescents.

The hotel estimates that just one refitted corridor will result in a saving of 18,000 kWh on consumption. In addition the hotel will save on the monthly purchasing of compact fluorescent lights and on man hours required for the hotel engineer to do daily light replacement rounds, as LED have a life span of 50.000 hours – far greater than that of compact fluorescents. This results in a total calculated saving of at least €5,000 per year and the hotel has already begun to expand this project throughout the hotel in areas such as guest restrooms to further reduce consumption.



Water Conservation

CHALLENGE A busy laundry such as that at the Diplomat Radisson SAS Hotel, Manama, will always use a considerable amount of water. Even though the hotel draws its own water and therefore does not pay for its consumption, the Responsible Business team at the property was determined to reduce their water footprint.

RESPONSE Towards the end of 2008, the team decided to review all the wash programmes to see if any savings could be made. By removing the "pre wash" cycle on all of the light soil loads, the hotel has been able to

save 121,000 litres per month without causing any adverse affect to the linen. The team also took the chance to revise the auto flushing frequency in the public area and outlet restrooms which led to another saving of 57,000 litres per month.

By simply questioning current routines the hotel has been able to save close to 180,000 litres of water per month without reducing guest comfort, and the team is motivated to find further savings in their everyday operations.



consumption and discharge of materials and products that would contaminate water, but also through reusing its grey water.

Three main sources of water contamination in a hotel are chemical use in housekeeping, soaps and amenity use among guests and residue from the kitchen area. In order to reduce spillage from housekeeping to the water system, we use dosage systems for the cleaning chemicals. This ensures that we do not overdose when cleaning or washing. With regards to amenity use, we encourage the use of refillable soap and shampoo amenity dispensers and 93% of hotels currently have these in place in public washrooms. In the kitchen area, 82% of the hotels use a fat separation device in the kitchen, to ensure that fat residue does not go into the water system.

With regards to re-use of water, two common ways are reuse of rain water for irrigation, which is in place among 6% of our hotels, and grey water systems where shower water is used to flush the toilets. These kinds of systems are in place in 7% of our hotels.

Emissions

Emissions are predominantly a factor of our energy consumption (electricity use and heating/cooling) and mainly consist of the carbon dioxide emissions. Due to the majority of our emission being linked to our energy consumption, our efforts to decrease emissions are concentrated on working towards minimising energy consumption as well as shifting to renewable energy sources.

Together with the Edinburgh Centre of Carbon Management, an assessment of the greenhouse gas emissions of Rezidor's operations was undertaken in February 2008, based on 2007 data. Previous assessments were made in 2007 and in 2006. These assessments focus on energy related emissions only, as the data accuracy from freon and waste disposal which was previously requested is less accurate than that of energy consumption. In 2008, emissions from elec-

tricity, natural gas, heating oil, district heating and LPG gas for the 178 properties for which we have comprehensive data amounted to 325,119 tons CO₂e. Thus our carbon footprint has thus increased in absolute terms, which is mainly explained by a strong growth in hotels opened, especially in countries outside Western Europe.

However, as previously mentioned, the regional differences are large. This is mainly due to the differences in energy mix in the different countries where we operate hotels. As the bulk of our CO₂emissions (73%) come from electricity use, we are particularly sensitive to the energy sources used in the countries where we operate hotels, and the availability of renewable sources in the grid.

However, there are still many opportunities available to the carbon footprint among our hotels, both by reducing energy use and becoming more efficient, but also by more actively shifting towards renewable energy solutions.

Land Use and biodiversity

Rezidor's business strategy is to operate hotels and not own properties. In this sense the company does not directly use land, but as Rezidor's operations facilitate and finance land use, the effects of land use are nevertheless an issue.

Hotels have a significant physical footprint. The buildings are often sizable and the landscaped premises encompass considerable areas. It is in our interest to preserve the natural environment and biodiversity as ultimately the local community, and its condition, is of utmost importance to running a profitable hotel operation. To this end, our Responsible Construction and Renovation Guidelines advise owners, developers and hotels how to best manage their land in a productive and sustainable manner.

