

# Radisson Hotel Group slavery and human trafficking statement 2022

Our aim is to combat and eliminate any form of modern slavery, and to operate hotels free of child exploitation and forced, bonded, or compulsory labor. We apply these principles to our operations and in our supply chain. This is our 6th Human Trafficking Statement.

Previous Slavery and Human Trafficking Statements can be found [here](#).

## ORGANIZATIONAL STRUCTURE, OUR BUSINESS AND SUPPLY CHAINS

### ABOUT RADISSON HOTEL GROUP

Radisson Hotel Group (RHG) is one of the world's largest hotel groups with nine distinctive hotel brands, and more than 1,600 hotels in operation and under development in 120 countries globally. The Group's overarching brand promise is Every Moment Matters with a signature Yes I Can! service ethos.

The RHG portfolio includes Radisson Collection, Radisson Blu, Radisson, Radisson RED, Radisson Individuals, Park Plaza, Park Inn by Radisson, Country Inn & Suites by Radisson, and prizeotel brought together under one commercial umbrella brand Radisson Hotels. It also operates the Radisson Rewards loyalty program for frequent hotel guests.

More than 100,000 team members work at RHG and at the hotels licensed to operate in its systems. RHG is directly involved in the operation of leased and managed hotels, while franchise owners and their managers have control over the operations of the franchised hotels. This statement applies to RHG hotels in Asia Pacific, Europe, Middle East and Africa. RHG is headquartered in Brussels, Belgium.

## GOVERNANCE AND RECOGNITION

At RHG, we believe that people are our number-one asset. RHG's vision is to become the company of choice for guests, owners, and talent. Our culture plays an important role in our business transformation and in our future business success. RHG acknowledges and respects the UN Guiding Principles on Business and Human Rights, which are embedded in our policies and procedures. They are consistent with our core beliefs and commitment to be a force for good.

RHG endeavors to conduct its business operations in a manner that seeks to promote and enhance human rights within its sphere of influence. RHG is committed to raising awareness of human rights risks

and address risks arising in the labor supply chain. This commitment is aligned with, and supported by, our Code of Business Conduct and Ethics and the principles of the United Nations Global Compact. RHG has been a signatory to the Global Compact since 2009.

Our aim is to bring positive benefits to the communities in which we operate through our high-quality services, economic growth and employment opportunities, environmental protection initiatives, and community involvement. Our commitment to ethical excellence is our heartbeat, and we are recognized as a trusted global leader and a Responsible Business.

## EMPLOYMENT AND EMPLOYABILITY

In 2021, RHG counted 138 nationalities amongst our team members. Women comprise 44% of our team members while 56% are men. RHG accounts 1% of team members with a disability. The vast majority of team members, 95%, have a full time or part time contract. The remaining 5% have a contract without a fixed amount of hours. Of our total workforce, 13% is outsourced labor, mainly for housekeeping, security, food & beverage and gardening services.

## WORKPLACE COOPERATION

Collective bargaining agreements cover 31% of our team members. Of the hotels operating in countries, where this is not possible, 93% of hotels practice other forms of workplace cooperation. This allows management and team members to consult with each other to improve team members' welfare and develop mutually acceptable solutions for common challenges.

## COMMITMENT TO COMBAT MODERN SLAVERY

RHG is committed to combatting modern slavery and human trafficking, educating team members on the issues, and encouraging our partners, stakeholders and the broader business community to take a stand against slavery and human trafficking.

We operate to high standards and advocate socially and environmentally sustainable business practices. Our aim is to address vulnerabilities in the hospitality industry, combat and eliminate any form of modern slavery and to operate our business without slavery, sexual exploitation, exploiting of children, or forced, bonded, or compulsory labor.

RHG strives to ensure that:

- Every employee has a worker contract
- No employee is forced to work
- No employee is forced to handover government-issued identification, passports, work permits, or bank cards to a third party
- No employee is required to pay any fees in exchange for work
- No excessive deductions are made from any employee's wages

These expectations are applied and include the practices of the labor agencies and outsourced labor suppliers that RHG utilizes.

