REZIDOR

RESPONSIBLE BUSINESS REPORT 2016

THINK PEOPLE THINK COMMUNITY PLANET

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SCOPE AND BOUNDARIES OF THIS REPORT

Rezidor's 11th annual Responsible Business Report describes the most important corporate responsibility and sustainability aspects of our operations. The full range of our actions and data goes even further.

The achievements in this report, all in 2016 unless otherwise noted, cover all hotels which are managed, leased, or franchised by the Rezidor Hotel Group. This includes 363 properties which were in operation on 31 December 2016. For new hotels that were opened in 2016, or hotels that discontinued operations during the year, data is only reported for the months they were in operation.

Rezidor set the reporting parameters to areas in which the company has full control over data collection and information quality. Downstream and upstream impacts are generally excluded, as we are still developing reliable tools to measure their effect.

The financial data presented in our Responsible Business Report are derived from audited annual accounts. For all external reporting, currencies have been converted to euros (€). Our financial reporting accounting principles and currency conversion rates are stated in Rezidor's 2016 Annual Report. Stressing sustainability, Rezidor applies the precautionary principle.

While the Responsible Business Report has not been independently reviewed by auditors or any other third party, it is prepared in accordance with the Global Reporting Initiative's G4 Disclosure Guideline, CORE option.

A WAVE OF POSITIVE IMPACT

ON THE PLANET



As a leader of Responsible Business in the hospitality industry, Rezidor was named one of the World's Most Ethical Companies for the seventh straight year in 2016. We are proud of this achievement – and committed to work in a responsible and sustainable way. With our strong Scandinavian roots as foundation, we were one of the first international hotel companies to announce our environmental policy 28 years ago, and since 2009 Rezidor has been a member of the UN Global Compact, grouping 10 global principles on human rights, labor, environment and anti-corruption.

2016 marked an important year globally with the ratification of the COP21 agreement in November and as the first year of implementation of the UN Sustainable

Development Goals which are mobilizing businesses, industries and countries. As a leader in the industry, we are conscious that our Responsible Business targets and actions need to contribute to these important global goals.

We continue to work on the 3 pillars of our Responsible Business program

- 1. Think People
- 2. Think Community
- 3. Think Planet

2016 wrapped up our five-year ambitious Think Planet target to save 25% of energy. Thanks to a comprehensive roll-out of employee engagement, smart tasks in

operations and investments, we managed to achieve the aimed reduction of energy used per occupied room.

Coinciding with our strong expansion in emerging markets, we remained focused on water stewardship as signatory to the UN CEO Water Mandate. Compared to 2007, we have managed to reduce the water used per individual quest by 29%.

To promote green buildings in emerging markets, our prime growth region, we signed a unique cooperation agreement with the IFC (a member of the World Bank), committing to use IFC's EDGE green building tool and certification. The Radisson Blu Accra Airport in Ghana became the first ever EDGE design certified hotel in Africa.

Our worldwide commitment to green meetings has generated a voluntary carbon offset of 39,000 tons CO₂e and has led to the planting of an additional 39,000 trees in Kenya's Great Rift Valley.

Safety and Security play a paramount role in our company, and we constantly develop our industry-leading program further to respond to the changing and challenging external environment to keep our guests and people safe.

We are partnering with independent experts like Safehotels Alliance who verify that our approach is the right one. By the end of 2016, 160 of our hotels across Europe, the Middle East and Africa had already been certified by Safehotels, and going forward, these numbers continue to grow.

Building on our strong credentials in child protection and anti-trafficking, we have extended our focus on human rights in the supply chain and are publishing our first UK Modern Slavery Act statement (read the full statement here).

As every year our 43,700+ hoteliers have been passionately engaging with their local communities, donating a total of €1.2 million in cash and in-kind and dedicating close to 29,000 man-hours of volunteering.

Going into 2017, we continue to move our company forward and have defined global 2020 Think Positive Change targets in the area of Think People, Think Community and Think Planet.

From each employees' individual actions – at work and at home – we connect the many communities where we are present, to a wave of positive impact on the planet.

As a global company, responsible business is our way of contributing to a more sustainable hotel industry and a more sustainable world. The tourism industry provides income through employment and job creation and fosters sustainable development by focusing on employability and education.

As chairman of the International Tourism Partnership, I am also proud to be leading a process whereby the hotel industry as a whole is working on long term collective and ambitious targets in the areas of carbon, water, human rights and youth employment.

Our drive to be a responsible hotel company would not be possible without the support of over 43,700 Rezidorians in over 80 countries, and our guests and partners around the world.

I invite you to read more about our achievements in this report and welcome your feedback: responsible.business@carlsonrezidor.com.

Thank you for your interest in us!



Wolfgang M. Neumann

President and CEO

The Rezidor Hotel Group



ABOUT THE **REZIDOR HOTEL GROUP**

The Rezidor Hotel Group is one of the most dynamic hotel companies in the world and a member of the Carlson Rezidor Hotel Group. The group has a portfolio of more than 480 hotels in operation or under development with over 105,000 rooms. The group employs more than 43,700 people across 80+ countries.

Rezidor operates the core brands **Radisson Blu** and **Park Inn by Radisson** in Europe, the Middle East and Africa (EMEA), along with the Club Carlson loyalty program for frequent hotel guests. In early 2014 and together with Carlson, Rezidor has launched the new brands **Radisson RED** (lifestyle select) and **Quorvus Collection** (luxury). Since 2016, Rezidor also owns 49% of **prizeotel**.

Rezidor's Corporate Support Office is based in Brussels, Belgium. In November 2006, Rezidor was listed on the Nasdaq Stockholm, Sweden. HNA Tourism Group Co., Ltd., a division of HNA Group Co., Ltd., a Fortune Global 500 company with operations across aviation, tourism, hospitality, finance, and online services among other sectors, is since December 2016 the majority shareholder.





HIGHLIGHTS 2016

2016 Has been a memorable, and exciting year for Responsible Business. Our highlights have included:



- 160 Safehotels Alliance certified hotels
- Employee satisfaction remaining strong at 87.9%
- Balanced leadership builds momentum towards gender equality and development of our female talent
- The Rezidor Business School celebrated its 20th anniversary
- For the seventh year in a row, Rezidor is recognized as one of the World's Most Ethical Companies by the Ethisphere Institute



THINK

- Close to 29,000 volunteer hours were completed by Rezidor employees
- €1.2 million donated to charity
- Blu Planet towel program at Radisson Blu helps to provide safe drinking water for life to more than 8,300 children
- Over 50 Radisson Blu hotels participated in the Soap for Hope™ program in cooperation with our global supplier Sealed Air



THINK **PLANET**

- Energy saving reaching 24%* since 2011
- Reducing water consumption by 29% since 2007
- Increasing the proportion of eco-labeled hotels in the group to 79%
- Meetings Minus Carbon offsets 39,000 tons of carbon and plants an additional 39,000 trees

RB performance indicators	2016	2015	2014	2013
Energy per m² (kWh)**	250	254	266	279
Energy per occupied room (kWh)**	83	85	89	90
Water per guest-night (liters)**	329	333	335	340
Carbon footprint per guest-night (kilograms CO ₂ e)**	21.4	22.1	21.4	22.8
Employee satisfaction	87.9	87.5	87.5	87
Safehotels Alliance certification	160	65	n/a	n/a

^{*}Like for like / Weather-adjusted

^{**}Rezidor-managed and leased hotels

5 YEAR RESULTS

THINK CHANGE

2016 results: Energy and Water

During 2016, Rezidor's energy intensity reduced further to 83 kWh per occupied room. Energy per m² was stabilized at 250 kWh. These gains have been achieved by optimizing the lighting, heating and air conditioning systems, focusing on energy efficiency in daily operations, and investing in new technologies. In weather-adjusted terms and considering hotels that have been in operation during the 5 years, this corresponds to a 17% saving in kWh per m² and a 24% saving in kWh per occupied room. The total energy consumption of the group amounts to 1,100,687 MWh.

Around 29% of Rezidor's water consumption occurs in water-stressed areas (mainly in the Middle East and Sub-Saharan Africa). Because of this, we pay close attention to reducing the use of water in our operations. Between 2007 and 2016, Rezidor reduced water consumption by 29% (in liters per guest-night). By the end of 2016, our hotels' average water consumption amounted to 329 liters per guest-night.





OUR PEOPLE. OUR PLANET. OUR ONWARD PATH

Our 2020 Think+Change vision came to life in answer to a simple question: as a pioneer and forward-thinking company in Responsible Business, how can Rezidor build on our success in this vital area to act as the driving force of an ever more sustainable hospitality industry?

We believe that by mobilizing our global team of more than 43,700 responsible hosts, we can create a wave of positive influence: starting with each employee's individual actions – at home and at work – spreading out through the communities in which we operate and building up to a ripple effect of positive impact across the whole of the planet.

With our presence in more than 80 countries, the main way we can be a truly responsible company is by providing meaningful employment. Additionally, we believe in developing our team's talents and offering more career opportunities for young and disadvantaged people.

In response to the UN Sustainable Development Goals and the new legal framework of the UK Modern Slavery Act, we will continue to promote human rights, business ethics and diversity in all our hotels around the world, throughout our business network and supply chain.

We will harness the passion of our teams in the service of their local communities. And we will strive to actively engage our guests in the Responsible Business focus areas specific to each of our hotel brands.

We will continue reducing our carbon and water footprints in the short term, while recognizing that these reductions will need to be dramatically stepped up in the long run to be in line with COP21 global targets.

Responsible Business is a key part of everything that happens in our hotels, our area offices and our corporate headquarters. Rezidor's unique Yes I CanSM! ethos – and our z-factor fighting spirit – means we are all passionately committed to making a positive impact - by starting a wave, and helping spread positive awareness around the globe.

Changing the way we think, can change our world.



2020 THINK+CHANGE TARGETS



- Promote and enhance human rights within our sphere of influence (hotels and tier 1 supply chain)
- Create shared value through employment for a diverse workforce



COMMUNITY

Creating a ripple effect of positive impact through meaningful donations and community action with sustainable brands



THINK PLANET

10% Environmental footprint reduction (carbon - water - increase recycling)

People

Community



- SUSTAINABLE BRANDS

OUR BRANDS' RESPONSIBLE **PROMISE**

We believe in Sustainable Brands that build a bridge to a better tomorrow. Each of our leading hotel brands has a specific area of Responsible Business that it highlights through various steps of the guest experience.

The Sustainable Brands highlights fit with each brand's identity, so that they become natural for our guests to understand and get involved in the hotel's Responsible Business activities.

The Rezidor Hotel Group is a silver member of Sustainable Brands International. Sustainable Brands is the leading global collaboration and commerce community of forward-thinking businesses that combine sustainability and brand strategy.



CARE.CREATE.CULTIVATE



Quorvus Collection is Rezidor's premiere luxury hotel brand. Focusing on the lifestyle and sensibilities of the contemporary global traveler, the brand celebrates local culture and promotes local biodiversity. The Quorvus Collection is committed to Care.Create.Cultivate.



Quorvus Collection hotels do everything they can to protect the local environment and respect its unique resources, champion local cultures and the people who preserve them, preserve and encourage natural biodiversity.

Quorvus honey

In 2016, the G&V Royal Mile Hotel Edinburgh created its own signature honey by welcoming 180,000 bees around the hotel. After eight weeks of hard work, the bees produced their first batch of delicious honey, offered to guests at breakfast.

Outside breakfast, the hotel created a 'Hive-Course' tasting menu which features five stunning ways to enjoy the honey, from savory to sweet. The honey and honeycomb are also featured in cocktails served in the new Epicurean restaurant.

At Quorvus Collection, it's no longer good enough to say we are local, we also contribute to local biodiversity. Guests just love the honey, and the story!

Biodiversity tours in partnership with local conservationists

Scottish seafood is an important export and of great

cultural significance. While there is always great demand for fish, we must remember the environment and only catch what is necessary. With that in mind, the team of G&V Royal Mile Hotel, Edinburgh took to the Scottish seas to gather their own fish ahead of a very elite Seafood Tasting Menu dinner offered in September 2016.

The team was inspired while visiting a local fishing harbor and talking to the people behind the scenes to learn about biodiversity right off the coasts. The dinner hosts were extremely happy with their great and responsible catch for the quests.

BLU PLANET



In 2015, Radisson Blu launched the Blu Planet initiative, which focuses on conserving and protecting the Earth's limited supply of fresh water. During September 2016, Radisson Blu hotels supported Blu Planet by a multitude of initiatives related to water mindfulness.

Blu Planet water-light breakfast

In 2016, Radisson Blu published research into the water footprint of their new Super Breakfast. Carried out by the Water Footprint Network, the study showed a dramatic reduction in the water footprint of the most important meal of the day.

By reducing waste and changing some items on the menu, the Super Breakfast reduced the hotel's breakfast water footprint from 1,275 liters per cover to 997 liters, a reduction of 22%.

Radisson Blu's Super Breakfast has played a major role in Radisson Blu's brand proposition for many years and become a benchmark for the industry. The water-light Super Breakfast is available at Radisson Blu hotels across EMEA.

Blu Planet towel replacement

The international water charity Just a Drop receives a donation for every 250 towels that our guests choose to reuse. Through this initiative, Radisson Blu Hotels are helping to fund drinking water and sanitation projects in Peru, Kenya and India to support water-stressed communities. Since the start of the program in 2015, Radisson Blu hotels and resorts have helped provide safe drinking water for life to 8,300 people

Soap for Hope™

2016 also saw Radisson Blu's new partnership with Soap for Hope™. The program, in cooperation with Rezidor's global supplier Sealed Air, recycles used hotel soap to create fresh bars for distribution in local communities which have limited access to hygiene and sanitation.

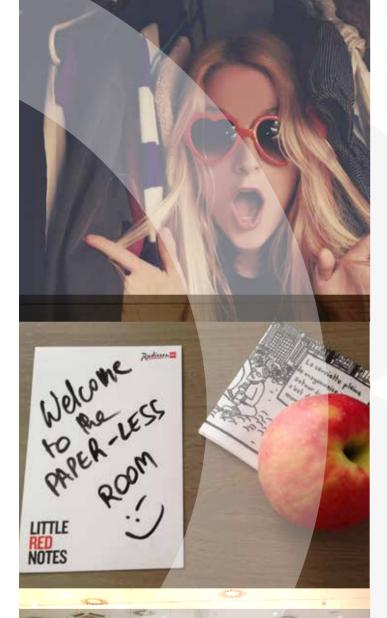
As part of the launch, more than 50 Rezidor hotels across EMEA started working on the process. Each year, the hotels and their local community partners estimate they will distribute 66 tons of soap, or free hygiene for about 45,000 people.

Love Blu, be Pink

Every October, Radisson Blu supports worldwide breast cancer awareness month with the Love Blu, be Pink campaign. Every Radisson Blu hotel gave one business-class room a pink makeover.

Hotels collected donations in support of Europa Donna, an independent non-profit coalition which raises awareness of breast cancer in Europe. It gave employees a great opportunity to get creative with Pink. As well as Pink room decorations, Pink cake, and Pink cocktails, there were several Pink charity runs for employees.