Fines and Incidents

There have been no environmentally related incidents or fines at hotel or corporate level reported.

SOCIAL RESULTS



The values of Rezidor guide the organisation and our employees in their daily business. Our values are openness, trust, respect, confidence, fighting spirit, flexibility, empowerment, and z-factor. We must ensure our values are not compromised even where we have to adapt to local conditions.

Labour Practices and Decent Work

Workforce

The Rezidor Hotel Group had 6,757 (5,572) employees in leased hotels during 2008, of which 3,625 (3,087) were women. However, when taking all contract types into consideration, over 32,000 employees of no less than 134 nationalities work under one of the Rezidor hotel brands.

Rezidor employs the absolute majority of people living in close proximity to its hotels. We hire a diverse and relatively young workforce and try to

recruit our management internally, providing training and a viable career path.

Collective bargaining agreements

All hotels within Rezidor comply with local laws regarding working hours and payment, and employees are free to join trade unions if they so choose and bargain collectively in accordance with local laws. Pursuant to the European Union Directive on works councils (94/45/ EC, the “Works Council Directive”) Rezidor has established a European Works Council, which has been entered into by and between representatives of our central management and employee representatives. Data of the share of employees with collective bargaining agreements is not collected.

Handling operational changes

Rezidor strives to handle all operational changes in a transparent and

open fashion, with the goal of giving the employees fair influence. In Europe, the European Works Council framework helps regulate information and co-dependency issues. Annual meetings are held, where issues such as the company’s finances, performance, future ventures and other paramount issues, are discussed with employee representatives. If Rezidor decides to discontinue operations or divest a hotel operation the hotel normally remains in operation (but under different management). The effects on the employees when losing Rezidor as an operator and employer are thereby lessened. During the year, 20 hotels joined the Rezidor system and 0 managed or leased hotels discontinued their co-operation with The Rezidor Hotel Group. When taking over an existing hotel, the large part of the employees of the earlier hotel brand remains at the hotel.



Salaries

Rezidor follows local regulations and practices in regards to salaries and offer fair wages. Rezidor sees an opportunity in investing in staff and tries hard to provide good working conditions to retain them. This contributes to delivering high quality service, an important value driver and differentiator from other hotel chains and brands. Personnel costs, such as wages, training and benefits, are by far the largest cost for the company, 56% amounting to MEUR 277 (266). Read more on the payroll cost and the split of these costs per country on page 88 of the Rezidor 2008 Annual Report.

Human Rights and Corruption

Rezidor operates hotels in countries where corruption and human rights issues exist. Key human rights issues for the hotel industry include fair wages, women's rights, skills requirements, the ability to join trade unions and collective bargaining. We do not in any way participate or condone practices that breach international declarations. The UN Declaration of Human Rights underlies our relationship with

our employees. Child or forced labour is not accepted and does not exist within Rezidor's operations. This is ensured through local hiring policies and is monitored carefully. We work to rid prevalence of human rights related issues hands-on, strengthening local communities by running a responsible operation.

The right of younger workers is important due to the high degree to which the hospitality industry employs younger people. In 2007, those aged 15 to 29 accounted for over one third (36.2%) of those working in hotels and restaurants in Europe (EUROSTAT, 2007). Many hotel jobs are seen as low-income employment but the hotel industry provides a good path for upward mobility compared to other industries.

Diversity and handling discrimination

A strong understanding and respect of cultural differences is important, as we employ over 134 different nationalities and we operate hotels in 46 countries. Diversity amongst the workforce in our hotels is as old as the hospitality industry itself. It is one of the fundamental steps for an employee to grow by work-

ing in different countries and different hotels. The Rezidor Hotel Group supports transfers throughout the hotels in all countries, enabling its employees to grow with the company and to develop themselves. As much as we perceive our guests to be individuals with individual needs and wishes, we also perceive our employees to be individuals with individual backgrounds and cultures. Employees are hired for their attitude and willingness to serve the guest. Cultural differences enable us as an employer and as a host to cater to the needs of our clientele on an individual basis even better.