## TEAM INVOLVEMENT

Teams across the organization, and from different countries, are involved in our anti-slavery and anti-trafficking initiatives. Strategy and follow-up are coordinated by the corporate Responsible Business department, working closely with the Procurement team, and Human Resources, both centrally and in the different geographical areas in Asia Pacific, Europe, Middle East, and Africa.

## STRUCTURE OF OUR SUPPLY CHAIN

RHG carefully selects suppliers who offer purchase goods or services. RHG's supply chain consists of suppliers who provide goods and services to leased, managed, and franchised hotels. Our supply chain has three types of supplier categories: local, regional, and corporate. Corporate and regional suppliers are managed by our corporate procurement team, via centralized and regional procurement agreements. These suppliers provide a variety of products and services including staffing, operational supplies and equipment, furniture, fixtures and equipment, food, drinks, amenities, linen, and cleaning supplies. Local suppliers are managed at the hotel level.

## POLICIES AND PRINCIPLES

### CODE OF BUSINESS ETHICS

Our Code of Business Ethics enables all RHG team members to take positions on key issues of business ethics with a single voice. It's a commitment to do what is right and ethical. The Code applies to every person who works for us, and every one of our companies. It is distributed to all team members.

All team members are trained in the Code of Business Ethics, its implications, and reporting processes. The training, part of immersion training for new starters in the group, is mandatory for all team members and includes a reference to the RHG's ethics platform. The Code of Business Ethics is conforming with the EU's GDPR regulations and other policies.

## HUMAN RIGHTS POLICY AND COMMITMENTS

RHG is committed to maintaining a high standard of business ethics, honesty and integrity. The key human rights and employment principles are grouped into three documents.

Our Human Rights Policy and Human Rights Commitments cover the Group's engagement on issues such as ethical business conduct, protection of children's rights, combating modern slavery and human trafficking, protection of migrant workers, and protection of employee rights.

Our Employment Principles cover RHG's promises to its team members such as non-discrimination, freedom of association, team member well-being, positive working environment, and development of talent from within.

These policy documents are publicly available and complement the Code of Business Ethics. They help to clarify the principles we live and work by in our hotels and offices.

## SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct contains obligations for suppliers and sub-suppliers and the broader business community. It requires them to take a stand against modern slavery and human trafficking. The Supplier Code of Conduct supplements the Code of Business Ethics. Its principles represent the minimum standards that RHG expects its suppliers to achieve.

The Supplier Code of Conduct prohibits the use of any form of modern slavery, human trafficking, exploitation of children or forced or compulsory labor. All work must be voluntary, and in no case should workers be mandated to relinquish government-issued identification, passports, visas or work permits. Suppliers and sub-suppliers should ensure that the Employer Pays Principle is applied and that workers are not required to pay any recruitment fees or expenses as a condition of receiving work.

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The Supplier Code of Conduct is signed by all suppliers at the corporate and regional levels and becomes a part of the supplier agreement, included in the digital repository module for contract management in the procurement system. The Supplier Code of Conduct is conforming with GDPR and other policies. This process is monitored by the corporate procurement team.

Local hotel suppliers are required to follow the RHG Supplier Code of Conduct. However, we do not actively register which suppliers have signed at the local level.

## RESPONSIBLE BUSINESS POLICY

Our ambitious and award-winning Responsible Business program dates to 2001. The Responsible Business policy covers compliance with all applicable legislation regarding labor, health and safety, human rights, and the environment. It requires us to operate without slavery, exploitation of people, or forced, bonded, or compulsory labor. The policy strives to follow best practices in each of these areas.

## DUE DILIGENCE PROCESSES

### AUDITS

Every hotel undergoes an internal audit every second year. Elements of the audit include control of background checks for all positions that handle cash as a part of their role, or other sensitive positions. The background check must be done by an external company. Other elements are checked including supplier contract approval, work permits for team members from outsourced companies, reference checks on other partners of suppliers, and background checks on outsourced team members in Accounting & Finance, Human Resources, Security, IT, Front Office, and Food & Beverage. An outsourced company cannot sub-contract any activities delivered to the hotel without written approval from RHG. In 2021, 29% of our managed and leased hotels<sup>1</sup> have been audited.