- SUSTAINABLE BRANDS

RSPNSBL HEART



Radisson RED is a highly innovative brand which brings responsible business to a new level. RED's vision is to be the social innovator in the millennial-minded lifestyle select segment. Everyday things are designed to be as eco-friendly as possible. That includes recycling, a focus on reducing food waste, and bulk amenities. On a modest scale, RED is innovating to help solve social and planet issues together with you!

Harness, store, power

The first Tesla Powerwall to be installed in a Belgian business is in the lobby of the Radisson RED Brussels, storing energy from the hotel's 20 solar panels. It provides power to the video wall in the lobby and to the hotel's energy grid. Thanks to the Powerwall, the Radisson RED solar energy is available 24/7.

RED Pedal power

At the Radisson RED Brussels, you can get fit and improve the world. When you work out on our innovative fitness equipment, you generate power which can charge your smartphone – or the hotel! You can track your personal contribution, and see the total impact. You'll be able to tell your friends how many hours of lighting your workout provided. It's the best motivation to get fit!

Sharing economy: Swishing

You might not have heard of Swishing, but it's a brilliant new way to swap fashion and reduce textile waste. As the brand is inspired by art, music, and fashion, it's no surprise that Radisson RED Brussels was the venue for a very fashionable Swishing event. Participants also donated clothing for people in need.

Creative food & drink offering

Radisson RED offers simple food done well as part of its 'craft + coffee' culture. At the hotel's OUIBar + KTCHN we offer a true deli that features RED's signature No Food Waste items. The RED Breakfast is priced by item – linking it directly to RED's No Waste message.

Regulars use special RED containers to reduce waste and our disposables are made from responsible materials. The ingredients we use are always fresh, local, sustainable, and organic. That includes the Inglorious Vegetable juice which lets misshapen fruit and veggies shine. And best of all, you can have everything to go!

Digitally Paperless

Radisson RED has reduced the amount of paper waste dramatically through the innovative use of technology. Check-in and check-out are handled through the Radisson RED app.

RED also welcomes you to its paperless rooms. All information you need is printed on the back of the bedroom door. Connect to the RED app for anything else. And you can message the team 24/7 – they're always there to help!

Cradle to Cradle

At Radisson RED we use design with a conscience. Furniture such as our cool and colorful barstools and chairs are completely made from recycled materials.



SUSTAINABLE BRANDS

ADDING COLOR TO LIVES



The award-winning "Adding Color to Lives" program connects Park Inn by Radisson hotels with at-risk youth in their local, often urban, communities. Hotels connect with the youth in a variety of ways. Hotels with the best and most long-lasting connections with the local youth groups, win an urban art mural project where the youth have a chance to express themselves.

Coloring the community

Park Inn by Radisson is a young and dynamic brand which cares for at-risk youth. To launch "Adding Color to Lives" in September 2015, we invited artist Joel Bergner to create and paint a series of public murals. As recognized artist and social educator, Joel worked together with local disadvantaged youth and hotel employees. The project generated a unique collaboration and gave the young people a chance to express themselves through art.

"Adding Color to Lives" continued during 2016. Guided by Joel, local youth and Park Inn by Radisson employees designed and painted murals in: Tallinn (Estonia), Oslo (Norway), Krakow (Poland) and Johannesburg (South Africa).

With "Adding Color to Lives" Park Inn by Radisson hotels aim to tackle the local youth unemployment, support its local youth at risk.



"Adding Color to Lives" wins UNWTO award The innovative urban art project for at-risk youth was a big winner at the January 2017 UNWTO awards ceremony. "Adding Color to Lives" won the UNWTO Award for Excellence and Innovation in Enterprises.

Launch of the global INNovation Room

Nine leading hotel management schools gathered in Manchester (England) during September 2016 for the launch of a new campaign by Park Inn by Radisson. Known as INNovation Room, the project aims to drive guest-experience innovations defined by young talent, whilst supporting the Youth Career Initiative (YCI) for young people at risk of unemployment.

Conceived as a competition, the first INNovation Room saw groups of students from different schools around the globe pitch ideas to a panel of judges.

The winning entry was selected by an expert panel followed by a public vote. For each vote, a donation of US\$1 was made to YCI. In total, the competition raised US\$5,442 for the youth charity. The winning entry came from students attending Cornell University in the US. INNovation Room has been a great success and we aim to make it an annual event.

REZIDOR COMMITMENTS TO

ITS STAKEHOLDERS

Striving to be a successful and sustainable business requires a dedicated appreciation of the environment in which we operate. This section describes how we have defined the most material topics for our organization in accordance with the Global Reporting Initiative (GRI) G4 process.

Our most significant impacts are important, both for our long-term success as a company, as well as how we interact with our stakeholders. We recognize that we have an impact on a wide range of stakeholders, both directly and indirectly.

Rezidor believes that we have a clear responsibility to take serious action on the various material topics which face our company and to continue on the sustainable tourism route. At Rezidor, we achieve this by making Responsible Business the way we do business and by continuously evaluating where we stand and how we can do better.

Rezidor has identified eight Responsible Business stakeholder groups. We maintain clear commitments to each group.

The basis for identifying and selecting our key Responsible Business stakeholders relates primarily to the extent we influence or impact them: economically; socially or environmentally.

Stakeholder	Responsible Business Policy
Employees	We educate and facilitate our employees to make conscious decisions in favor of environmental, ethical, and social issues in their work and private lives.
Customers	We inform and make it easy for our guests to participate in Responsible Business activities at our hotels.
Property owners	We work together with property owners to find innovative solutions that satisfy our economic, environmental, and social objectives.
Shareholders	We provide shareholders and investors with timely, accurate, and transparent information on Responsible Business performance, related risks, and opportunities.
Suppliers	We strive to purchase products which have a reduced environmental impact during their lifecycle, from suppliers who demonstrate environmental and social responsibility.
Authorities	We require our managers to abide by local and international legislation, especially regarding labor laws, health and safety, human rights, and the environment.
Community	We take an active role in the international responsible business community and contribute to the local communities where we operate.
Environment	We do our utmost to continuously reduce energy and water use, chemical and resource consumption, and waste generation. Our goal is to reduce our impact on the environment and minimize our carbon footprint.

Global Context

2016 marked an important year globally with the ratification of the COP21 agreement in November and as the first year of implementation of the UN Sustainable Development Goals.

As a responsible leader in the industry, we are conscious that our Responsible Business targets and actions need to contribute to these important global goals.

We have analyzed our Responsible Business commitment against the Sustainable Development Goals. You can find a mapping of how we contribute to the Sustainable Development Goals on page 52.

Materiality assessment

For its materiality assessment, Rezidor based itself on the following internal and external sources:

- The International Tourism Partnership (ITP) Industry Stakeholder Dialogue. ITP is a global platform which brings together the leading hotel chains, including Rezidor. In 2014, ITP performed the analysis and mapping of relevant ethical, social, and environmental issues through a stakeholder questionnaire and in-depth interviews. From this, a materiality matrix was developed which hotel chains used as the basis to identify their company's materiality. The process culminated in a stakeholder dialogue event which was used to discuss two issues that stakeholders viewed as challenges for the industry: water consumption and labor standards/human rights. A second stakeholder dialogue which validated the Asian context of these topics, was held by ITP in Hong Kong in September 2016.
- A company-specific online evaluation in 2015 with internal and external stakeholders such as General Managers, hotel owners, and corporate clients. The survey evaluated Responsible Business issues that matter today and in the future and had 280 respondents.
- Continuous interaction with various stakeholder groups through our daily operations and dedicated exchanges, for example our annual employee survey, see page 23.
- Our company's 4D vision and long-term strategy, in particular our Responsible Business Strategy and targets. In 2016, we finalized a worldwide 2020 Carlson Rezidor Responsible Business strategy called Think Positive Change, see page 6.
- External contextual information and research such as the World Economic Forum Yearly Global Risks Report.



MAXIMUM

ENGAGEMENT

Rezidor's Responsible Business policy is embedded at all levels of the organization. We combine both a top-down and bottom-up approach to ensure maximum engagement in operations and the greatest impact for the Group.

Head Office	Board of Directors	The Board of Directors is periodically informed about progress on Responsible Business.
	CEO and Executive Committee	Responsible Business reports to the Chief Executive Officer of Rezidor. The Executive Committee is frequently updated on strategies, plans, and progress.
	Responsible Business Department	Sets the Responsible Business strategy and follow-up, and ensures cross-departmental cooperation. The team works very closely with the Area Support Office teams.
Regions	Regional Responsible Business Coordinators	There are a total of 23 Regional Responsible Business Coordinators who set regional targets in line with Group strategy. They also follow up on progress made by hotels.
Hotels	Responsible Business Coordinators	Each hotel has a Responsible Business Coordinator and Responsible Business team. The Responsible Business Coordinator and the team jointly define the Responsible Business action plans in line with both regional and Group priorities. All employees are trained in Responsible Business.



MEMBERSHIP



UN Global Compact

Rezidor has been a UN Global Compact signatory since 2009. The ten principles and requirements of the Global Compact which cover the areas of human rights, labor, the environment and anti-corruption inform our Responsible Business targets and actions. The Compact is the world's largest voluntary corporate responsibility initiative, with over 10,000 business and other stakeholders from 166 countries.



UN CEO Water Mandate

The UN CEO Water Mandate aims to mobilize a critical mass of business leaders to advance corporate water stewardship. Mandate partners are working together with the United Nations, civil society organizations, governments, and other stakeholders. The Rezidor Hotel Group was the first hospitality company to sign the UN CEO Water Mandate in 2014. Through the UN CEO Water Mandate, organizations work on six areas of water stewardship: direct operations, supply chain, collective action, public policy, community engagement and transparency.



UN Women's Empowerment Principles

In 2014 Rezidor signed the UN Women's Empowerment Principles. Designed for business, the principles offer guidance on how to empower women in the workplace, marketplace and community. They are the result of a collaboration between the UN Entity for Gender Equality and the Empowerment of Women (UN Women) and the United Global Compact.



International Tourism Partnership (ITP)

ITP brings together the world's leading international hotel companies to provide a voice for environmental and social responsibility in the industry. Since June 2015, Wolfgang M. Neumann, President & CEO of Rezidor, has been chairman of ITP.

Together with Carlson Hotels Inc., we continue to play a leading role in the hospitality industry's forum on Responsible Business, in particular the Youth Career Initiative, Hotel Carbon Measurement Initiative, Hotel Water Measurement Initiative, and ITP's Human Trafficking work.



Protection of Children from Sexual Exploitation in Travel and Tourism

The Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism is an industry-driven responsible tourism initiative. Its mission is to raise awareness and provide tools and support to the tourism industry so it can help to prevent the sexual exploitation of children. The Code of Conduct is supported by the UN World Trade Organization (WTO) and UNICEF. Carlson Hotels Inc. was the first major North American hospitality company to sign the Code in 2004. Together with Carlson Hotels Inc., we adhere to the Code's principles in all our hotels.



Overseas Security Advisory Council (OSAC)

Rezidor is one of the founding members of US State Department's Overseas Security Advisory Council (OSAC) Hotel Security Working Group. The Working Group exchanges information on potential threats and enables members to monitor emerging threats. The exchange of information is vital to help us understand evolving threats, and Rezidor continues to be one of the leading members of OSAC.



Sustainable Brands International

In January 2016, Carlson Rezidor Hotel Group became a silver member of Sustainable Brands International (SBI). SBI is the leading global community of forward-thinking businesses which combine sustainability and brand strategy. SBI is the ideal platform for sustainable companies to discuss how they can meet demand for more sustainable products, services, and business models.

Inge Huijbrechts, Vice President for Responsible Business, sits on the Sustainable Brands advisory board. Advisory board members ensure the integrity of Sustainable Brands and its operations.

AWARDS & RECOGNITION

WORLD'S MOST ETHICAL COMPANY

In early 2016, Rezidor was again recognized as a World's Most Ethical Company by the Ethisphere Institute. It is the seventh year in a row that Rezidor has received the prestigious award, given to only 131 companies worldwide in 2016. For the past four years, Rezidor has been the only Belgian company to achieve this status. The designation recognizes companies that promote ethical business standards and practices internally, exceed legal compliance minimums, and shape future industry standards by introducing best practices today.

BLU PLANET SHORTLISTED FOR WATER AWARD

Radisson Blu Hotels and Resorts have several programs to reduce water use. The programs go beyond standard industry practices and have decreased water consumption by 5.2 million liters in 2016 and raised over €100,000 for Just a Drop to date. Radisson Blu Hotels and Resorts have been shortlisted for The Guardian's Sustainable Business Award Water as a result.

ADDING COLOR TO LIVES WINS UNWTO AWARD

In January 2017 Rezidor has won the United Nations World Tourism Organization (UNWTO) award for innovation in Enterprises with "Adding Color to Lives". The project brings together youth in difficult life situations and allows them to express themselves through urban murals. It has a lasting impact on the youth and brightens their communities.

WORLDWIDE HOSPITALITY AWARDS 2016: RADISSON RED WINS BEST INITIATIVE IN HUMAN RESOURCES

At the 2016 Worldwide Hospitality Awards, Radisson RED won Best Initiative in Human Resources and Talent Management for its 'RED Cast & Casting Days'. Inspired by art, fashion, music, and the millennial mindset, Radisson RED Brussels developed a revolutionary hotel staffing concept which moves away from the standard approach to recruitment.

ECOVADIS SILVER

During 2016, Rezidor received the EcoVadis Silver recognition for our sustainable supply chain practices. EcoVadis aims to improve the environmental and social practices of companies by leveraging the influence of global supply chains. The Silver award places Rezidor amongst the top 30% EcoVadis performers.

WORLDWIDE HOSPITALITY AWARDS 2016: REZIDOR WINS BEST DIGITAL INNOVATION

The Rezidor group also won the Best Digital Innovation award with #BluRoutes from Radisson Blu and #RunInn Routes from Park Inn by Radisson. #BluRoutes and #RunInn are safe cycling and running routes which are designed by the hotel team. Accessed via an app, they help guests experience the local environment and maintain their fitness while traveling.



THINK PEOPLE

160

HOTELS HAVE GAINED THE SAFEHOTELS ALLIANCE CERTIFICATE

EMPLOYEE SATISFACTION SCORE REMAINED HIGH AT

87.9

CONSECUTIVE YEAR AS ONE OF WORLD'S MOST ETHICAL COMPANIES

CLOSE TO

900,000 \$

OF CLASSROOM & ON-THE-JOB TRAINING

THE BUSINESS SCHOOL HAS DEVELOPED OVER

20,000

EMPLOYEES IN ITS 20 YEARS OF EXISTENCE



HUMAN RIGHTS



- · Anti-corruption.

Rezidor abides by the Global Compact's principles and follows them in our policies and procedures where possible. For example, in 2014 Rezidor grouped key human rights and employment principles into two new policies:

- · Human Rights Policy: covers Rezidor's engagement on issues such as ethical business conduct, the protection of children's rights, combating human trafficking, and protection of the rights of employees.
- Employment Principles: covers Rezidor's promises to our employees. These include non-discrimination, freedom of association, and the development of in-house talent.