Rezidor's Equal Opportunities Policy states that no discrimination due to age, race, religion, gender or disability is allowed, and all our hotels have routines in place to ensure this is the case.

Responsible investment and purchases

All supplier contracts exceeding TEUR 100 or with a contract duration of greater than three years must be processed through the central purchasing department which performs screening of human rights on all contracts. In addition, 71% of hotels ask

suppliers specifically for policies on human rights.

Anti-corruption measures

In some countries where Rezidor operates there are high risks related to corruption, therefore a Code of Conduct is in place and management and staff are trained in Responsible Business. These issues are also covered in our internal control procedures. Rezidor takes substantial measures to ensure that the ethical behaviour stated in the Code of Ethics is a core value in all business relationships.

The Rezidor Hotel Group has not had any significant incidents regarding corruption or bribes causing legal actions during 2008.

People development and training

Rezidor has for many years successfully focussed on having a positive effect on the bottom-line through active people management. We offer a range of tools in order to attract and retain talented people by hiring for attitude and train them to skills. Through the 5 Step People Development Programme ambitious employees can strive to the top with our approach to develop from within. We offer a range of training tools geared at our standards, service levels and brand representation to all of our employees, who can grow from there – step by step – to supervisory training and then on to the final top executive training.

The foundation for the 5 Step People Development Programme is the very successful Business School @ Rezidor. In place since 1996 this is how Rezidor has put all training under one central umbrella. In 2008 a total of almost 1,200 Rezidorians were trained through this unique vehicle. The Business School @ Rezidor has a wide range of courses spanning from supervisory leadership and management training to a General Manager Certification Programme and business planning for Heads of Department. In 2008, the offer has

been completed with the new Management Development Programme, aimed to develop, train and prepare existing or newly recruited supervisors to become Heads of Department. The new programme, in combination to the other colourful palette of people development tools, is one of the keys to attracting, retaining and promoting people to the company.

The Mentor Mentee programme is also designed to prepare the identified talent for a future General Manager role within Rezidor. It was launched in 2000 to ensure that the inhabitant knowledge within the group will be taken care of and passed on to the future generation of General Managers.

In July 2008, Rezidor launched a new suite of Responsible Business training (see 2008 Highlight page 2).

Health, work-related accidents and security

Rezidor has a safety and security programme designed to protect guests, employees and owners' investments while maintaining or even enhancing guest and employee satisfaction. One of the foundations of the programme is Employee Safety. We encourage employees to report dangers or aberrations, take immediate action to prevent injury or damage, and to follow-up and ensure that dangers are removed and abnormalities corrected.

At Rezidor we understand that maintaining the high levels of safety and security that guests, employees and owners rightfully expect is only achievable through the everyday actions of every employee at every level in every hotel in every country. We have a structured risk management agenda called TRIC=S (Threat assessment + Risk management + Incident response + Crisis Management = Safe, Secure hotels), with proactive behaviour, gathering and sharing information throughout the company.

The lines of communication regarding safety and security issues are kept open and the focus is on prevention. In

addition to news and media monitoring, Rezidor maintains subscriptions to third party risk analysis and alert services. We also encourage our hotels to actively engage in safety and security related forums on a local level.

Risk Evaluation: Our unique on-line self-audit system assists hotels in evaluating how well they are prepared for risks that they may face by guiding them through the objectives set out in our Four Cornerstones which make up the foundation of our safety and security program: Guest Safety, Employee Safety, Operational Security and Fire Safety.

Incident Response: Our 1-2-3 philosophy for incident response gives everyone in the group a simple formula that can be used for even the most complex problems.