## RESPONSIBLE RECRUITMENT

Hotels aim to apply responsible recruitment practices when recruiting outsourced team members and 70% of hotels undertake background checks on recruitment agencies. To mitigate the risk of modern slavery and human trafficking, RHG uses the responsible recruitment framework. The framework for our hotels includes the use of a toolkit, which support our recruitment practices.

## RESPONSIBLE RECRUITMENT TOOLKIT

The responsible recruitment toolkit provides guidance on how to prevent modern slavery, promote ethical recruitment practices and details of how to engage with recruits and team members using worker interviews, how to increase awareness of modern slavery amongst team members, how to approach a recruitment agency, and what due diligence to conduct.

The toolkit also supports hotel management teams in their efforts to prevent modern slavery, especially with outsourced labor. The toolkit has been rolled out to all geographic areas in Asia Pacific, Europe, the Middle East, and Africa. In 2021, 59% of our hotels actively used the toolkit. A specific training module on how to use the toolkit has been included in the Leading Responsible Business training for all Head of Departments and General Managers. In 2021, the RHG responsible recruitment toolkit was reviewed by the UN International Organization of Migration (IOM) and recommendations have been implemented.

## SELF-ASSESSMENT QUESTIONNAIRE

An element of the toolkit is the hotel self-assessment questionnaire (SAQ). RHG has created this assessment tool with specialized human rights consultancy Verité. The SAQ allows our hotels to identify potential gaps and vulnerabilities in the recruitment processes. The SAQ is designed to gather information on risks of forced labor and human trafficking that hotels may be facing, and ultimately to help hotels and its third-party intermediaries to detect, remediate, and mitigate risks of labor abuse. It assesses the risk of forced labor or human trafficking in the business processes of third-party intermediaries which provide services related to the recruitment, selection, hiring, transportation, training, and management of migrant workers.

## MIGRANT WORKER INTERVIEWS

Another element of the toolkit is the migrant worker interviews template. This document provides a set of interview questions to use when conducting targeted migrant and foreign contract worker interviews. This tool is used to help identify possible cases of abuse or recruiter-induced human trafficking.

## REMEDIATION PLAN

One more developed element of the toolkit is the remediation plan. The plan provides for or cooperate in the remediation of human rights risks and abuses that may be identified during assessments. It provides the team with guidance on what actions to take when certain risks are identified, and cases of forced labor are uncovered or reported during assessments.

## ETHICS PLATFORM

A cornerstone of our Code of Business Ethics implementation is ethics. radissonhotels.com, a website run by an independent third-party organization. Team members can use this site to find information on our Code of Business Ethics and report concerns anonymously. Any team member 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 team member can report the issue online. The site is available in eleven languages and can be utilized by all team members, outsourced team members, and agency workers. Of the 34 reports made in in 2021, none involved allegations concerning modern slavery and human trafficking.

## SUPPLY CHAIN DUE DILIGENCE

### SUPPLY CHAIN VISIBILITY

For RHG to understand and control the business risk to our supply chain, we use a range of tools to increase supplier and supply chain visibility, from for contact with supplier to ongoing annual reviews.

RHG has overarching accountability for the standards of our supply chain, the treatment of our team members and the safety of our guests. The products, services, and activities of our suppliers may impact our reputation, affecting our level of trust with other stakeholders. It is imperative that the Group's suppliers follow the Supplier Code of Conduct and request the same from their supply chain, including third-party labor agencies. The Supplier Code of Conduct outlines the minimum standards that suppliers to the Group are expected to achieve.

In addition to compliance with the supplier agreement, we expect our suppliers to comply with the laws and regulations which apply in the countries and jurisdictions where they conduct business or deliver goods and/or services. 100% Of corporate suppliers recognized our Supplier Code of Conduct.