COMBATING SLAVERY

Fighting Modern Slavery with Responsible recruitment

At Rezidor, we do not accept forced labor in our operations and supply chain.

Slavery is not just a historic issue, or one that only exists in certain countries. It is still happening today and it occurs in every country.

Many hotel operations rely on migrant workers who are employees, or contracted through agencies. However, migrants are one of the most vulnerable groups in the labor force. Factors such as immigration status and limited language skills may exacerbate the risks migrants face.

Responsible Recruitment is a key step to prevent Modern Slavery. In 2016, Rezidor developed and rolled out a toolkit to support our hotels in their efforts to combat modern slavery, specifically with outsourced labor (14% of the total number of people working in our hotels). The toolkit includes back-of-house material which increases awareness of modern slavery among all employees. There are also support tools for the general managers and human resource teams at the hotels.

The toolkit is available in multiple languages. It provides quidance on how to combat modern slavery and details on how to engage with employees, how to approach a recruitment agency, and what due diligence to conduct. The toolkit has been launched in three of six of the Rezidor Hotel Group's geographical areas across Europe, the Middle East, and Africa and is currently being rolled out to the remaining areas.

Combating modern slavery

The Rezidor Hotel Group follows high standards and advocates socially and environmentally sustainable business practices. Our aim is to combat and eliminate any form of modern slavery and to operate of hotels free of child exploitation or forced, bonded, or compulsory labor. We apply this practice to both our operations and in our supply chain.



Experience provides reassurance in times of uncertainty

Over the years, Rezidor has safely operated hotels in places which have been affected by epidemics, uprisings, natural disasters, and conflicts. While these situations are often difficult, they also provide us with experiences that we can learn from and apply in all of our properties. By learning from our experiences we are helping to make travel safer for everyone.

In 2016, we needed to draw on our experiences more often, and much closer to home than ever before. Terrorist attacks in Belgium, France, Germany, and Turkey reminded the world that tragedy can strike anywhere and impact anyone, regardless of location.

Our safety and security programs are perpetually evolving and allow us to provide quality, safe accommodation to travelers, and stable employment for our employees.

TRIC=S: Our global formula for local hotels

In 2007, Rezidor developed and introduced a formula known as TRIC=S to localize our approach to safety and security. TRIC=S stands for:

Threat assessment

- + Risk evaluation and mitigation
- + Incident response preparedness
- + Crisis management, communication, and continuity
- = Safe, secure, and sellable hotels.

The development of TRIC=S started in 1997 when we announced that the role of corporate safety and security was shifting from a reactive and centralized command-and-control model to a more proactive, decentralized, and dynamic role. The change enabled safety and security to play a vital part in supporting our growing number of hotels in many different locations.

TRIC=S has been widely recognized as good practice for corporate safety and security management. During 2016, Carlson Rezidor was invited to present the approach to a range of events hosted by organizations such as the International Security Management Association, the Norwegian Security Council, and the Swedish Business Travel Association. It was also featured as part of a panel at the Global Business Travel Association's annual European meeting in Frankfurt.



Rezidor Safety and Security is based on decentralized empowerment, supported by an online self-assessment linked to a library of best practice. It's integrated to our booking system and available to all hotels in our portfolio regardless of brand, location or contractual affiliation. Safehotels Alliance AB verifies the self-assessment content annually and has independently certified over 160 of our hotels.

Paul Moxness

Vice President, Safety & Security

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THINK PEOPLE

SAFETY AND SECURITY



Safehotels Alliance

In 2016, Rezidor built on our membership of the Safehotels Alliance with the certification of our first hotels. Just a year before, we were the first major international hotel group to sign an agreement with the Alliance.

Safehotels certifies hotels against its own, independent Global Hotel Security Standard. The Standard gives guests, buyers and travel managers the reassurance that certified hotels have been audited for safety. The certification simplifies and improves duty of care due diligence, and is increasingly being endorsed and embraced by clients.

By the end of 2016, over 160 Rezidor hotels had gained the certification.

As part of our agreement, Safehotels also evaluates Carlson Rezidor's existing self-assessment hotel security program. The program is available to all hotels in the Carlson Rezidor Hotel Group.

Seven Rezidor hotels have received the Safehotels Executive Certification. To receive this level of

certification, a hotel must meet over 200 independently assessed safety and security best practices, and maintain them year-on-year.

The seven Rezidor hotels are the Radisson Royal Moscow, Radisson Blu Doha, Radisson Blu Riyadh, Radisson Blu Jeddah, Radisson Blu Dhahran, Radisson Blu Hammamet, and Radisson Blu Palace Djerba.

US State Department security workshops

Carlson Rezidor is a founding member of the US State Department's Overseas Security Advisory Council (OSAC) Hotel Security Working Group (HSWG). Since 2007, we have worked together with our counterparts to share information and good practices. This benefits both the hotel industry and everyone who depends on us to provide safe and secure accommodations around the world.

Since 2009, we have held annual joint training workshops which are facilitated by experts from the US State Department, local governments, and HSWG members. Over the years, these training sessions have provided high-level development workshops for over 500 hotel security managers. Sessions have already been held in Shanghai, Mumbai and New Delhi, Jakarta, Amman, Doha, Bangkok, Istanbul and Dubai.

Carlson Rezidor is the current chair of the OSAC HSWG steering group. We also hold leadership roles at local OSAC country councils in Brazzaville and Brussels.

Food safety awareness & allergens

Since 2016, we have a legal responsibility in the EU to provide information on allergens for all menus served, and an obligation to show a summary on request.

To respond to this obligation, we train our employees to be fully aware of the allergens on our menus, including the buffets, and provide recipe sheets and Standard Operating Procedures that include this information.

An e-learning course on Food Safety Awareness is available from Rezidor's Learning Link training platform. The course covers the essential procedures, controls, and legal compliance required to ensure the safety of food.

The course is suitable for anyone involved in the preparation, cooking, or serving of food. It enables individuals to improve their knowledge of food safety and understand the reasons behind food hygiene rules. It will also help employees to work safely with food within a care environment.

Detailed legal requirements in this respect vary from country to country. To go beyond compliance and put the health of our guests' center stage, we always place written information on allergens on our menus to create awareness and provide our Front-of-House team with an allergen summary sheet.

160

REZIDOR HOTELS HAVE GAINED THE SAFEHOTELS ALLIANCE CERTIFICATE

ISSUE PREPAREDNESS AND COMMUNICATIONS

Our partnership with the Safe Hotels Alliance is one of many that has helped us to become more risk resilient over the course of the year. Rezidor's Corporate Communications, PR & Reputation Management team have also been working on an internal issues preparedness program with global communications consultancy Ogilvy to ensure that we have the systems and tools in place to deliver an efficient and effective response to any challenge that may impact the business.

We began by reviewing what we had learned from previous issues, which helped us to identify how we could improve our responses. This process helped us to understand that the majority of issues were managed at a local level by our General Managers (GMs), who are at the frontline of our business, managing the moments at which our brands, our people and our guests interact.

We have developed guidance notes to help GMs to deal with the recurrent issues that impact all hotels, as well as beginning a network-wide training program to help GMs to be ready to handle larger issues as well. The GMs are also being taught how to train their hotel employees to be more aware of potential risks before they develop and escalate.

In an ideal world, all challenges impacting hotels would remain isolated and localized in nature. However, we understand that some incidents will escalate to become challenges to the wider brand and business. This is an inevitable consequence of living in a socially connected world where an isolated incident can quickly be spread and shared, impacting reputation and the businesses license to operate globally.

To ensure that we are fully prepared for any eventuality, we have developed a bespoke microsite that can be accessed securely by any employee who needs help to handle a serious issue. It provides step-by-step guidance to make sure that our GMs handle incidents sensitively at a local level and that our Business Leadership Team and Executive Committee has access to strategic resources when a regional response is required.

Alongside our focus on preparedness, we have continued to provide a live issues management service to all our hotels and employees. Our GMs know that there is a 24/7 support team to provide advice and guidance on any issues as they arise. Over the last year, this resource has been deployed to manage a wide range of requests from different divisions and locations across the business.

No business is immune to crises, but we are confident that our focus on preparation means that we are well equipped to manage and mitigate challenges. Through this focus, we are creating a hospitality business that is uniquely resilient.



In today's fast-moving world, where social media can escalate a crisis in minutes and tarnish a reputation, it is critically important to have a smartly executed communications and public relations plan that is sensitive to the nuances of evolving situations and responsive to customer needs.

Renu Hanegreefs-Snehi

Vice President, Corporate Communications, PR & Reputation Management

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TEAM SPIRIT WITH A PROMISE

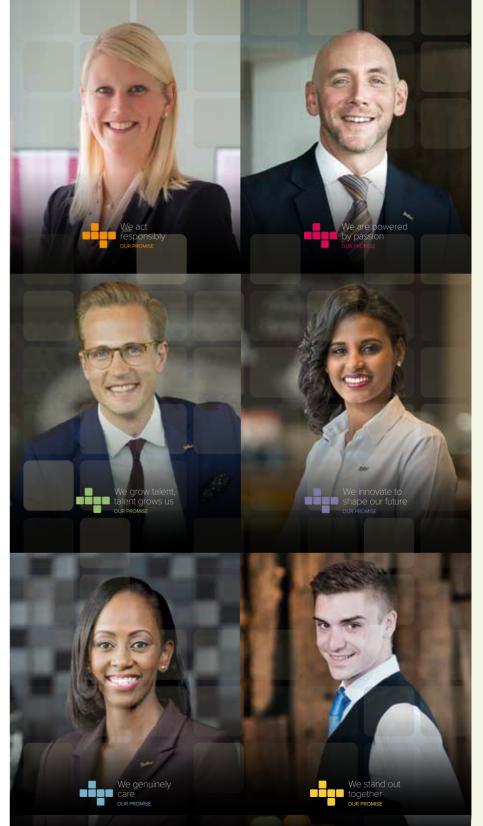
To show our commitment to diversity, individuality and passion, Rezidor has developed 'Our Promise' — a vibrant and vital Employee Value Proposition (EVP). Our Promise summarizes Rezidor's offer to our people and aims to promote employee engagement with the company. It strengthens the human nature of the true Rezidorian spirit, our attitude and our work ethics. Our Promise also recognizes that personal and long-lasting relationships are at the core of our business and crucial to our success.

Our Promise was developed by our people, for our people in an exciting process which involved a multinational and multi-cultural taskforce with members from all levels and areas of the company.

OUR PROMISE

SIX STRONG PILLARS:

- 1. WE ARE POWERED BY PASSION
- 2. WE GENUINELY CARE
- 3. WE INNOVATE TO SHAPE OUR FUTURE
- 4. WE ACT RESPONSIBLY
- 5. WE STAND TOGETHER
- 6. WE GROW TALENT, TALENT GROWS US



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THINK PEOPLE

PEOPLE DEVELOPMENT & TALENT MANAGEMENT

REZIDORIAN PULSE CHECK

Rezidor aims to be the employer of choice for our people. We care for our employees, involve them in our planning and decision making processes, and ask for their feedback.

Our annual Climate Analysis is a group-wide employee opinion survey conducted by an external independent party. In 2016 the results showed employee satisfaction score remained high at 87.9.

The 2016 survey included 27,297 participants from 276 business units. This is an outstanding result within the global hospitality and service industries.

> EMPLOYEE SATISFACTION SCORE



SERVICE CULTURES IN MOTION



Eidos shapes how we deliver our unique service culture for the Quorvus Collection. It gives our guest experience its special quality. Eidos means to deliver the distinctive character of local culture for our quests. It's about creativity and imagination and about immersing oneself in culture. Eidos is about enjoying the very best of the location, and being alive to inspiration. It provides the invigoration and dedication to deliver exceptional service, every day. It gives our culture the energy and style that sets us apart. It's lived through each interaction. It's the way we work as colleagues. Positive. Supportive. Celebratory.



Yes I CanSM! is Radisson Blu's foundation to build 100% satisfaction for our quests. Underpinning everything we do across every part of our business is Yes I CanSM! – it's simply our way of life. It builds one-on-one relationships with guests. It is the heart of our company. It's about being upbeat, positive and pro-active. It's about saying Yes! and making things happen, and every one of us can make a difference. It is empowerment and attitude. It is all about You! - our team, our guests.



Radisson RED is all about connecting with that ageless millennial mindset and believe that hotels can enhance their world via art, music, fashion and a distinctive connection. Our Creatives are therefore trained in 'FLOW' which is based on the philosophy: All that I do. I do with you. All that you do, you do with me, to reach a state of guest flow based on Engagement, Empowerment, Communication & Individuality.



Park Inn by Radisson teams are Happy Makers. Park Inn by Radisson hotels offer an experience that's simple, colorful, friendly. It's about saying Yes! and making things happen, where every one of us makes a difference. During the Adding Color to Life training that each of our Park Inn by Radisson team members go through. delegates experience and explore how they can bring the brand and hotel experience to life for our quests and our colleagues.

PEOPLE DEVELOPMENT & TALENT MANAGEMENT

AWARD WINNERS











Employee of the Year

Kaspars Balodis

F&D Supervisor, Radisson Blu Hotel Latvija, Riga

"It is a great honor to be the Employee of the Year. I'm so proud of my team. Thanks to them, I was noticed. Our Skyline Bar 2015/2016 is like the Chicago Bulls 1995/1996. We are the champion team, we are invincible! There is only one Michael Jordan... And there is only one Kaspars Balodis..."

General Manager of the Year

Lionel Van den Haute

General Manager, Park Inn by Radisson, Brussels Midi

"This recognition by my peers is a real honor. But I would never have succeeded without my team. It is very important for me to be close to them, to lead them in the right direction, to care about them, and to develop them. If they feel happy and comfortable, they will take good care of our guests. Our business is All about People!"

General Manager of the Year

David Allan

Cluster General Manager, Radisson Blu hotels in Dubai

"The award is a testament to the wonderful group of people I have the pleasure of working with. A warmer, kinder, more passionate group of hoteliers you could never wish to meet. When you put these attributes together, hospitality becomes an exciting industry in which to work and definitely the most enjoyable."

Young leader of the year

Stefanie Korte

Guest Experience Manager, Radisson Blu Hotel, Berlin

"Being nominated for the award made me ever so grateful, winning it made me speechless. Somebody once described me as 'What you see is what you get!' and that's what I live and work by and I like to think that it is what has gotten me to who and where I am now - be yourself, be the best version there is, motivate others to be themselves, we are unique and perfect just the way we are, be positive whatever challenge you come across, give your best every day and be happy!"

Diversity & Inclusion Award

Shakeel Al Hamid

Cluster General Manager, Radisson Blu hotels in Jeddah

"I am proud to work for a company with such an honorable heritage. I am gratified and proud that the challenges I faced in presenting the Women in Leadership philosophy to the KSA community have been recognized – it was not at all easy, but we have made incredible progress. This is just the beginning! I am so delighted that Rezidor's vision has been brought to life in the Kingdom."