- 1) Sound the Alarm (if something is wrong, report it)
- 2) Save Lives (make sure no one is injured)
- 3) Solve the problem

Crisis Management and Communication: In addition to our guidelines for organising crisis management systems in hotels, all of our General Managers are able to receive training in the program designed to help them:

- understand the components of a crisis and multi-agency response
- lead, direct and encourage a local crisis management team
- establish and maintain effective communications internally and externally
- capably represent the company in an emergency or crisis to protect the image of the company and brand

With regard to health and safety legislation, hotels are provided with an overview and quarterly updates of applicable regulation through an internet-based legal database. As part of this database, hotels must complete a legal self-audit containing 80 questions based on local environmental and

employee health and safety legislation. This audit is currently available for Denmark, Belgium, France, Ireland, Germany, Norway, Poland, Russia, Scotland, Sweden and the UK. Thus it covers 69% of all managed and leased Rezidor hotels. The self-audit has been developed by external environmental lawyers and follows both EU and national legislation.

Business Ethics

The Rezidor Hotel Group is committed to maintaining a high standard of business ethics, honesty and integrity in line with its Responsible Business programme encompassing social, ethical and environmental responsibility. To guide our hotel and regional office staff, management and employees alike, about how we want to operate our business and our way of life, we launched a Code of Ethics in spring of 2008.

The Code of Ethics and Business Conduct contains rules and guidelines for our business conduct and responsibilities vis-à-vis colleagues, customers, guests, suppliers, shareholders, authorities and the world at large.

The Code in short:

1. We respect the law
2. We show respect for all persons in all situations
3. We think ethically
4. We act fairly
5. We do not discriminate against anyone for any reason
6. We are honest and transparent
7. We are loyal to our employer
8. We do not exploit the company's resources
9. We think of safety at all times
10. We take care of the Earth

We encourage any employee with concerns or questions about the code of ethics and business conduct to discuss directly with their supervisor. If the supervisor is involved or will not act, this can and should be reported to the highest supervisor responsible.

Additionally, Rezidor recognises that an employee may wish to anonymously report serious or sensitive concerns regarding the code or a pos-

sible breach of the code. Therefore we have selected Ethics Point and created rezidorethics.com to receive these reports and ensure that they are swiftly brought to the attention of the appropriate person or persons in The Rezidor Hotel Group.

Policy development and lobbying

Rezidor does not make any contributions or give other support, direct or indirect, to political parties or individual politicians. During 2008 Rezidor was a member of the International Hotels & Restaurant Association and the World Travel & Tourism Council who perform policy work for the international hotel industry on behalf of their members. Increasingly these organisations also work with issues related to Responsible Business. IH&RA works actively with UNEP to promote the message that environmental action makes good business sense while WTTC hosts the Tourism for Tomorrow Awards which demonstrate that business success and responsible tourism practices can go hand in hand. Rezidor is also a founding member of the Prince of Wales Business Leaders Forum special initiative for the tourism industry, the International Tourism Partnership which works to drive the responsible tourism business agenda, assisting the industry to make a valuable contribution to the countries and cultures in which they operate, to their customers, their shareholders and future generations.

Product Responsibility

Even though we do not produce or sell a tangible product, our customers and guests expect us to manage health, safety and security, environmental and social issues. We aim to meet these expectations through our Responsible Business programme.

One aim is to make it easy for our guests to participate in the programme, and to do something good for the environment or community while

staying with us. In February 2007, we launched a new redemption possibility for our loyalty members, making it possible for them to redeem Gold Points to offset the greenhouse gas emissions related to their stay in our hotel, as well as their travel to and from the property.

We also strive to communicate the social and environmental work we do to our guests through posters, brochures and digital communication material. In addition, we encourage hotels to communicate their Responsible Business efforts on their individual websites and we give a general overview of our approach and the programme on our corporate website: responsible.business.rezidor.com.



Non-smoking policies have become a significant issue for the hotel industry due to many European countries implementing smoking bans in public areas, which include hotel lobbies and restaurants. Countries that already have banned smoking include Belgium, Finland, France, Germany, Iceland, Ireland, Italy, Norway, Portugal, Spain, Sweden and the UK. In addition, we are increasing the number of non-smoking guest rooms from the current 77%. As a consequence of the smoking bans that have come into force across Europe in recent years, 34% of hotels are now completely smoke-free.