## TENDERING PROCESS

The first supplier engagement goes through the Request for Information (RFI) tendering process. This allows RHG to evaluate new and potential suppliers during the first phase of the tender process. The RFI contains multiple criteria, including a set of knock out criteria, allowing RHG to evaluate the supplier's financial, environmental, labor and human rights status before signing a contract.

## SUPPLIER ASSESSMENT

One of the tools RHG has been using for supplier assessment is the responsible supplier questionnaire. The questionnaire aligns with the Supplier Code of Conduct and is updated bi-annually. The questionnaire includes a rating tool to identify the supplier's level of risk management and mitigation. In 2020 the questionnaire was added to the tendering process and all awarded suppliers completed the questionnaire.

Our standard supplier contract terms include a clause requesting that suppliers complete the responsible supplier questionnaire and provide reasonable evidence of compliance with RHG's Supplier Code of Conduct on request. The provided supplier information is assessed, and non-compliance is discussed with the individual supplier accordingly.

## SUPPLIER CONTRACT

RHG is committed to, advancing the United Nations Global Compact's ten universally accepted as well as the UN Sustainable Development Goals. This is reflected in the Supplier Code of Conduct, which is attached to our standard supplier contract. The contract also refers obligations for suppliers, sub-suppliers and the broader business community including a clause against modern slavery and human trafficking.

## RISK MAPPING ANALYSIS

RHG uses a risk mapping analysis as part of our supplier due diligence to enable us to understand supplier performance. Input from the hospitality risk-rating tool was used for the analysis. The risk rating tool, created by RHG and other members of the Sustainable Hospitality Alliance, allows hotels to obtain a more complete overview of our supplier risk profile. The rating weights various criteria including geographic risk, industry, spend, volume, workforce risk, resources, impact, and likelihood of success. The framework allows RHG to prioritize its focus and to address low-level involvement of risk management with suppliers.

<sup>1</sup> EMEA



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In 2021, RHG updated the risk mapping and prioritization model of purchasing categories regarding Sustainable Procurement. To allow capacity building EcoVadis has been selected to assess the groups' suppliers on environmental, social, ethical and sustainable supply criteria, and to support continuous improvement process. In 2022 RHG will extend the EcoVadis evaluation process to the group's suppliers through the risk analysis tool and the supplier platform evaluation tool.

## 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 must be reported to RHG without delay. A specific email address is provided for this purpose. The Group encourages any stakeholder with concerns about the Supplier Code of Conduct and its implementation to discuss this directly with the supplier.

If RHG receives such a report, the supplier is requested to comment and if required, RHG may request the supplier to implement an improvement plan to correct the issue. If the supplier does not act or respond to the report or concern and is not willing to work on correcting the issue, they can be subjected to disciplinary action. This can include termination as a supplier, and/or review by local authorities.

However, best practice suggests we try to work with the supplier to improve their practices rather than dropping them. Suppliers are requested to notify their employees, and any sub-contractors who work for RHG, that they may report serious or sensitive concerns, or possible breaches of the Supplier Code of Conduct.

## TRAINING RESPONSIBLE BUSINESS TRAINING

We endeavor to educate and facilitate our team members to make conscious decisions in favor of environmental, ethical, and social issues every day, both in their private and work lives. The awarded Responsible Business training program equips team members in the hotels and offices with expertise and skills on an array of topics, including a special

emphasis on roles hotels play in tackling modern day exploitation. We train all our team members to recognize the risks of modern slavery, sexual exploitation and human trafficking in our operations. We explain the benefits of strong measures to tackle slavery and human trafficking, as well as the consequences of failing to combat these problems. Training compliance is measured on an ongoing basis.

## COMBATTING MODERN SLAVERY TRAINING

As part of the responsible recruitment toolkit, a specific training module is used to increase awareness of modern slavery. It provides guidance on due diligence processes. The training includes information on responsible practices and the use of the toolkit and used by Area and Hotel HR teams and recruiters.