PEOPLE DEVELOPMENT & TALENT MANAGEMENT



LEARNING TOOLS ON - AND OFFLINE

As hosts to the world, people are our core capital. That's why the first pillar of our 4D Strategy is Develop Talent, especially from within. We offer a range of tools to help each employee realize their full potential and always focus on putting our guest at center stage:

- Rezidor's Learning Landscape
- The Rezidor Business School
- 'Learning Link' our online learning platform

Rezidor's learning landscape offers over 50 online and classroom-based courses. On all platforms and learning cycles, we offered close to 900,000 hours of classroom & on-the-job training in 2016.

Mentors and Mentees

The Rezidor Mentee Program is designed to identify and develop high potential talent to become General Managers within the Rezidor Hotel Group. This supports the company's culture of promotion from within to meet the succession planning needs of our growing business. Since the launch of the program in 2000, we have promoted more than 65 General Managers from within through the program and as of 2017, we will be extending the program to the

Functions. Those selected as Mentors have extensive experience in their role, strong leadership qualities, and the motivation and ability to develop others.

Business School turns 20

The Rezidor Business School celebrated its 20th anniversary in 2016 with over 20,000 alumniemployees. The Business School brings together individuals from different hotels and increases opportunities for "talent- spotting" and internal networking.

International Business Schools take place four times a year. We also organize regional Business Schools or local courses as the need arises. On average we train 1,500 employees through our internal learning platform annually. The programs are scheduled over a one-week period and are facilitated either by our own internal trainers or by external consultants who are specialists in their subject.

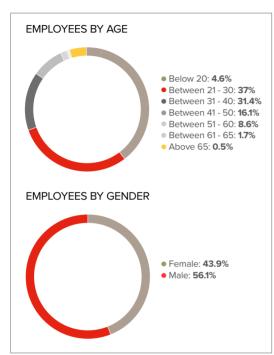
Learning Responsible Business

Since 2008, Rezidor's successful Living and Leading Responsible Business classroom-based courses have been part of the local curriculum and mandatory for

all employees. The strengths of the training are its interactivity and intense Q&A moments, with annual refresher sessions in each hotel.

The Living Responsible Business course shows best practices on the job and at home. In addition, we focus on our policies such as our Human Rights Policy and Code of Business Ethics and include a special module on Child Protection. Leading Responsible Business focuses on how management teams can drive Responsible Business action plans in their hotels. In 2016 70% of the employees were trained or retrained in Responsible Business.

EMPLOYMENT & EMPLOYABILITY



In 2016, our employees came from 155 nationalities. 43.9% Of our employees are women: 56.1% are men. Of the total workforce, 14% is outsourced labor, mainly in housekeeping and banqueting departments. 39% Of employees are covered by collective bargaining agreements.

Empowering employees and social dialogue

In line with the European Union Directive on Works Councils (94/45/EC), Rezidor has established a European Works Council. The Council includes representatives of our central management and employees. Annual meetings are held, including in 2016, where topics such as the Group's finances, business development, performance, ethics & human rights, responsible business future ventures, and other important issues are discussed with employee representatives.



and their families.

YCI conducts a six-month education program which empowers disadvantaged young people and trains them for their future professional and social life. It helps students between 18 and 21 who have dropped out of school, lack the financial means to complete their education, or are at risk of exploitation. Success rates are impressive: 85% of the program's graduates get a job at Rezidor or another company, or continue their education.

We are currently running successful YCI programs in five countries (Ethiopia, Poland, Romania, Senegal and Zambia). Rezidor was part of the revaluation of the YCI program model in 2015-2016. During 2017 the program will be optimized to develop its success and wider implementation in the industry.

THE YEAR

DIVERSITY & INCLUSION

A beautiful mosaic

At Rezidor, part of striving for excellence is celebrating the diversity of our people. That includes respecting that each and every one of us is unique. We believe in creating a working environment where the things that make us different are always valued. These principles are communicated very clearly in our Code of Business Ethics, our Human Rights policy and our Employment Principles.

Operating in over 80 countries, Rezidor recognizes that our uniqueness comes from both visible differences, such as age and gender, and less visible differences, such as beliefs and sexuality. We know that if we encourage everyone in the company to feel involved and respected, the richness of their ideas and perspectives will create long-term value.

Empowering women

Rezidor is committed to Balanced Leadership focusing on promoting more women to take on leadership roles within the company. Supported by our CEO, Board and Business Leadership Team, the initiative is driven by

First STEPS program in Radisson Blu Hotel, Jeddah, Saudi Arabia

various actions both within and outside the company. To involve more women in leadership roles, Rezidor wants to:

- **Challenge** existing thinking and increase the representation of women in senior positions across the entire company
- Break down the barriers that prevent women across Rezidor from speaking openly about their careers and encourage them to consider flexible approaches towards their working conditions
- Harness the individual strengths of our female leaders and actively encourage their collective participation at every level of our business
- Develop and retain our female leaders through sustainable and lasting changes which focus on longterm career planning for all.

In return, we are promoting women in senior positions to lead by example and become positive role models for the future. They are uniquely positioned to help us develop a culture where our principles and processes ensure that more employees choose Rezidor.

Easier for Middle East moms

All Rezidor Hotels in the Middle East Region have established enhanced Maternity Leave Policy. It's aimed not only to encourage women to seek leadership roles but also to create the right working environment for them to grow to their full potential in their career, while balancing their professional and family life. The Middle East in general is considered to have the shortest average statutory maternity leave according to ILO (International Labor Organization) at 9.2 weeks (6.4 weeks in UAE). Hotel companies operating in the region strictly follow this statutory minimum labor standard, except for Rezidor which now offers a sixmonth phased Maternity Leave.

High-octane female leadership workshops

Our Balanced Leadership initiative is paying off. During 2016 more than 100 women completed new courses

launched in 2015, aimed at developing female talent in the company. The STEPS Program is aimed at women at Head of Department/Manager level, while DEVELOP YOUR TALENT is a workshop for senior female talent in the organization.



"STEPS is an encouraging commitment from Rezidor to invest in its female leaders. The program gave me the opportunity to personalize my development plan, share and learn from experiences

and learn of the challenges from women in similar positions across EMEA. It was valuable to meet with a professional coach to point me towards the right direction for the future."

Anni Timonen Executive Assistant Manager

STEPS up for women in Saudi Arabia

As a first for any hotel group, Rezidor held a special development course for 11 Saudi women at Radisson Blu Hotel, Jeddah in November 2016, called the STEPS High Potential Female Development Program. It's all part of Rezidor's aim to be the leading hotel company in Saudi Arabia to promote and encourage gender diverse workplaces.

DIVERSITY & INCLUSION



Develop Your Talent Workshops

Rezidor has developed a dedicated, tailor-made, and interactive 'Develop Your Talent' Workshop to support senior female talent. Throughout 2015 and 2016 the program welcomed 30 participants to:

- Refresh their core development planning skills, and discover how people learn
- Review their current role, identify potential future roles, and to identify competency gaps
- Practice prioritizing development areas and writing tailored, personalized development plans
- Share experiences and ideas.



"I experienced these courses as a fantastic opportunity. In fact, you get two big gifts: time to reflect on yourself and a big mirror to look into. I learned a lot about myself by questioning and by the open and honest interaction with the other participants. It really helped me in taking the next professional career step. If you get this chance, TAKE IT!"

Tineke de Wit

General Manager, Park Inn by Radisson, Brussels Airport



Diversity in action

Nosiphwo Mngoma was born deaf and struggled to find employment as a result. Her situation is common with over 70% of deaf people in South Africa struggling to find work. Nosiphwo's break came when she was employed as a cleaner in the kitchen of the Radisson Blu Le Vendome Hotel. Executive Chef Craig Charmichael noticed Nosipho's enthusiasm and passion for baking and promoted her from cleaner to baker. He has now arranged for her to start a 12-month course with one of best master chocolatiers in South Africa – Lindt. Nosiphwo's appointment follows on from the initiative of the Park Inn by Radisson Cape Town Newlands where 30% of the employees are deaf, which has won recognition by the Guardian Sustainable Business award.

BUSINESS ETHICS



WORLD-CLASS LEADING ETHICAL BUSINESS FOR 7th CONSECUTIVE YEAR

In 2016, Rezidor was again listed as a World's Most Ethical Company by the Ethisphere Institute, a US think tank dedicated to business ethics. This was the seventh consecutive year in which Rezidor has received this prestigious honor. Additionally, for the past four years it is the only Belgian company who has achieved this status. Ethisphere and the World's Most Ethical Companies designation, which recognizes those companies who align principle with action, work tirelessly to make trust part of their corporate DNA, and in doing so, they shape future industry standards by introducing tomorrow's best practices today.

Being honoree a seventh consecutive year underscores Rezidor's commitment to leading ethical business standards and practices, ensuring long-term value to key stakeholders including customers, employees, suppliers, regulators and investors.

The World's Most Ethical Company assessment is based upon the Ethisphere Institute's Ethics Quotient™ (EQ) framework developed over years of research and vetted and refined by the expert advice from Ethisphere's World's Most Ethical Company Methodology Advisory Panel. The EQ offers a quantitative way to assess a company's performance in an objective, consistent and standardized way.

For more information, go to www.ethisphere.com

BUSINESS ETHICS

Rezidor's Code of Business Ethics

Rezidor's Code of Business Ethics governs how we do business. It enables us to take positions on key issues of business ethics with a single voice. The code includes ten principles which guide us whenever an business decision needs to be made. The principles are:

- 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 REZIDOR'S RESOURCES
- 9. WE THINK OF SAFETY AT ALL TIMES
- 10. WE TAKE CARE
 OF THE EARTH

Ethics Instruction

Rezidor's Code of Business Ethics applies to every person who works for us and every one of our companies. It is distributed to all employees in the 'It's All About You' employee handbook. The Code of Business Ethics is available in summary and detailed form on www.rezidor.com and is included in our internal procedures manual. All employees are trained in the Code of Business Ethics, its implications and reporting processes. The training occurs in the classroom-based Living Responsible Business course which is mandatory for all employees.

Ethics website and hotline

A key pillar of ethics in Rezidor is www.rezidorethics.com, a website run by an independent third-party organization — Ethics Point. Employees can use this site to find information on our Code of Business Ethics and report concerns anonymously.

Any employee with concerns or questions about the Code is encouraged to raise these directly with their supervisor or person of trust in the hotel or regional organization. If this is not possible, the employee can report the issue on www.rezidorethics.com. The site and hotline are available in 11 languages.

Anti corruption

Rezidor does not make any contributions or give other support (direct or indirect) to political parties or individual politicians.

Financial assistance

The Rezidor Hotel Group receives no direct or significant financial subsidies from governmental organizations in the countries where we operate hotels. However, a number of our hotels have received subsidies or tax relief for their Think Planet environmental investments. These subsidies totaled €40,000 in 2016

Subsidies or tax relief for environmental investments was granted in Denmark, Germany, Norway, Sweden, Switzerland, Turkey and United Kingdom.

Anti-bribery compliance

Compliance with the UK Bribery Act and the US FCPA is promoted by:

- Making anti-bribery part of our Code of Business Ethics
- Training employees
- Inserting a reference to the legislation in all partner contracts
- Confirming compliance by all employees in management positions once every year.

Anti-bribery training

Rezidor's Anti-Bribery e-learning training provides participants with the opportunity to understand our company's policies and procedures so they know how to correctly respond to any bribery related issues. The training is in line with the UK Bribery Act and the US Foreign Corrupt Practices Act (FCPA). The aim of the course is to educate individuals about anti-bribery regulations and the consequences if they are not applied correctly. At the end of the training, participants know how to react when confronted with bribery.





THINK COMMUNITY

ACTION MONTH

BLU PLANET DONATIONS HELP PROVIDE

8,300

CHILDREN WITH SAFE DRINKING
WATER FOR LIFE

212
HOTELS PARTICIPATED
IN EARTH HOUR

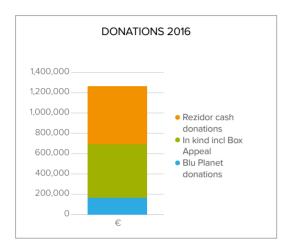
20,0 CLOSE TO
VOLUNTEER HOURS

TOTAL AMOUNT OF DONATIONS IN CASH & IN-KIND

€1.2M



COMMUNITY ENGAGEMENT



As a global hospitality company, we try to make the relationship between our business and the communities where we operate beneficial to both. There are important social needs in many of the communities where Rezidor operates. We aim to have a positive impact on those communities by creating shared value with our sustainable brand focus. We do this through Think Community which generates meaningful donations and volunteer time. In 2016, Rezidor gave over €1.2 million in cash and in-kind donations to international, and local charities.

RESPONSIBLE BUSINESS ACTION MONTH

One of the annual highlights of Rezidor's Think Community pillar is Responsible Business (RB) Action Month. In 2016 we celebrated it for the thirteenth consecutive year. Held in September, RB Action Month sees Rezidor's corporate offices and hotels around the globe positively touch local lives through organized activities, volunteering, and raising cash and in-kind donations.

Our employees show real passion for serving guests every day. In September each year they show the same passion while serving our local communities.

Radisson Blu Stavanger raises €45,000 for charity

The Radisson Blu Atlantic Hotel Stavanger closed its doors on 1 September 2016 for a total renovation. As part of RB Action Month, the hotel partnered with Norsk Folkhjelp (Norwegian Rescue Team) to hold a clearance sale and auction furniture to raise funds for the organization. Norsk Folkhjelp is renowned for helping tourists and hikers who get into trouble while exploring Norway's amazing nature. The auction was a huge success and raised over €45,000. The funds will be used by the rescue team to buy a new boat which will be used on the Norwegian fjords, a true Blu Planet water link.

Annual Box Appeal campaign delivers again

In 2016, 15 Radisson Blu and Park Inn by Radisson hotels in six Middle Eastern countries took part in our annual Box Appeal, a month-long annual charity campaign in which the general public is asked to give back to those who need it most. The Appeal distributed 17,000 boxes filled with necessities to underprivileged laborers and people in need. This represents a donation in-kind of approximately €335,000. Since the Box Appeal launched in 2008, Radisson Blu and Park Inn by Radisson hotels have donated over 100,000 boxes. This represents a total in-kind donation of about €2.1 million.



COMMUNITY ENGAGEMENT



During Responsible Business Action Month 2016, employees from Radisson Blu hotels organized cleanup events at rivers and beaches, and took part in other initiatives to fight water scarcity.

Soap for Hope[™]

Did you know that 7 million children die per year due to diseases that could have been prevented with proper hand-washing? In partnership with global supplier Sealed Air, Radisson Blu hotels joined Soap for Hope™ to bring free hygiene to communities in need.

Recycling used hotel soap is not a new idea. What is new is Soap for Hope's local approach. Through an innovative but simple cold-press method that is easy to operate, Soap for Hope™ decentralizes and brings the initiative to communities that are located near partner hotels.