We also facilitate the well-being of our guests by offering exercise and sport facilities with gyms, swimming pools and spas. Moreover, we endeavour to ensure that we provide fresh and wholesome food. We continue to offer a wide variety of healthy options at our restaurants. Our hotels endeavour to accommodate guests with food allergies, and 30% of hotels have allergy tested guest rooms. Hotels also increasingly offer organic (62%) and fair trade (56%) products.



Fines and incidents



No significant fines for non-compliance have been incurred during 2008.

Summary of Progress

RESPONSIBLE BUSINESS POLICY	RESPONSIBLE BUSINESS OBJECTIVES	RESPONSIBLE BUSINESS INDICATORS	COMMITMENTS AND TARGETS FOR 2008	ACHIEVEMENTS 2008
 <p>EMPLOYEES</p> <p><i>We shall educate and facilitate for our employees to make a conscious decision in favour of environmental, ethical and social issues in their private and work lives.</i></p>	<p>1. Increase employee awareness regarding Responsible Business</p> <p>2. Foster a responsible working environment</p>	<p>Number of hotels and employees with Responsible Business training</p> <p>Availability of user-friendly Responsible Business tools for employees</p> <p>Number of hotels that comply with local labour laws</p> <p>Number of hotels which have communicated the new Code of Ethics to employees</p>	<p>Launch new suite of training 'Living Responsible Business' and 'Leading Responsible Business'</p> <p>Launch Responsible Business Manual for employees</p> <p>Launch new Responsible Business section on the intranet</p> <p>All hotels to comply with labour law (working hours, freedom of association, equal opportunities and non-discrimination)</p> <p>All hotels to make information on rezidorethics.com available to employees</p>	<p>Living and Leading Responsible Business Training package Completed</p> <p>New Responsible Business Training launched at the Business School in July 2008</p> <p>24 Master trainers and 148 Hotel trainers trained who will train our over 30,000 employees by end June 2009</p> <p>New Responsible Business Manual launched in February 2009</p> <p>New Responsible Business intranet pages launched in October 2008</p> <p>All hotels comply with local labour laws</p> <p>89% of hotels pro-actively make information on rezidorethics.com available to employees</p>
 <p>CUSTOMERS</p> <p><i>We shall inform and make it easy for our guests to participate in Responsible Business related activities at our hotels.</i></p>	<p>3. Increase customer awareness regarding the Responsible Business programme and our hotels' achievements</p> <p>4. Provide Responsible Business actions that are easy for guests to participate in</p>	<p>Number of hotels with third party certification</p> <p>Number of hotels to display RB information in rooms and lobby</p> <p>Number of hotels presenting their Responsible Business actions on their hotel website</p> <p>Number of measures to help guests save energy and water consumption and reduce waste generation</p>	<p>60 hotels to obtain third party green certification</p> <p>90% of hotels to display RB information in rooms and lobby</p> <p>50% of hotels to have a Responsible Business page on their hotel website</p> <p>Put in place more measures that encourage guests to participate in waste reduction and sorting</p>	<p>65 hotels obtained third party certification in 2008</p> <p>94% of hotels display Responsible Business communication material and actions in rooms and lobby</p> <p>58% of hotels have a Responsible Business page on their hotel website</p> <p>78% of hotels make battery collection box available for guests</p> <p>93% of hotels provide refillable amenity dispensers in public washrooms</p> <p>25% of hotels provide waste-sorting facilities for guests</p>