Additionally, RHG has included the publicly available online e-learning made by and for the hotel industry focusing on risks in the labor supply chain. The 'Risks of modern slavery in labor sourcing' training, made available through the membership network of the Sustainable Hospitality Alliance, is designed to support human resources, procurement, and legal teams to identify and address the risks of modern slavery in hotel operations and the supply chain. The training also includes real-life case studies to underpin the learnings.

## CHILD PROTECTION AND ANTI-TRAFFICKING

Protecting victims of human trafficking is imperative to RHG. Through our partnership with ECPAT-USA and as signatory of the Tourism Child Protection Code of Conduct, we take a public stand and work to prevent human trafficking, sexual exploitation and the exploitation of women and children. We ensure all team members are trained in our human trafficking module. This module is part of our mandatory, classroom based, Living Responsible Business training. The module includes various case-based scenarios of forced labor and sex trafficking, training team members to identify suspicious behavior and how to report forced sexual exploitation to police. It encourages discussion amongst participants on what actions to take.

## INDUSTRY CAPABILITY BUILDING SUSTAINABLE HOSPITALITY ALLIANCE

The hospitality industry can be a force for good and make a positive contribution to tackle modern slavery and human trafficking. RHG is a member of the Sustainable Hospitality Alliance and together we work to address challenges, share our expertise and develop practical solutions to enable the whole industry to operate responsibly and grow sustainably.

As part of the Alliance, we collectively work to raise awareness of human rights risks, embed human rights into corporate governance, and address risks arising in the labor supply chain and during construction. RHG is committed to industry Principles on Forced Labor to address human rights risks in the labor supply chain. These state that every worker should have freedom of movement, no worker should pay for a job, and no worker should be indebted or coerced to work. As active member, RHG participates in the Human Rights work group.

## INTERNATIONAL ORGANIZATION FOR MIGRATION

As part of a multi-year partnership between International Organization for Migration (IOM) and the Sustainable Hospitality Alliance, RHG has been actively involved in projects to promote ethical recruitment and protect migrant workers in the hospitality industry. The partnership will leverage the multi-stakeholder model of the IOM's IRIS: Ethical Recruitment initiative to promote regular pathways for migrant workers and protect them throughout the labor migration process.

Additionally, RHG has been involved in the Aligning Lenses Towards Ethical Recruitment (ALTER) project, a collaboration with IOM Philippines, Blas F. Ople Policy Center, Diginex and the Sustainable Hospitality Alliance, funded by Global Fund to End Modern Slavery (GFEMS). Key outputs for hospitality employers include a digital labor migration process mapping tool and an ethical recruitment due diligence toolkit. The process included hotel assessments, worker interviews and recruitment agency consultations. Overall findings have been utilized to strengthen capacity building and remediation planning.

## FUTURE STEPS

The risks of modern slavery and human trafficking in our operations and our supply chain need our constant attention. Because of the significant growth of our operations, we must continuously monitor, manage and mitigate risk in our operations and our supply chain. We will continue to fight modern slavery and human trafficking to minimize and manage risks and develop better ways to increase the visibility of our actions in our operations and supply chain.

Over the coming year we plan to:

- Continue the development of tools on the responsible recruitment framework and to make them available to our hotels.
- We will continue to conduct risk evaluations of suppliers of outsourced labor.
- Refresher training for hotel teams to use the Responsible Recruitment toolkit.
- Continue supplier engagement and implement evaluations and risk mapping analysis for all corporate suppliers, and all high-risk and high-volume regional suppliers to ensure they are complying with our Responsible Business, Human Rights, and preventing Modern Slavery policies.
- Continue our cooperation with other hospitality industry partners via the Sustainable Hospitality Alliance network and the human rights working group to identify and share best practices and participate in projects.
- Include and update modern slavery elements in our existing manuals, contracts, standards of operation, and audits

## SIGNED BY THE BOARD

This annual statement for the full financial year 2021 was approved by the Board of Directors of Radisson Hotel Group.



**Mingju Ma**  
Chairman