As part of the launch, more than 50 hotels across Africa, the Middle-East and Asia Pacific started

collecting, reprocessing, and distributing soap bars. Hotels work with a local community partner who processes the used soaps, distributes the soaps as free hygiene or sells them on – sometimes back to the hotel as VIP gifts. Soap for Hope[™] thus transfers skills to the local community and improves the livelihood of the local people involved.

Hand washing with soap is one of the most effective, and least expensive, ways to prevent diarrheal diseases and pneumonia. Each year, the hotels and their local community partners estimate they will distribute 66 tons of soap, or free hygiene for about 45,000 people.

BLU PLANET DONATIONS HELP PROVIDE

8,300

CHILDREN WITH SAFE DRINKING WATER FOR LIFE

Blu Planet helps water stressed communities

The cooperation of Radisson Blu Hotels and Resorts with the international water charity Just a Drop brings safe drinking water to water-stressed communities in Peru, Kenya and India.

Radisson Blu Hotels and Resorts collect donations through the towel reuse program.

Every 250 times a guest chooses to use their towel for a second night, Radisson Blu donates funds to Just a Drop to provide a child with safe drinking water for life.

For more information, go to www.justadrop.org

International water charity Just a Drop helps communities to improve health and nutrition, provide food security and stimulate the community's rise out of poverty. Especially the women and children are positively impacted as they no longer have to walk long distances to collect water.

To date, funds collected through Blu Planet have funded the construction of a sand dam, a water abstraction shallow well, a rock water-catchment, and two school water tanks, the donations collected via Blu Planet benefit over 8,300 people.

COMMUNITY ENGAGEMENT

Adding Color to Lives

Park Inn by Radisson is a young hotel brand. Many Park Inn by Radisson hotels are located in city-centre locations where underprivileged youth live in the immediate surroundings. As part of "Adding Color to Lives", the hotels build a long term relationship with local youth at risk groups to tap into new talent and create good contacts with the local community.

"Adding Color to Lives" focuses on marginalized youth, whose voices are rarely heard in society. They include refugees, orphans, school drop-outs and the economically disadvantaged.

To launch "Adding Color to Lives" in September 2015, we invited artist Joel Bergner to create and paint a series of public murals. A recognized artist and social educator, Joel worked together with local disadvantaged youth and hotel employees. The project generated a unique collaboration and gave the young people a chance to express themselves through art.

In 2016 Park Inn by Radisson hotels were tasked to come up with an "Adding Color to Lives" plan for their hotel to create a platform for their local community. The ideas articulated each hotel's long-term ambition to support atrisk youth in their local communities, through sports and art projects, tailored traineeships or skills training courses at the hotel

The best long-term plans won a Bergner project for their city. Winning hotels for the 2016 campaign include Oslo, Tallinn, Krakow and Johannesburg. Guided by Joel, local youth and Park Inn by Radisson employees designed and painted fabulous urban murals.



"During the project my thinking about the future has changed because I've experienced something new, something different. I've opened up my outlook and the project has allowed me to dream that I can become a pastry chef in the future."

Ewelina, a young participant in the Krakow mural

A bright future for refugee youth

The refugee crisis has had an impact across Europe and thousands of young people have suddenly found themselves in a new place, often after a long and traumatizing journey. Every one of them has their own hopes and dreams for a better life. As part of "Adding Color to Lives" Park Inn by Radisson Leuven is working closely with local youth organizations and schools to offer a brighter future to young refugees.

After arriving in Belgium as refugees, Hassan, Ajmal, and Zia were placed in a vocational school which admits youngsters without papers and gives them specialized support and follow-up. They also took Dutch classes.

As part of their education, they took up traineeships at the hotel – all becoming talented members of the kitchen team. All three have since been offered full time jobs at the Park Inn by Radisson Leuven, where they continue to develop and build their future.











THINK PLANET

32%

OF HOTEL ENERGY
IS RENEWABLE

39,000° z

OF CO2 OFFSET

& TREES PLANTED

29%
WATER SAVED

OF ALL LIGHTS IN OUR HOTELS ARE ECO-FRIENDLY 79%

OF HOTELS ARE ECO-LABELED

24% ENERGY SAVED

ENERGY

As a pioneer of sustainability, Rezidor adopted the hotel industry's first environmental policy in 1989. We followed with the first comprehensive Responsible Business program in 2001. Since then we have gradually developed various environmental actions and launched Think Planet in 2012. Think Planet covers the environmental actions of the business including energy efficiency, carbon footprint reduction, water conservation, waste management and sustainable procurement. Our goal is to minimize Rezidor's environmental footprint without compromising guest comfort.



Energy efficiency

Due to the nature of the hotel business, hotels consume a lot of energy in climate control, food service, the living environment, and recreational facilities to provide our guests with the best service. However, we never stop reducing our use of energy.

Think Planet was launched in 2012 as a campaign to reduce energy consumption by 25% over 5 years (2011 baseline). In order to guide our actions and initiatives, we developed five pillars for the energy-saving part of Think Planet:

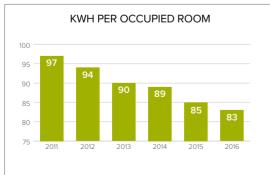
- Think Planet investments. We believe that investments are a key step in saving energy. As well as investing in proven energy saving measures such as efficient boilers and pumps, we are also testing innovative technologies: for example, wireless questroom controls.
- LED lighting retrofit. LED lights use 95% less energy than conventional bulbs and have a lifespan that is 25% longer. This makes it an ideal technology to reduce energy consumption. We introduced a groupwide initiative to retrofit LED lights in all of our hotels.
- Responsible renovation and construction. We want to operate buildings with the lowest possible energy and carbon footprint. At Rezidor, this is done based on the Think Planet principles in our standards and in close cooperation with property owners, builders, and architects.
- 4. **Think Planet tools**. Easy to implement energy saving tools which provide a quick return on investment for example, motion and daylight sensors.
- 5. Think Planet habits. The involvement of all employees is essential to realize our Think Planet targets. We use continuous and creative communication to ensure that employees develop good energy use habits such as switching off appliances and lights when not in use.

ENERGY

2016 Energy saving results

During 2016, Rezidor's energy intensity reduced further to 83 kWh per occupied room. Energy per m² was stabilized at 250 kWh. These gains have been achieved by optimizing the lighting, heating and cooling systems, focusing on energy efficiency in daily operations, and investing in new technologies. In weather-adjusted terms and considering hotels that have been in operation during the 5 years, this corresponds to a 17% saving in kWh per m² and a 24% saving in kWh per occupied room.







Engaging employees in Think Planet habits with Lumi

Lumi, the Firefly, is the energetic Think Planet mascot who lights the vital energy-saving spark in our employees. A firefly is the ideal mascot for Think Planet: these little insects generate light 100% efficiently. To develop the energy savings habits of our employees, the Think Planet employee engagement program includes:

- The Lumi quiz by answering five energy related questions correctly, employees had a chance to win an iPad each month.
- Lumi tips every week Lumi gives the employees a tip on how to save energy or water, or reduce waste.
- Think Planet Solutions Game: an online game to help General Managers and hotel teams to identify the correct Think Planet solutions.
- The Lumi Talks video competition where hotels send in their short videos showing how they are saving energy in their hotel.

ENERGY

Tromsø wins Think Planet Award

The Radisson Blu Hotel Tromsø has received the 2015 Think Planet award for their stunning 25% reduction in energy use since the start of Think Planet. The 130 employees of the hotel were presented with Think Planet bicycles as a thank you for this impressive achievement.

The energy savings were achieved through a comprehensive investment program which was carried out during renovations of the hotel's meeting and events space. The Think Planet investments focused on technical installations such as a replacement of the windows on the M&E floor, upgrade of the Building Management System and the new controls of pavement heating (necessary in the Arctic circle). The investment was done in close cooperation with the owner of the property, DNB.

St. Petersburg shines on Think Planet

The Radisson Blu Royal Hotel St. Petersburg on Nevsky Prospect achieved a 33% energy saving in 5 years by focusing on fine-tuning existing installations, by focusing on preventive maintenance, installing new pumps and a full LED retrofit.

Frankfurt saves 22%

Radisson Blu Hotel, Frankfurt is an architectural landmark built in the form of massive disc. With more than 400 rooms and suites, it has enormous energy needs, which have been reduced by 22% over the past 5 years. Efficiently built just over 10 years ago, the hotel achieved these impressive savings by optimizing the Air Handling Units, overhauling the cooling system and installing LED facade lighting.

Radisson RED loves Tesla

As part of its drive for technological innovation, Radisson RED Brussels installed a Tesla Powerwall in the hotel lobby. The Tesla Powerwall (essentially a beautifully designed battery), stores energy from 20 solar panels on the roof which is used to power the large video wall plus give energy to the hotel grid.



CARBON FOOTPRINT

Rezidor's scope 1 and 2 greenhouse gas emissions primarily result from energy consumption. Since 2006, Rezidor has calculated our carbon dioxide and equivalent emissions. Rezidor's group carbon footprint per guest-night in 2016 amounts to 21.4 kg of CO₂-equivalent (CO₂e), 16% lower than in 2011. Our total scope 1 and scope 2 carbon footprint amounts to 409,972 tons CO₂e.

CARBON OFFSETTING

Since it was first launched in 2013, the Club Carlson Meetings Minus Carbon initiative has offset 39,000 tons of carbon dioxide equivalent ($\mathrm{CO}_2\mathrm{e}$) and planted an additional 39,000 trees.

Club Carlson partners with Carbon Footprint Ltd to purchase carbon credits after each Club Carlson for Planners event. Effectively each ton of carbon generated is offset twice: once with the planting of a tree in Kenya's Great Rift Valley, and either an investment in a Verified Carbon Standard (VCS) wind energy project in India or a REDD Rainforest protection program in the Brazilian Amazon forest. In addition to offsetting CO₂ emissions, the program protects water catchment areas, rehabilitates wildlife habitats, and reduces poverty by providing additional income in local communities.

In Kenya, Meetings Minus Carbon's local partner is The Escarpment Environment Conservation Network (ESCONET). ESCONET is working with the Great Rift Valley community to rehabilitate, conserve and protect the natural ecosystem promotes the sustainable maintenance of a clean, healthy environment.





"ESCONET has been my main source of income for the last three years, offering me permanent employment. In the past I did odd jobs and even fetched firewood from the forest to sell so I could put food on the table for my family. As my late husband suffered, I had a reliable source of money for his care. Today I am the family breadwinner. I continue to be a member of my church and provider for my family, while also caring for my dairy cow which I will soon be milking. While I previously considered the forest a source of firewood, I now consider it as the provider for my family."

Wa chiru, a recently widowed mother of two daughters, lives in the Valley and works on ESCONET projects

Hotel Carbon Footprint Measurements

In 2012, the Hotel Carbon Measurement Initiative (HCMI) was launched by the international Travel Partnership (ITP) and World Travel & Tourism Council (WTTC), together with all major hospitality companies. Rezidor is an active member of the HCMI working group and has rolled out the methodology to all managed and leased hotels. HCMI is also the basis for our Meetings Minus Carbon program.



100% renewable in Sofia, Bulgaria

Since 2016 Park Inn by Radisson Sofia is using only electricity produced entirely by renewable, environmentally friendly energy sources. The Agency of Sustainable Energy Development issued a certificate on the basis of guarantees of origin. Even though the hotel's energy is 100% green, the team continues to reduce the hotel's energy consumption.

... and in Norway

The 17 managed and leased Radisson Blu and Park Inn by Radisson hotels in Norway get 100% certified green energy from hydropower. This amounts to a total 65 GWh in 2016.

BIODIVERSITY AND URBAN AIR QUALITY







Think Planet biodiversity - BEEER

When Jānis Šnikvalds approached the Radisson Blu Elizabete Hotel in Riga (Latvia) to ask if he could place a couple of beehives on the hotel's roof, General Manager Gerhard Erasmus didn't take much convincing. And why not? In 2016 alone, seven bee species have been added to the global endangered species list.

In June, Jānis and his team placed 12 beehives on the hotel's rooftop. After just six weeks, the hives were full. Each had managed to make 30 liters of honey! The honey made the perfect welcome gift for hotel guests. But there was still honey left!

After meeting with brewers from Madonas Craft Beer, Radisson Blu Elizabete's very own honey beer was born! We invite you to stop by at Radisson Blu Elizabete for a drink and try our refreshing homemade honey BEER!

Today we count 27 Rezidor hotels with beehives or a local beekeeper program.

Think Planet Biodiversity - Herb gardens

Soon after the opening of the iconic Radisson Blu Hôtel 2 Février in Lome, Togo, the food & drink team has planted an organic garden. The space is used to grow aromatic herbs and vegetables including lettuce, green onions, basil, thyme, and citronella. By growing their own, the hotel can offer local, fresh, nutritious veggies quaranteed free of chemicals.

Just a few months later, fresh herbs and vegetables were already served on the salad buffet. Every restaurant in the hotel now has a magnificent basil flavor and the bartenders prepared a non-alcoholic mojito which uses basil instead of mint.

Electric car charging in Tbilisi

In December 2016 the Radisson Blu Iveria Hotel, Tbilisi opened an electric-car charging station. The hotel was the first business in Georgia to join an innovative project by E-space which will promote electric vehicles and build the necessary infrastructure in the country.

Radisson Blu Iveria Hotel offers free hotel parking at the charging station. The initiative is part of the social campaign 'More Oxygen to the City'.



81 HOTELS HAVE A CHARGING STATION FOR ELECTRIC VEHICLES

ESPONSIBLE BUSINESS REPORT 201

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WATER STEWARDSHIP



Water stewardship

To address the challenge of managing global water resources and providing everyone with access to clean drinking water, the United Nations established the CEO Water Mandate in 2007. This unique public-private initiative is designed to assist companies in the development, implementation, and disclosure of water sustainability policies and practices. Rezidor signed the CEO Water Mandate in 2014, becoming the first hospitality company to do so.

Since Rezidor signed the mandate, we have centered our actions on the following six water stewardship commitments:

- 1. Direct operations
- 2. Supply chain
- 3. Collective action
- 4. Public policy
- 5. Community engagement
- 6. Transparency

Water initiatives

As part of Think Planet, the Water initiative has been specifically designed to help our hotels to further reduce their water consumption.

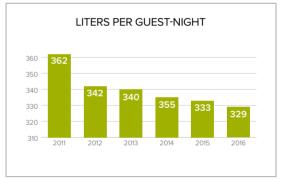
The action plan and toolkit we have developed includes tools and solutions for guest rooms, kitchens, pools, landscaping, and technical plants. We install watersaving technologies in areas where water consumption is high, and engage our guests through initiatives such as our towel re-use program or by providing information on the reduced water footprint of our Super Breakfast at Radisson Blu.

The Think Planet Water toolkit also includes three training movies, featuring our mascot Lumi, to train housekeeping, laundry, and kitchen employees. We designed the Lumi performance board in order to help our employees understand the target and track their performance with accuracy and credibility.



2016 Water consumption in direct operations

Around 29% of Rezidor's water consumption occurs in water-stressed areas (mainly in the Middle East and Sub-Saharan Africa). Because of this, we pay close attention to reducing the use of water in our operations. Between 2007 and 2016, Rezidor reduced water consumption by 29% (in liters per guest-night). By the end of 2016, our hotels' average water consumption amounted to 329 liters per guest-night.



