Radisson Hotel Group slavery and human trafficking statement 2020

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 5th 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 1,500 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 has an industry-leading Responsible Business Program and has previously been named one of the World’s Most Ethical Companies by the US think-tank Ethisphere nine times.

Radisson Hotel Group is headquartered in Brussels, Belgium.

GOVERNANCE AND RECOGNITION

At RHG, we believe that people are our number-one asset. Our culture plays an important role in our business transformation and in our future business success. RHG acknowledges and respects the principles contained in the United Nations Declaration of Human Rights. They are consistent with our Culture Beliefs and the principles contained in the United Nations Declaration of Human Rights. They are consistent with our Culture Beliefs 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 2020, RHG counted 137 nationalities amongst our team members. Women comprise 41.4% of our team members while 58.6% are men. Of our total workforce, an estimated 12.5% is outsourced labor, mainly in housekeeping and banqueting departments. Collective bargaining agreements cover approx. 1/3 of our team members.

COMMITMENT TO COMBAT MODERN SLAVERY

RHG is committed to combating modern slavery and human trafficking, educating team members on the issue, 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 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. This team works closely with the Procurement team, and Human Resources, both centrally and in the different geographical areas where we operate.

STRUCTURE OF OUR SUPPLY CHAIN

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 Internal Code of Business Conduct and Ethics contains rules and guidelines and serves as a reminder to all RHG team members of our policies and 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.

At team members are trained in the Code of Business Conduct and 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 Conduct and 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, and protection of employee rights.

Our Employment Principles cover the Group’s promises to its employees such as non-discrimination, freedom of association, team member wellbeing, positive working environment, and development of talent from within.

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

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 Conduct and 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 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.

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.
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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

Every hotel undergoes an internal audit every second year. Elements of the audit include controls 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 employees from outsourced companies, reference checks on other partners of suppliers, and background checks on outsourced employees in Accounting & Finance, Human Resources, Security, IT, Front Office, and Food and Beverage. An outsourced company cannot sub-contract any activities delivered to the hotel without written approval from RHG. At the start of 2020, 61% of our managed and leased hotels have been audited.

RESPONSIBLE RECRUITMENT TOOLKIT

The responsible recruitment toolkit provides guidance on how to prevent modern slavery and detect, remediate, and mitigate risks of forced labor or human trafficking. It assesses the risk of forced labor or human trafficking in the business processes of third-party intermediaries which provide services related to 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.

ETHICS PLATFORM

A cornerstone of our Code of Business Ethics Implementation is ethics.radissonhotels.com, a website run by an independent third-party organization. Employees can use this site to find information on our Code of Business Conduct and 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 is available in eleven languages and can be utilized by all employees, outsourced employees, and agency workers. Of the 53 reports made in 2020, 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 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 and the broader business community including a clause against modern slavery and human trafficking.

SUPPLIER CONTRACT

R HG is committed to, advancing the United Nations Global Compact’s ten universally accepted principles in the areas of human rights, labor rights, environment, and anti-corruption, as well as the 17 Sustainable Development Goals. This is reflected in the Supplier Code of Conduct, which is attached to our standard supplier contract. It refers obligations for suppliers, sub-suppliers and the broader business community including a clause against modern slavery and human trafficking.

SUPPLIER ASSESSMENT

One of the tools RHG uses 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.

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.

RISK MAPPING ANALYSIS

R HG 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.

At the start of 2020, the top 50% of our corporate suppliers were included in the risk mapping. The results of the risk mapping exercise allow RHG to have a dialogue on responsible supply chain management with our suppliers. It is used for supplier assessment,
evaluation, and will be a discussion point in annual performance meetings with suppliers.

Initially steps were taken to integrate the risk mapping tool into the corporate procurement IT system allowing capacity building with the existing supplier base. This process is planned to continue in 2021.

**VIOLATIONS OF OUR SUPPLIER CODE OF CONDUCT**

Suppliers are expected to comply 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, we will ask the supplier to comment. If necessary, we may request the supplier 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 a conscious decision in favor of environmental, ethical, and social issues every day, both in their private and work lives. The Responsible Business training program equips the group’s hotels in operation with expertise and skills on an array of topics with 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 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.

**CHILD PROTECTION AND ANTI-TAFFICKING**

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**

RHG believes that the hospitality industry can be a force for good and make a positive contribution to tackle modern slavery and human trafficking. Supporting SDG17, Partnership for the goals 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.

Every business, wherever they operate, has a corporate responsibility to respect human rights. As part of the Alliance, we collectively commit 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.

Together, we launched the Principles on Forced Labor in 2018 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 indentured or coerced to work. RHG continues as active member in the work group on the development of human rights.

**ILO QATAR**

Under the guidance of International Labor Organization (ILO), funded by the Government of Qatar, in collaboration with International Human Rights and Business (IHRB), members of Sustainable Hospitality Alliance, including RHG have participated in the hospitality working group in Qatar, building the capacity of the hospitality sector in Qatar to ensure sustainable growth and decent work. RHG is an active participant providing input for guidance tools on due diligence of recruitment practices and by sharing of best practices on specific thematic issues. Learnings from the working group are already applied in the wider scope of our operations.

**FUTURE STEPS**

The risks of modern slavery and human trafficking in our operations, and in our supply chain, need our constant attention. Because of the growth of our operations, we must continuously comply with our Responsible Business, Human Rights, 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, owner International Management Agreements (IMA), standards of operation, and audits.

**SIGNED BY THE BOARD**

This annual statement for the full financial year 2020 was approved by the Board of Radisson Hospitality AB.

Mingju Ma
Chairman