RESPONSIBLE BUSINESS POLICY	RESPONSIBLE BUSINESS OBJECTIVES	RESPONSIBLE BUSINESS INDICATORS	COMMITMENTS AND TARGETS FOR 2008	ACHIEVEMENTS 2008
	<p>5. Provide a healthy environment and offer healthy, nutritious organic and fair trade food and beverages</p>	<p>Percentage of hotel rooms that are non-smoking</p> <p>Percentage of fully non-smoking hotels</p> <p>Proportion of hotels serving organic and/ or fair trade foods</p> <p>Provision of rooms adapted for disabled</p> <p>Provision of allergy-tested rooms</p>	<p>80% of hotel rooms to be non-smoking</p> <p>Minimum of 50% of hotels serving organic or fair trade products</p>	<p>77% of hotel rooms are non-smoking</p> <p>34% of hotels are non-smoking (including guest rooms and public spaces)</p> <p>62% of hotels provide organic certified food items</p> <p>56% of hotels serve fair trade certified products</p> <p>77 % of hotels provide rooms certified adapted for disabled</p> <p>30% of the hotels provide allergy-tested rooms</p>
 <p>PROPERTY OWNERS</p> <p><i>We shall work together with property owners to find innovative solutions that satisfy our economic, environmental and social objectives.</i></p>	<p>6. Inform all property owners about the Responsible Business programme to facilitate the use of best responsible business practice when building and renovating</p>	<p>Number of hotel owners informed about programme and local Responsible Business Action Plan</p>	<p>Inform owners of at least 90% of the hotels about the Responsible Business Programme and local Responsible Business Action Plan</p> <p>Inform owners of Responsible Business related investments</p> <p>Develop and agree on Responsible Construction and Renovation Guidelines with Technical Department</p>	<p>87% hotel owners informed about programme and local Responsible Business Action Plan</p> <p>70% of hotels have discussed Responsible Business related investments with owners</p> <p>Responsible Construction and Renovation Guidelines completed</p>
 <p>SHARE-HOLDERS</p> <p><i>We shall provide shareholders and investors with timely, accurate and transparent information on Responsible Business related risks and opportunities.</i></p>	<p>7. All hotels to comply with the reporting requirements of the Responsible Business programme</p> <p>8. Increase financially related Responsible Business information in corporate reporting</p>	<p>Percentage of hotels that report quarterly and annually to corporate office</p> <p>Responsible Business related costs</p> <p>Number of donations to charity</p>	<p>Maintain high reporting level from managed and leased hotels (100%)</p> <p>Increase reporting level to min. 35% from franchised hotels</p> <p>Improve accuracy and punctuality of data reported</p> <p>Increase accuracy of financial implications in Responsible Business Status Report</p> <p>Assess donations to charity by hotels</p>	<p>100% of managed and leased hotels responded to 2 sets of mandatory reports</p> <p>31% of franchised hotels report their Responsible Business data</p> <p>Data accuracy and punctuality improved substantially during 2008</p> <p>49% of the hotels report that they have made significant environmental investments</p> <p>59% of hotels organised cash donations to charity</p>

RESPONSIBLE BUSINESS POLICY	RESPONSIBLE BUSINESS OBJECTIVES	RESPONSIBLE BUSINESS INDICATORS	COMMITMENTS AND TARGETS FOR 2008	ACHIEVEMENTS 2008
 <p>SUPPLIERS</p> <p><i>We shall strive to purchase products that have a reduced environmental impact during their life-cycle, from suppliers that demonstrate environmental and social responsibility.</i></p>	<p>9. Increase the number of suppliers that fulfil the Responsible Business criteria for suppliers</p> <p>10. Increase the number of products purchased that comply with set Responsible Business criteria for product group</p>	<p>Presence of Responsible Business criteria in the RezPIN system</p> <p>Number of hotels using suppliers that can provide policies on environment and human rights</p> <p>Number of corporate communication items printed on recycled/eco-labelled paper</p> <p>Number of energy and water saving devices in hotels</p>	<p>Include requirement for suppliers to sign the Supplier Code of Ethics in the RezPIN system</p> <p>Improve dialogue with key suppliers on Responsible Business criteria</p> <p>Use recycled paper for corporate Responsible Business communication material</p> <p>Increase the number of energy and water saving devices in hotels</p>	<p>RezPIN includes the Supplier Code of Conduct and requires suppliers to sign</p> <p>Percentage of hotels asking suppliers if they had policies in place regarding:</p> <ul style="list-style-type: none"> - Human rights 71% - Reduction of environmental impacts 75% - Ethics 74% - Health and Safety 81% <p>100% of Responsible Business communication items printed on recycled paper</p> <p>64% of hotels have occupancy sensors/motion detectors/timers to control lightning in intermittent use areas</p> <p>82% of guest rooms have low-energy light bulbs (eg CFL, LED)</p> <p>72% of rooms have low flush WCs</p>
 <p>AUTHORITIES</p> <p><i>We require our managers to abide by local and international legislation, especially regarding labour laws, Health and Safety, human rights and the environment.</i></p>	<p>11. Zero number of incidents of non-compliance with regard to Responsible Business related legislative demands and international agreements</p>	<p>Number of hotels reporting legal breaches to local legislation</p> <p>Number of countries covered in legal database</p> <p>Percentage of hotels performing Responsible Business legal self-audit</p>	<p>No legal breaches to legislation</p> <p>100% of hotels to perform self-audit where available</p>	<p>0 hotels reported legal breaches to legislation</p> <p>97% of hotels perform legal-self audit where available</p>