A TOTAL OF

391,640m³

WATER OR 157 OLYMPIC SWIMMING POOLS WAS COLLECTED FOR REUSE



THINK PLANET

WATER STEWARDSHIP

A TOTAL OF

54,689m³

OR 22 OLYMPIC SWIMMING POOLS OF RAINWATER COLLECTED FOR REUSE

Hotels with OPL reduce energy and water consumption by over 25%

Radisson Blu hotels around the world are doing their part to help conserve and protect the earth's priceless water supply through the Blu Planet initiative. As part of Blu Planet, Radisson Blu hotels are constantly looking for new technologies and solutions which can reduce the environmental impact of their operations.

With this in mind, the Diversey Care team approached Radisson Blu and asked them to cooperate on a pilot project at the Dubai Deira Creek hotel in the UAE. The hotel agreed to test Diversey Care's Clax Advanced system for their on-property laundry (OPL). Clax Advanced is a new low-temperature solution that maximizes efficiency in hotel laundries.

The four-month test delivered fabulous results with energy and water usage reduced by respectively 25% and 27%. After this first successful pilot, we will focus on rolling out Clax Advanced to our 82 OPLs.

Radisson Blu Hotel and Convention Centre, Kigali, Rwanda, is 68% more water efficient than the country baseline

A landmark hotel and convention center, the Radisson Blu Hotel & Convention Center Kigali, is also a shining star in Think Planet. The hotel with 292 rooms



and conference facilities that can host more than 5,000 people is housed on beautiful landscaped grounds.

The combination of 100% grey water recycling and rainwater capture on the roofs of the hotel and convention center provides enough water for toilet flushing in the hotel and irrigation of the entire grounds.

These investments make the hotel 68% more water efficient than the country baseline for a similar property, as calculated in EDGE.

Water harvesting in Doha, Qatar

The Radisson Blu, Doha is continuously working to become more environmentally sustainable. One of the latest projects involves reclaiming water from our laundry operations and using it to irrigate the landscape surrounding the hotel's employee accommodation.

The project started when hotel employees noticed that the rooftop air conditioners for the laundry use a spray water system to cool the condensers. The cooling water was drained onto the roof where it evaporated.

Today that cooling water is collected from the roof, filtered, and directed into four tanks with a total capacity of 25,000 liters.

Collective Action – HWMI

Global hotel groups, including Rezidor, have worked together to create the industry's first coordinated and consistent water measurement tool, called Hotel Water Measurement Initiative (HWMI).

As chairman of the ITP, our President and CEO Wolfgang M. Neumann launched HWMI during World Water Week in Stockholm. The launch of the free HWMI tool to the hotel industry at large is a major step forward in the hotel industry's stewardship of water.

HWMI makes it possible for any hotel to measure and report on the water footprint of a hotel stay, meeting, or event. HWMI is free and easy to use, and will help us achieve a shared baseline for our hotels around the world. HWMI will allow Rezidor to measure our water use in the same way as other hotel companies and will generate common awareness about water usage in tourism and travel.

Through funding provided by Rezidor, the HWMI tool is available online on the website of the Green Key ecolabel (www.greenkey.global).

WASTE REDUCTION



20%
RECYCLING

200+

HOTELS HAVE WASTE SORTING FACILITIES ON THE HOUSEKEEPING TROLLEYS

88%

HOTELS WITH DEDICATED WASTE SORTING AREA

53

HOTELS HAVE AN ORGANIC FOOD GRINDER TO PRODUCE LIQUID ORGANIC WASTE Waste is generated by many activities in our hotels including food preparation, consumption of prepackaged items, guest waste, and cleaning. Rezidor pro-actively seeks ways to reduce the residual waste which goes to landfill or incineration.

WASTE REDUCTION INITIATIVES

Fighting Food Waste

Roughly one-third of the food produced in the world for human consumption annually — approximately 1.3 billion tons — is lost or wasted. As consumers and employees in the hotel industry, we are already working to change this. 53% of our hotels are accurately measuring food waste during preparation, from the plate or from spoilage. We have also rolled-out food waste reduction training through our network of area chefs. The training has already resulted in a reduction of 20% in waste-per-cover in selected locations. Radisson RED has a particular focus on aiming for zero food waste and has put an 'inglorious vegetable soup' on the menu.

The Director of Kitchens, Uwe Micheel in Dubai is a Responsible Business hero. Next to being a well-known ambassador for sustainable seafood, he also became a proud sponsor of the #stopthewaste awareness campaign. The hotels offer guests 10% the bill if they finish all the delicious food on their plates at our restaurant Boulvar.

WASTE REDUCTION

1040
LITERS OF BIODIESEL PER
YEAR, OR MORE THAN

9,000 KM
ECO-FRIENDLY DRIVING
IN KIEV

97% waste recycling in Nairobi, Kenya

In the brand new Radisson Blu Nairobi, the team duly sorts all kinds of waste in key fractions. From there, the waste is collected by TAKA TAKA Solutions, an innovative local waste treatment company and recycled up to an impressive 97%. Taka Taka employs local Kenyans who, for example, make wine glasses out of old wine bottles. The half yearly detailed waste reporting shows that the bulk of the waste is organic which is composted. The second largest fraction is plastics which are turned into for example fleece jackets and fencing poles.

Radisson Blu Kiev gets creative with bottle tops and cooking oil

The Radisson Blu Hotel, Kiev is a business hotel with large conference and dining facilities. Each year employees collect a large number of plastic water-bottle tops. The

hotel's Responsible Business team found an organization which uses the plastic tops as a raw material which they recycle into products. Instead of paying for the tops, they will use the money they save to buy artificial limbs for people. The hotel donated 90 kgs of tops to the organization in 2016.

Biodiesel is a combustible fuel made from vegetable oil or animal fat. As biodiesel is biodegradable and renewable, it emits less harmful greenhouse gasses when burnt as fuel. In 2016, the Radisson Blu, Kiev launched a new campaign to recycle oil from the kitchen. The hotel signed an agreement with a Ukrainian company which buys all the cooking oil from the hotel. Every three weeks, the hotel sends around 60 liters of used oil for recycling and receives biodiesel in return. The fuel can be used in any vehicle with a diesel engine.

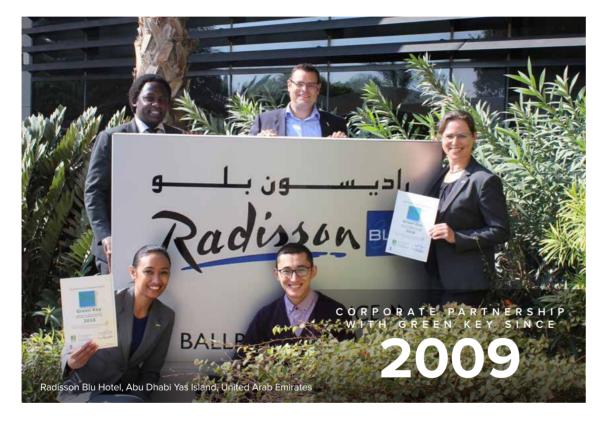


ECO-LABELS









282
ECO-LABELLED HOTELS

HOTELS
WITH TRIP ADVISOR'S
GREENLEADER LABEL

An eco-label guarantees guests that Rezidor hotels operate in a Think Planet way. 79% of Rezidor hotels are currently eco-labelled. Our target is to have 100% of our hotels eco-labeled. All of the eco-labels we use are specific to the hotel industry and are verified through third-party, onsite audits as part of the certification process.

Our biggest partner Green Key enjoys a global reputation. To date, more than 220 Rezidor hotels have received an eco-label from Green Key.

Green Key is one of the largest hospitality certifiers in the world. Since the first Green Key hotel in Denmark in 1994, the certification has been granted to over 2,500 hotels and accommodation venues in 53 countries. Hotels with the Green Key eco-label comply with around 100 sustainability criteria covering lighting, energy consumption, waste management, and water usage.

We work with Green Key, and encourage our hotels to be certified by them as they are recognized by:

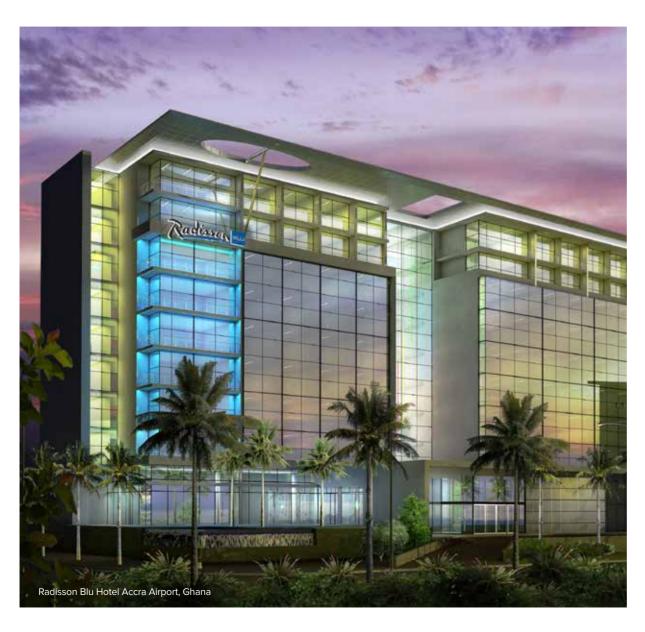
- The United Nations Environment Program (UNEP)
- Global Sustainable Tourism Council's (GSTC).

To qualify for a Green Key eco-label, a property must for example comply with the following requirements:

- Have eco-friendly lighting in at least half the property
- Reduce energy and water consumption
- Treat all waste water
- Recycle a maximum amount of waste.

Next to Green Key, our hotels are also certified by leading national labels. In the UK our hotels are certified by the Green Tourism Business Scheme and in Ireland by the Green Hospitality Award. In Africa, eight Rezidor hotels have received the Green Leaf eco-label.

ECO-LABELS



Green buildings in emerging markets with IFC EDGE

In June Rezidor signed a unique cooperation agreement with the International Finance Corporation (a member of the World Bank) to promote green buildings in emerging markets. Rezidor became the first international hotel company which has committed to use IFC's EDGE tool and certification.

EDGE encourages efficient buildings by demonstrating the most cost-effective ways to reduce resource usage early in the design process. EDGE includes powerful and free eco-modeling software which makes the business case for using less energy and water, and building with efficient materials.

The Radisson Blu Hotel Accra Airport in Ghana is the first hotel in Africa to receive the EDGE design certification. The hotel is part of a larger real estate development and has the CDC Group, the UK development finance institution, as a major investor. CDC played a key role in the certification.

Actis, a leading investor in growth markets, and Mabani Holdings developed The Exchange, which houses the hotel. The Exchange site received EDGE certification as it utilizes 30% less water, 25% less energy, and 28% less embodied energy in the building.

RESPONSIBLE SUPPLY CHAIN

As part of our Think Planet energy, water, and waste reduction programs, Rezidor works with sustainable suppliers to provide integrated projects and solutions for our hotels. We are also committed to combating modern slavery in the supply chain, and encouraging our partners and the broader business community to take a stand against human trafficking and for human rights.

Key suppliers

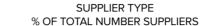
Suppliers such as Siemens Building Technologies, Johnson Controls International, Osram, Sprinx, Intellihood, Grohe, Grundfoss, and Sealed Air provide the latest sustainable products to the Rezidor Hotel Group. At the same time, they focus on sustainable production methods and operations.

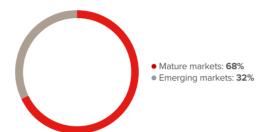
Responsible Food & Drink Supply Chain

In our Food and Drink operations, where a large part of our carbon footprint originates, we work with responsible suppliers and apply sustainable purchasing practices. Across the Group, 35% of our hotels serve Fairtrade products and 48% serve organic food.

Across the globe, supplies of more than 70% of the world's commercial marine fish are either fully exploited or over-fished. To help us source our seafood sustainably, procurement works closely with suppliers to ensure they do not supply our hotels with any threatened species on the Marine Stewardship Council (MSC) or World Wildlife Fund Red List. Our hotels also use sustainable seafood tools to guide their choices. We estimate that 56% of all fish and seafood purchased by the Group is certified sustainable.

We also purchase local ingredients where possible. This has been a key part of initiatives such as Brain Food by Radisson Blu and Smart Food by Park Inn by Radisson. It's also essential in the Radisson Blu Super Breakfast.





SPEND BREAKDOWN BY SUPPLIER TYPE % OF TOTAL SPEND





Supplier Code of Conduct

Rezidor prefers to work with suppliers who demonstrate their environmental, social, and ethical responsibility. The Supplier Code of Conduct is signed by all suppliers on Group and Area levels which becomes part of the supplier agreement. Going forward we also plan to roll out the Supplier Code of Conduct to hotel suppliers.

In 2016, The Rezidor Hotel Group has amended its supplier code of conduct to include obligations for suppliers and the broader business community to take a stand against human trafficking and modern slavery. This Supplier Code of Conduct supplements the Code of Business Ethics. The new Supplier Code of Conduct is available on www.rezidor.com.

RESPONSIBLE SUPPLY CHAIN







EcoVadis Silver award

EcoVadis has awarded the Rezidor Hotel Group a Silver supplier rating for our sustainable practices. EcoVadis aims to improve the environmental and social practices of companies by leveraging the influence of global supply chains. Each company is assessed through a questionnaire which is customized to the size of the company, its industry sector, and countries of operation. The rating covers four areas: fair business practices, the environment, sustainable procurement, and labor practices and human rights. The overall EcoVadis score reflects the quality of the company's corporate social responsibility (CSR) management system.

Reporting and Compliance

Monthly environmental statistics for managed and leased hotels are collected in the Think Planet section of our financial reporting and consolidation system. All hotels report their full Responsible Business performance in the yearly RB Status Report which contains 90 checkpoints on Think Planet, Think People, and Think Community. 85% Of hotels submitted an answer to the Status Report.

Rezidor checks the environmental compliance of all hotels. No issues arose in 2016.

The Radisson Blu Hotel, Lyon reopened in 2016 after it has undergone a major €40 million refurbishment, which included the removal of asbestos which had been found during the refit.



ECO-LABELLED HOTELS



AUSTRIA

- Park Inn by Radisson Uno City, Vienna
- Park Inn by Radisson Linz
- Radisson Blu Style Hotel, Vienna

 The Diplomat Radisson Blu Hotel Residence & Spa Manama

BELGIUM

- Park Inn by Radisson Liege Airport
- Radisson Blu Astrid Hotel, Antwerp
- Park Inn by Radisson Antwerp
- Park Inn by Radisson Brussels Midi
- Park Inn by Radisson Leuven
- Radisson Blu Royal Hotel, Brussels
- Radisson Blu Balmoral Hotel, Spa
- Radisson Blu Palace Hotel Spa
- · Radisson Blu Hotel, Hasselt
- · Radisson RED Hotel, Brussels

BULGARIA

- Park Inn by Radisson Sofia
- · Radisson Blu Grand Hotel, Sofia

CHINA

· Radisson Blu Hotel, Beijing

CROATIA

- · Radisson Blu Resort & Spa, Dubrovnik Sun Gardens
- · Radisson Blu Resort, Split

CZECH REPUBLIC

- · Park Inn by Radisson Ostrava
- Park Inn Hotel Prague
- · Radisson Blu Alcron Hotel, Prague

DENMARK

- Radisson Blu Royal Hotel, Copenhagen
- Radisson Blu Scandinavia Hotel, Copenhagen
- Radisson Blu H.C. Andersen Hotel, Odense
- Radisson Blu Scandinavia Hotel, Aarhus
- Radisson Blu Limfjord Hotel, Aalborg
- Radisson Blu Papirfabrikken Hotel, Silkeborg

EGYPT

- · Radisson Blu Resort, El Quseir
- · Radisson Blu Hotel, Alexandria
- · Radisson Blu Hotel, Cairo Heliopolis

ESTONIA

- · Park Inn by Radisson Central Tallinn
- Park Inn by Radisson Meriton Conference & Spa Hotel Tallin
- Radisson Blu Sky Hotel, Tallinn
- Radisson Blu Hotel Olumpia, Tallinn

ETHIOPIA

· Radisson Blu Hotel, Addis Ababa

FINI AND

- Radisson Blu Royal Hotel, Helsinki
- · Radisson Blu Hotel, Oulu
- Radisson Blu Plaza Hotel, Helsinki
- Radisson Blu Hotel Espoo
- Radisson Blu Seaside Hotel, Helsinki
- Radisson Blu Marina Palace Hotel Turku
- Radisson Blu Aleksanteri Hotel, Helsinki Radisson Blu Grand Hotel Tammer Tampere

FRANCE

- Park Inn by Radisson Nice Airport
- · Park Inn by Radisson Lille Grand Stade
- · Radisson Blu Hotel, Nice
- · Radisson Blu Hotel, Champs Elysees, Paris
- · Radisson Blu Hotel, Biarritz
- Radisson Blu Hotel, Paris-Boulogne
- Radisson Blu Hotel at Disneyland® Resort Paris
- Radisson Blu Resort, Arc 1950
- Radisson Blu Hotel Marseille Vieux Port
- · Radisson Blu Hotel, Toulouse Airport
- Radisson Blu 1835 Hotel & Thalasso, Cannes
- · Radisson Blu Resort & Spa, Ajaccio Bay
- · Radisson Blu Hotel, Nantes

GEORGIA

- Radisson Blu Iveria Hotel, Tblisi
- Radisson Blu Hotel Batumi

GERMANY

- · Park Inn by Radisson Munich Frankfurter Ring
- · Park Inn by Radisson Weimar
- Park Inn by Radisson Nürnberg
- Park Inn by Radisson Papenburg
- · Park Inn by Radisson Munich East
- Park Inn by Radisson Berlin City West
- Park Inn by Radisson Dresden
- Park Inn by Radisson Frankfurt Airport
- · Park Inn by Radisson Stuttgart
- Park Inn by Radisson Lübeck
- · Park Inn by Radisson Göttingen
- Park Inn by Radisson Neumarkt
- Radisson Blu Hotel, Hamburg
- · Radisson Blu Scandinavia Hotel, Düsseldorf
- · Radisson Blu Schwarzer Bock Hotel, Wiesbaden
- · Radisson Blu Senator Hotel, Lübeck
- Radisson Blu Hotel, Cottbus
- · Radisson Blu Hotel, Hannover
- · Radisson Blu Hotel, Cologne
- Radisson Blu Hotel, Karlsruhe Radisson Blu Hotel, Berlin
- · Radisson Blu Hotel, Rostock
- · Radisson Blu Media Harbour Hotel, Düsseldorf
- Radisson Blu Hotel, Frankfurt
- · Radisson Blu Park Hotel & Conference Centre,

Dresden Radebeul

- · Radisson Blu Hotel, Hamburg Airport
- Radisson Blu Fürst Leopold Hotel, Dessau
- Radisson Blu Hotel, Dortmund
- Radisson Blu Hotel, Bremen

GDEECE

· Radisson Blu Park Hotel, Athens

HUNGARY

- Park Inn by Radisson Sarvar Resort & Spa
- · Park Inn by Radisson Budapest
- · Radisson Blu Béke Hotel. Budapest

ICFL AND

- Radisson Blu Saga Hotel, Revkiavik
- · Radisson Blu 1919 Hotel, Reykjavík

IRFLAND

- Park Inn by Radisson Shannon Airport
- Radisson Blu St. Helen's Hotel, Dublin
- · Radisson Blu Hotel & Spa. Galway
- Radisson Blu Hotel, Limerick
- Radisson Blu Hotel, Letterkenny Radisson Blu Hotel, Athlone
- · Radisson Blu Hotel & Spa. Sligo
- · Radisson Blu Hotel & Spa, Cork
- Radisson Blu Farnham Estate Hotel, Cavan
- Radisson Blu Hotel, Dublin Airport Radisson Blu Royal Hotel, Dublin

ITALY

Radisson Blu Hotel, Milan

- KAZAKHSTAN
- · Radisson Hotel, Astana · Park Inn by Radisson Astana

KENYA Radisson Blu Hotel, Nairobi Upper Hill

- Radisson Blu Hotel, Kuwait
- · Symphony Style Hotel Kuwait

LATVIA

- Radisson Blu Daugava Hotel, Riga
- · Radisson Blu Elizabete Hotel, Riga
- Radisson Blu Hotel Latviia. Riga
- Radisson Blu Ridzene Hotel, Riga

LEBANON

· Radisson Blu Martinez Hotel, Beirut

LITHUANIA

- · Park Inn by Radisson Kaunas
- Radisson Blu Astorija Hotel, Vilnius

- · Radisson Blu Hotel, Klaipeda
- · Radisson Blu Hotel Lietuva. Vilnius

LUXEMBOURG

· Park Inn by Radisson Luxembourg City

- · Radisson Blu Resort Malta. St. Julian's
- Radisson Blu Resort & Spa. Malta Golden Sands

· Radisson Blu Hotel Chisinau, Moldova

MOZAMBIQUE

NETHERLANDS

Park Inn by Radisson, Amsterdam Airport Schiphol

· Radisson Blu Hotel, Maputo

- Radisson Blu Hotel, Amsterdam
- Radisson Blu Hotel, Amsterdam Airport, Schiphol Radisson Blu Palace Hotel, Noordwijk-aan-Zee

- NORWAY
- · Park Inn by Radisson Stavanger
- Park Inn by Radisson Oslo
- Park Inn by Radisson Oslo Airport • Park Inn by Radisson Trysil Mountain Resort • Park Inn by Radisson Hotel & Conference Centre
- Alna-Oslo
- · Radisson Blu Hotel, Bodø
- · Radisson Blu Park Hotel, Fornebu, Oslo
- · Radisson Blu Hotel, Tromsø · Radisson Blu Royal Hotel, Bergen
- · Radisson Blu Scandinavia Hotel, Oslo
- · Radisson Blu Royal Hotel, Stavanger Radisson Blu Plaza Hotel, Oslo
- Radisson Blu Caledonien Hotel, Kristiansand · Radisson Blu Atlantic Hotel, Stavanger
- Radisson Blu Royal Garden Hotel, Trondheim
- Radisson Blu Airport Hotel, Oslo Gardemoen Radisson Blu Hotel, Ålesund
- Radisson Blu Hotel Nydalen, Oslo
- Radisson Blu Resort, Trysil Radisson Blu Hotel, Trondheim Airport
- Radisson Blu Hotel, Alna-Oslo

- Park Inn by Radisson Muscat Park Inn by Radisson Hotel & Residence Duam
- · Radisson Blu Hotel, Muscat
- Radisson Blu Hotel Sohar

POLAND

- Park Inn by Radisson Krakow
- · Radisson Blu Hotel, SzczecinRadisson Blu Hotel, Wroclaw
- · Radisson Blu Centrum Hotel, Warsaw

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ECO-LABELLED HOTELS



- · Radisson Blu Hotel, Krakow
- Radisson Blu Hotel, Gdansk
- Radisson Blu Sobieski Hotel Warsaw

ROMANIA

- Park Inn by Radisson Hotel & Residences, Bucharest
- · Radisson Blu Hotel, Bucharest

RUSSIA

- Park Inn by Radisson Ekaterinburg
- · Park Inn by Radisson Pulkovskaya, St. Petersburg
- Park Inn by Radisson Pribalitiyskaya, St. Petersburg
- · Park Inn by Radisson Poliarnie Zory, Murmansk
- Park Inn by Radisson Sheremetyevo Airport, Moscow
- Park Inn by Radisson Nevsky, St. Petersburg
- Park Inn by Radisson Veliky Novgorod
- Park Inn by Radisson Astrakhan
- · Park Inn by Radisson Rosa Khutor
- · Park Inn by Radisson Petrozavodsk
- · Park Inn by Radisson Yaroslavl
- · Park Inn by Radisson Sochi City Centre
- Park Inn by Radisson Pulkovo Airport St. Petersburg
- Radisson Royal Hotel, St. Petersburg
- · Radisson Royal Hotel, Moscow
- Radisson Sonya Hotel, St. Petersburg
- Radisson Hotel Kaliningrad
- · Radisson Blu Resort & Congress Centre, Sochi
- Radisson Blu Hotel, Rosa Khutor
- · Radisson Blu Paradise Resort & Spa, Sochi
- Radisson Blu Hotel, Chelyabinsk
- Radisson Resort Zavidovo
- Radisson Blu Sheremetyevo Airport Hotel, Moscow
- Park Inn by Radisson Nizhny Tagil

SAUDI ARABIA

- Park Inn by Radisson Al Khobar
- · Radisson Blu Hotel, Riyadh
- Radisson Blu Hotel Yanbu
- · Radisson Blu Hotel, Jeddah
- · Radisson Blu Royal Suite Hotel, Jeddah
- · Radisson Blu Plaza Hotel, Jeddah

SENEGAL

Radisson Blu Hotel, Dakar Sea Plaza

SERBIA

· Radisson Blu Old Mill Hotel, Belgrade, Serbia

SOUTH AFRICA

- Park Inn by Radisson Sandton
- · Park Inn by Radisson Cape Town Foreshore
- · Park Inn by Radisson Cape Town Newlands
- Radisson Blu Hotel Waterfront, Cape Town
- Radisson Blu Hotel, Sandton Johannesburg
- · Radisson Blu Hotel, Port Elizabeth
- Radisson Blu Gautrain Hotel, Sandton Johannesburg

SPAIN

- Radisson Blu Hotel, Madrid Prado
- Radisson Blu Resort, Gran Canaria

SWEDEN

- Park Inn by Radisson Uppsala
- Park Inn by Radisson Solna
- · Park Inn by Radisson Stockholm Hammarby Sjöstad
- Park Inn by Radisson Malmö
- Park Inn by Radisson Lund
- Radisson Blu Arlandia Hotel, Stockholm-Arlanda
- Radisson Blu Strand Hotel, Stockholm
- · Radisson Blu Hotel, Malmö
- Radisson Blu Royal Viking Hotel, Stockholm
- Radisson Blu SkyCity Hotel, Stockholm-Arlanda
- · Radisson Blu Royal Park Hotel, Stockholm
- · Radisson Blu Scandinavia Hotel, Göteborg
- Radisson Blu Waterfront Hotel. Stockholm
- Radisson Blu Hotel, Uppsala
- · Radisson Blu Riverside Hotel, Gothenburg

SWITZERLAND

- Park Inn by Radisson Lully
- Park Inn by Radisson Zurich Airport
- Radisson Blu Hotel, Basel
- Radisson Blu Hotel, St. Gallen
- Radisson Blu Hotel, Lucerne
- Radisson Blu Hotel, Zurich Airport

TUNISIA

- Radisson Blu Palace Resort & Thalasso, Dierba
- Radisson Blu Ulysse Resort & Thalasso, Dierba
- Radisson Blu Resorts & Thalasso, Hammamet

TURKEY

- Park Inn by Radisson Istanbul Ataturk Airport
- Radisson Blu Conference & Airport Hotel, Istanbul
- Radisson Blu Hotel Ankara
- · Radisson Blu Bosphorus Hotel, Istanbul
- · Radisson Blu Resort & Spa. Cesme
- Radisson Blu Hotel, Istanbul Asia
- Radisson Blu Hotel, Istanbul Pera • Radisson Blu Hotel, Istanbul Tuzla
- Radisson Blu Hotel, Istanbul Sisli
- · Radisson Blu Hotel Kayseri · Radisson Blu Hotel, Istanbul Ataköy

UKRAINE

- Park Inn by Radisson Donetsk
- · Radisson Blu Hotel, Kiev
- · Radisson Blu Resort, Bukovel
- Radisson Blu Hotel, Kviv Podil

UNITED ARAB EMIRATES

- Park Inn by Radisson Abu Dhabi, Yas Island
- Radisson Blu Resort, Shariah
- · Radisson Blu Hotel, Dubai Media City
- · Radisson Blu Hotel, Dubai Deira Creek

- · Radisson Blu Residence, Dubai Marina
- Radisson Blu Hotel, Abu Dhabi Yas Island
- · Radisson Blu Resort, Fujairah

UNITED KINGDOM

- Park Inn by Radisson Hotel & Conference Centre London Heathrow
- · Park Inn by Radisson Birmingham West
- Park Inn by Radisson Thurrock
- · Park Inn by Radisson Nottingham
- Park Inn by Radisson Northampton
- · Park Inn by Radisson Telford
- · Park Inn by Radisson Bedford
- · Park Inn by Radisson Harlow
- Park Inn by Radisson York
- Park Inn by Radisson Cardiff City Centre
- · Park Inn by Radisson Peterborough
- Park Inn by Radisson Belfast
- Park Inn by Radisson Manchester City Centre
- · Park Inn by Radisson Palace, Southend-on-Sea · Park Inn by Radisson Aberdeen
- Park Inn by Radisson Glasgow City Centre Radisson Blu Portman Hotel, London
- · Radisson Blu Hotel Manchester Airport
- Radisson Blu Hotel, Leeds · Radisson Blu Hotel, Glasgow
- · Radisson Blu Hotel, Edinburgh
- Radisson Blu Hotel, Liverpool Radisson Blu Hotel London Stansted Airport, Stansted
- · Radisson Blu Hotel, Belfast
- · Radisson Blu Hotel, Birmingham
- · Radisson Blu Waterfront Hotel, Jersev Radisson Blu Hotel, Durham
- · Radisson Blu Hotel, Cardiff
- · Radisson Blu Hotel, Bristol
- · Radisson Blu Hotel, East Midlands Airport
- · G&V Royal Mile Hotel Edinburgh

ZAMBIA · Radisson Blu Hotel, Lusaka

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UN SUSTAINABLE DEVELOPMENT GOALS

As a responsible leader in the industry, the Rezidor Hotel Group is conscious that our Responsible Business targets and actions need to contribute to the UN Sustainable Development Goals.