RESPONSIBLE BUSINESS POLICY	RESPONSIBLE BUSINESS OBJECTIVES	RESPONSIBLE BUSINESS INDICATORS	COMMITMENTS AND TARGETS FOR 2008	ACHIEVEMENTS 2008
 <p>COMMUNITY</p> <p><i>We shall take an active role in the international responsible business community, and contribute to the local communities where we operate.</i></p>	<p>12. Have a positive influence and impact on the local and international community</p>	<p>Amount of money raised for corporate and local charities</p> <p>Number of hotels participating in Responsible Business Action</p> <p>Month in September each year</p>	<p>Raise min. TEUR 60 for World Childhood Foundation</p> <p>160 hotels to join Responsible Business Action Month</p> <p>Explore adherence to the Global Compact</p>	<p>TEUR 75 raised for World Childhood Foundation</p> <p>162 hotels participated in Responsible Business Action Month</p> <p>Joined the Global Compact in December 2008</p>
 <p>ENVIRONMENT</p> <p><i>We shall do our utmost to continuously improve our performance in the areas of energy, water, chemicals and resource consumption, and waste generation in order to reduce our negative impact on the environment.</i></p>	<p>13. Reduce dependence on fossil fuels and become more energy efficient in all areas of operation without sacrificing the guest experience and comfort</p> <p>14. Conserve water whenever possible without sacrificing the guest comfort and discharge "clean" water</p>	<p>Energy - kWh/m² Reduction of carbon footprint: CO₂ equiv. / guest night</p> <p>Number of hotels with renewable energy solutions</p> <p>Water - litres /guest night</p> <p>Number of hotels using water efficient equipment</p>	<p>5% reduction in energy consumption per guest night for both Park Inn and Radisson BLU</p> <p>5% reduction in water use per guest night</p> <p>80% of hotels having water efficient shower heads and taps</p>	<p>Energy use measured as kWh per metre squared decreased by 6% for Radisson Blu and 14% for Park Inn</p> <p>Water consumption measured as litres per guest night decreased by 3% for Radisson Blu and 7% for Park Inn</p>