NO POVERTY

End poverty in all its forms everywhere

HUMAN RIGHTS
COMMUNITY ENGAGEMENT



AFFORDABLE AND CLEAN ENERGY

Ensure access to affordable, reliable, sustainable and modern energy for all

THINK PLANET ENERGY



CLIMATE ACTION

Take urgent action to combat climate change and its impacts

THINK+CHANGE 2020 VISION THINK PLANET CARBON FOOTPRINT



7FRO HUNGER

End hunger, achieve food security and improved nutrition, and promote sustainable agriculture

FIGHTING FOOD WASTE ORGANIC AND FAIRTRADE PRODUCTS



DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

EMPLOYMENT AND EMPLOYABILITY
ADDING COLOR TO LIVES
A BRIGHT FUTURE FOR REFUGEE YOUTH



LIFE BELOW WATER

Conserve and sustainably use the oceans, seas and marine resources for sustainable development

SUSTAINABLE SEAFOOD BLU PLANET HELPS WATER STRESSED COMMUNITIES



GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all at all ages

FOOD SAFETY AWARENESS & ALLERGENS SOAP FOR HOPE™



INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

GREEN BUILDINGS IN EMERGING MARKETS
THINK PLANET



LIFE ON LAND

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss

THINK PLANET BIODIVERSITY
MEETINGS MINUS CARBON



QUALITY EDUCATION

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

LEARNING TOOLS ON AND OFFLINE
LEARNING AND TALENT-SPOTTING
DISCOVERING TALENT OF UNDERPRIVILEGED
YOUTH WITH THE YOUTH CARFER INITIATIVE



REDUCED INEQUALITIES

Reduce inequality within and among countriesII

THINK COMMUNITY
RESPONSIBLE BUSINESS ACTION MONTH
EMPOWERING EMPLOYEES AND SOCIAL DIALOGUE



PEACE, JUSTICE AND STRONG INSTITUTIONS

"Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels"

BUSINESS ETHICS ANTI-BRIBERY & CORRUPTION COMBATING MODERN SLAVERY SAFETY & SECURITY



GENDER EQUALITY

Achieve gender equality and empower all women and girls

DIVERSITY AND INCLUSION BALANCED LEADERSHIP DIVERSITY AND INCLUSION AWARD



SUSTAINABLE CITIES AND COMMUNITIES

Make cities and human settlements inclusive, safe, resilient and sustainable

SAFETY AND SECURITY TRIC=S: OUR GLOBAL SAFETY & SECURITY FORMULA FOR LOCAL HOTELS



RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

RESPONSIBLE SUPPLY CHAIN SOAP FOR HOPE™



PARTNERSHIPS FOR THE GOALS

Strengthen the means of implementation and revitalize the global partnership for sustainable development

MEMBERSHIPS INCLUDING ITP, UN GC AND UN CEO WATER MANDATE ECO-LABELLING



CLEAN WATER AND SANITATION

Ensure availability and sustainable management of water and sanitation for all

THINK PLANET WATER
COLLECTIVE ACTION HWMI
BLU PLANET SUPPORT FOR JUST A DROP

---- COMPLIANCE TABLE

UN GLOBAL COMPACT

PRINCIPLES OF THE GLOBAL COMPACT	REZIDOR SYSTEMS AND PROCESSES		
HUMAN RIGHTS			
Principles 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Living & Leading Responsible Business Training Employee Handbook – It's All About You	Supplier Code of Conduct and agreements Human Rights Policy	
Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Code of Business Ethics My Rights @ Rezidor www.rezidorethics.com Policy on the Facilitation of Prostitution	Supplier Code of Conduct and agreements Human Rights Policy Combating modern slavery toolkit	
LABOR			
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Human Resources Guidelines Employee Handbook European Workers Councils	Supplier Code of Conduct Employment Principles	
Principle 4: Businesses should support the elimination of all forms of forced and compulsory labor.	Code of Business Ethics Supplier Code of Conduct and agreements Employment Principles	Human Rights Policy Combating modern slavery toolkit	
Principle 5: Businesses should support the effective abolition of child labor.	Code of Business Ethics ECPAT Code of Conduct Supplier Code of Conduct and agreements	Employment Principles Human Rights Policy	
Principle 6: Businesses should support the elimination of discrimination in respect to employment and occupation.	Human Resources Guidelines Employee Handbook Living & Leading Responsible Business training Policy on Recruitment and Selection Transfer Policy	Policy on Sexual Harassment and Illicit Activities Social Networking Policy Supplier Code of Conduct Employment Principles Human Rights Policy	
ENVIRONMENT			
Principle 7 : Businesses should support a precautionary approach to environmental challenges.	Responsible Business & Environment Policy Rezidor Technical Standards	Environmental reporting and targets	
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	Responsible Business & Environment Policy Rezidor Technical Standards Think Planet tools	Living & Leading Responsible Business training Supplier Code of Conduct	
Principle 9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	Rezidor Technical Standards Think Planet tools and guest-facing communication	Club Carlson Meetings Minus Carbon Eco-labelled hotels	
ANTI CORRUPTION			
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Global Information Security Policy Code of Business Ethics Anti-bribery training	Anti-Fraud Policy Internal Audit Supplier Code of Conduct	

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REZIDOR MODERN

SLAVERY STATEMENT 2016

ABOUT THE REZIDOR HOTEL GROUP

The Rezidor Hotel Group is one of the most dynamic hotel companies in the world and a member of the Carlson Rezidor Hotel Group. The group has a portfolio of more than 480 hotels in operation or under development with over 105,000 rooms. The group employs more than 43,700 people across 80+countries.

INTRODUCTION

The Rezidor Hotel Group is a company committed to maintaining a high standard of business ethics, honesty and integrity, and with the following provides an overview of our commitment to human rights and, in particular, to preventing modern slavery.

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

Our aim is to bring a positive benefit to the communities in which we operate, through high quality services, economic growth and employment, environmental protection and community involvement.

Our commitment to ethical excellence is our heartbeat, and we are recognized as a trusted global leader when it comes to being a responsible business.

COMMITMENT TO COMBAT MODERN SLAVERY

At the Rezidor Hotel Group, we operate to high standards of performance and advocate socially and environmentally sustainable business practices. Our aim is to combat and eliminate any form of modern slavery and operate free of slavery; exploitation of children; and forced, bonded and compulsory labor.

Therefore, the Rezidor Hotel Group strives to achieve that:

- Every employee has a worker contract
- No employee is forced to work
- No employee is forced to hand over government issued identification, passports, work permits or bank cards
- No employee is required to pay any worker fees to receive work
- No excessive deductions are made from employees' wages

These expectations include the practices of labor agencies and outsourced labor.

OUR BUSINESS AND SUPPLY CHAIN

Team involvement in combating modern slavery initiative

Various teams across the organization and geographies are involved in Rezidor's anti-slavery initiatives. The strategy and follow up is coordinated by the corporate Responsible Business department. The central Responsible Business team works closely together with the Procurement team and Human Resources, both centrally and in our geographical areas.

GUIDING DOCUMENTS: PRINCIPLES AND POLICIES

Code of Business Ethics

The Company's internal <u>Code of Business Ethics</u> contains rules and guidelines, and serves as a reminder of its policies and commitment to do what is right and ethical for all Rezidor employees.

The Code applies to every person who works for us and every one of our companies. It is distributed to all employees. Additionally, all employees are trained

in the Code of Business Ethics, its implications and reporting processes. The training is mandatory for all employees and includes a reference to the Rezidor ethics platform.

Recognition

Since 2010, Rezidor has been recognized as one of the World's Most Ethical Companies by the Ethisphere Institute, an independent think tank and center of research promoting best practices in corporate ethics and governance.

Supplier Code of Conduct

This year, The Rezidor Hotel Group has amended its supplier code of conduct to include obligations for suppliers and the broader business community to take a stand against human trafficking and modern slavery. This Supplier Code of Conduct supplements the Code of Business Ethics.

The Supplier Code of Conduct is signed by all suppliers on Group and Area levels. Going forward, we also plan to roll out the Supplier Code of Conduct to hotel suppliers.

Responsible Business Policy

Rezidor's ambitious and award-winning Responsible Business program dates back to 2001. The Responsible Business program covers compliance with all applicable legislation regarding labor, health and safety, human rights and the environment, to operate free of slavery, exploitation of people, forced, bonded and compulsory labor and strive to follow best practices in each of these areas.

We endeavor to educate and facilitate for our employees to make a conscious decision in favor of environmental, ethical and social issues every day in their private and work lives

Human Rights

During 2014, Rezidor grouped key human rights and employment principles into two key documents. The Human Rights Policy covers Rezidor's engagement on issues such as ethical business conduct, protection of children's' rights, combating human trafficking and protection of the rights of employees. The Employment Principles covers Rezidor's promises to its employees such as non-discrimination, freedom of association and development of talent from within.

A mandatory webinar training and Q&A session was completed to inform all hotel Human Resource teams, General Managers and Responsible Business Coordinators in all hotels. Both policies are made available to all hotels and employees.

The policies complement the Code of Business Ethics and clarify the principles by which we live and work in our hotels.

DUE DILIGENCE OF OPERATIONS

Audits

Every hotel undergoes an internal audit every two years. Elements of the audit include controlling of background checks for all positions that are handling cash as a part of their role or in other sensitive positions. The background check has to be done by an external company.

Other elements include supplier contract approval, work permits for employees of outsourced companies, reference checks of other partners of the supplier and background checks on outsourced employees in Accounting & Finance, Human Resources, Security, IT, Front Office and Food & Drinks. The outsourced company cannot sub-contract any activities delivered to the hotel without written approval from Rezidor.

Responsible Recruitment

In 2016, a toolkit was developed, in support of the hotels, to combat modern slavery in operations and

outsourced labor. This toolkit includes back-of-house material to increase all employee awareness of modern slavery and support tools for the General Manager and HR team of the hotels. The toolkit has been developed in multiple languages. It functions as guidance to combat modern slavery and provides details on how to engage with employees, how to approach a recruitment agent and what due diligence to conduct. The launch of the toolkit is done in three of the six geographical areas in Europe, Middle East & Africa.

Due diligence of Suppliers

The Rezidor Hotel Group is committed to combating modern slavery, educating employees and encouraging its partners and the broader business community to take a stand against human trafficking.

All contracted Rezidor parties shall work within the ethical framework of Rezidor, which places honesty and integrity as valued standards. In addition, we expect our Suppliers to comply with the laws and regulations as well as its supplier agreements applicable to operations in the countries and jurisdictions where they conduct business, or deliver goods and/or services.

These principles are the foundation for the Supplier Code of Conduct and outline the minimum standards that Suppliers to Rezidor are expected to achieve.

The products, services and activities of our Suppliers may impact Rezidor's reputation, affecting our level of trust with other stakeholders. It is, therefore, important that Rezidor Suppliers follow the Supplier Code of Conduct and request the same from their supply chain, including third-party labor agencies.

Additional to the Supplier Code of Conduct, the nominated suppliers to Rezidor will be expected to complete the responsible business supplier questionnaire. Results of the questionnaire are used for supplier assessment, evaluation and will be a discussion point for yearly meetings. We are at the

beginning rolling out the responsible business supplier questionnaire in the new procurement system.

Risk Mapping in procurement system

Risk mapping has been completed to facilitate analysis of supplier performance. The mapping is performed weighting various criteria of spend, risk, impact and likelihood of success. The Rezidor Hotel Group was part of the ITP supply chain working group to develop this rating tool. The next phase of supplier due diligence is to perform a risk mapping analysis of the supply chain. First results of the implementation of the risk mapping tool into the corporate procurement system, and analysis of the responsible business supplier questionnaire, are expected in 2017.

TRAINING

Combating modern slavery training

As part of the combating modern slavery toolkit, a training document specifically designed for Hotel HR teams was rolled out to increase awareness on the topic of modern slavery. This training includes elements of recruitment and use of the toolkit.

Child protection and anti-trafficking

Protecting victims of human trafficking is important. Under the leadership of Carlson Rezidor Hotel Group, we take a public stand and work to prevent human trafficking and the exploitation of women and children.

In 2004, Carlson Hotels Inc. joined and signed the ECPAT Code of Conduct on behalf of our companies. One of our core actions in support of the Code is to ensure all employees are trained in a special Child Protection module. This module is part of our mandatory, classroom-based, Living Responsible Business training. The module includes various casebased scenarios and encourages discussion amongst participants.

AWARENESS-RAISING PROGRAMS

Best practice in the industry

The Rezidor Hotel group recognizes that combating modern slavery is not only a business problem, but affects the entire hospitality industry. The Group is a member of the International Tourism Partnership (ITP), which provides a voice for environmental and social responsibility in the industry. In June 2015, CEO Wolfgang M. Neumann became chairman of ITP. Together with ITP and its partners, we work toward creating best practices on combating modern slavery and human trafficking.

Rezidor ethics platform

A cornerstone in the Code of Business Ethics implementation is www.rezidorethics.com, a website run by an independent third-party organization. Employees can use this site to find information on our Code of Business Ethics and report concerns anonymously. Any employee with concerns or questions about the Code is encouraged to raise these directly with their supervisor or person of trust in the hotel or regional organization. If this is not possible, the employee can report the issue online. The site and hotline are available in 11 languages for all employees, outsourced employees and agency workers.

Violations of our supplier code of conduct

Suppliers are expected to comply with the standards of the supplier code of conduct and with all applicable laws and regulations. In cases where modern slavery, human trafficking, exploitation of children, or forced and compulsory labor is discovered in the supply chain, it needs to be reported to Rezidor without delay on a specific email address.

Rezidor encourages any stakeholder with concerns about the Supplier Code of Conduct and its implementation to discuss this directly with the Supplier.

If the Supplier does not act or respond to the report or concern and is not willing to work on correcting the issue, the Supplier can be subjected to disciplinary actions, including termination as a Rezidor Supplier and/or review by local authorities. However, best practice suggests trying to work with the Supplier to improve their practice rather than dropping them out of hand. Suppliers are requested to notify their employees, and any subcontractors related to work for Rezidor, that they may report serious or sensitive concerns or a possible breach of the Supplier Code of Conduct. If Rezidor receives such a report, we will ask the Supplier to comment and, if necessary, we may request an improvement plan to correct the issue.

FURTHER STEPS

The risk of modern slavery in our operations and in the supply chain are constantly in motion. We will continue to combat modern slavery to minimize and manage the risks and develop better ways to increase visibility in our operations and our supply chain.

In 2017 we anticipate:

- Continuing development of tools available to our hotels to conduct risk evaluations
- Including and updating modern slavery elements in existing manuals, contracts, standards of operation and audits
- Creating a responsible recruitment framework for our hotels
- Continuing to fully implement supplier evaluation of our corporate and high-risk suppliers from a Responsible Business, Human Rights and preventing Modern Slavery perspective

SIGNED BY BOARD

This annual statement of the full year 2016 and was approved by the Board of the Rezidor Hotel Group.

Wolfgang M. Neumann
President and CEO