GRI

STANDARD DISCLOSURES TABLE

AR = Rezidor 2008 Annual Report SR = Rezidor 2008 Sustainability Report

INDICATOR ACCORDING TO GLOBAL REPORTING INITIATIVE (G3)	PAGE NUMBER
Profile	
1 STRATEGY AND ANALYSIS	
1.1 Statement from the CEO	SR 1
2 ORGANISATONAL PROFILE	
2.1 Name of the organisation	AR 78
2.2 Primary brands, products, and/or services	AR 64–65
2.3 Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	AR 85, 102–104
2.4 Location of organisation's headquarters	AR 78
2.5 Number of countries where the organisation operates, and names of countries with major operations	AR 64, 112
2.6 Nature of ownership and legal form	AR 49, 61
2.7 Markets served	AR 85–87
2.8 Scale of the reporting organisation	
Number of employees;	AR 89
Net sales	AR 74
Total capitalisation broken down in terms of debt and equity	AR 75
Quantity of products or services provided	AR 64
Total assets	AR 75
Beneficial ownership (including identity and percentage of ownership of largest shareholders)	AR 61
Breakdowns by country/ region of sales/ revenues by countries/ regions that make up 5 percent or more of total revenues	AR 86
Breakdowns by country/region of costs by countries/ regions that make up 5 percent or more of total revenues	AR 86
Breakdowns by country/ region of Employees	AR 89
2.9 Significant changes during the reporting period regarding size, structure, or ownership including:	
The location of, or changes in operations, including facility openings, closings, and expansions	AR 66–67
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2.10 Awards received in the reporting period	SR 3, 17
3 REPORT PARAMETERS	
Report Profile	
3.1 Reporting period	SR 4
3.2 Date of most recent previous report	SR 5
3.3 Reporting cycle	SR 5
3.4 Contact point for questions regarding the report	SR 30
Report Scope and Boundary	
3.5 Process for defining report content	SR 4
3.6 Boundary of the report	SR 4, 5
3.7 Specific limitations on the scope or boundary of the report	SR 4, 5

	INDICATOR ACCORDING TO GLOBAL REPORTING INITIATIVE (G3)	PAGE NUMBER
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations	AR 79
3.10	Explanation of the effect of any re-statements of information provided in earlier reports	N/A
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	SR 4, 5
3.12	Table identifying the location of the Standard Disclosures in the report	SR 28–30
4 GOVERNANCE; COMMITMENTS AND ENGAGEMENT		
Governance		
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	AR 49–53, SR 12
4.2	Independence of the Supervisory Board Chairman	AR 51
4.3	Number of members of the highest governance body that are independent and/or non-executive members	AR 51–52
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	
	The use of shareholder resolutions or other mechanisms for enabling minority shareholders to express opinions to the highest governance body	AR 49
	Informing and consulting employees about the working relationships with formal representation bodies such as organisation level 'work councils', and representation of employees in the highest governance body.	AR 52, 55–56
Stakeholder Engagement		
4.14	List of stakeholder groups engaged by the organisation	SR 13
4.15	Basis for identification and selection of stakeholders	SR 12
5 PERFORMANCE INDICATORS		
ECONOMIC		
Aspect: Economic Performance		
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	SR 7–9
EC3	Coverage of the organisation's defined benefit plan obligations	AR 95–96
EC4	Significant financial assistance received from government	SR 15
Aspect: Market Presence		
EC6	Policy, practices, and proportion of spending on locally-based suppliers	SR 15
Aspect: Indirect Economic Impacts Core		
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement	SR 15
ENVIRONMENTAL		
Aspect: Energy		
EN5	Energy saved due to conservation and efficiency improvements	SR 17–18
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	SR 18
Aspect: Water		
EN10	Percentage and total volume of water recycled and reused	SR 19
Aspect: Biodiversity		
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity	SR 19
Aspect: Emissions, Effluents, and Waste		
EN16	Total direct and indirect greenhouse gas emissions by weight	SR 19
EN23	Total number and volume of significant spills	SR 18
Aspect: Compliance		
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	SR 19

	INDICATOR ACCORDING TO GLOBAL REPORTING INITIATIVE (G3)	PAGE NUMBER
LABOUR PRACTICES AND DECENT WORK		
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LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	SR 22
HUMAN RIGHTS		
Aspect: Investment and Procurement Practices		
HR2	Percentage of suppliers and contractors that have undergone screening on human rights	SR 21–22
SOCIETY		
Aspect: Public Policy		
SO5	Public policy positions and participation in public policy development and lobbying	SR 23
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	SR 23
Aspect: Compliance		
SO8	Fines/sanctions for non-compliance with laws and regulations	SR 23

CONTACT

If you have any comments, queries or questions, please contact:

Sarah Rooney
 Manager, Responsible Business
 Email: srooney@rezidor.com

The Rezidor Hotel Group Corporate Office
 Avenue du Bourget 44
 B-1130 Brussels
 Belgium
 Tel. +32 2 702 9000
 Fax +32 2 702 9300