



Creating value for Our People, Our Places and Our Planet

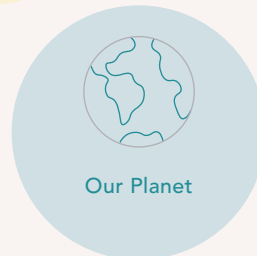
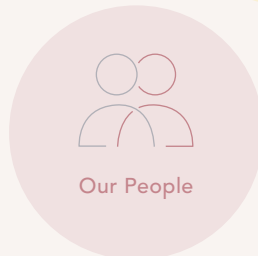
Inbar Zilberman
Chief Corporate and Legal Officer

OUR INTANGIBLE SOURCES OF VALUE

Our People:
our team, guests and
the identity of our
brands to them, our
stakeholders and the
relationships we have
with each

Our Places:
our properties and
the communities that
our properties call
home

Our Planet:
our Planet which
provides for our
every need



THESE ASSETS ARE CRITICAL TO OUR LONG-TERM
GROWTH AND DEVELOPMENT AS WELL AS TO OUR
IMPACT ON THE WORLD AROUND US

“Our business is driven by purpose, strong management and a commitment to performance and service. 2020 reminded us of the value we can create in our communities simply by doing what inspires us: creating inspirational hospitality.”



2020 presented a number of shifts in the way we, as a business, operated directly with our stakeholders and presented an unprecedented humanitarian challenge globally. The events of the year had a significant impact on our team members, altered consumer behaviour, upended our supply chains, stretched charitable and public services beyond capacity and challenged even the most fundamental of societal tenets.

The year also called us all to act and to take decisive actions. Some of these, we did not wish to take, such as making redundancies; others, we embraced, such as improving communications to ensure we could care for one another remotely, supporting food banks stretch beyond capacity and supporting the health care system and front line workers through hospitality.

What we can see as we look back and when we eye the future is the great value we have in the strength of character in our team members, many of whom overcame personal struggles throughout the year and others volunteered their time and energy to support those in need within their local communities and their own team members. Through the collective voice of individuals, we created value for our stakeholders and in particular for our local communities throughout 2020.

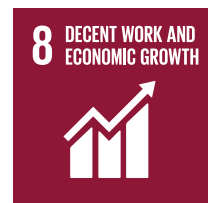
We leave the year knowing that at our core, we remain steadfast to our values and purpose as a Company and have continued to develop our business model, our governance and our strategy to support a brighter tomorrow.

OUR CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

As of 2019, we restructured our Responsible Business programme to ensure our efforts contributed to the United Nations Sustainable Development Goals (“SDGs”).

While we are able to relate our activities to most of the 17 SDGs, we believe our purpose and values are most closely aligned with five SDGs in particular.

In 2020 we added SDG 11, Sustainable Cities and Communities, to our Responsible Business programme to account for the inherent emphasis placed on integrating sustainable and smart technologies in our properties as we develop and refurbish our properties.



Our People



Our goals:

1. Linking development to learning
2. Attract and retain talent
3. Increase diversity in the workplace

Sustainable Development Goals:



Over the years we have cultivated a team of individuals, each of whom strives to create memories and experiences for guests that long outlive the stay at our properties. With the forced closures and limitations on operations, our team members and our business faced an improbable frustration of purpose in not being able to do the work that drives them. In the face of limited opportunities to serve and create, our team members led one another to find ways to express their passion for hospitality through supporting one another, their community and continuing their efforts to integrate green practices and approaches into our operations.

Supporting health and safety – Reassuring Moments Programme

Ensuring our hotels and offices are COVID-secure was a top priority for the Company. We launched a comprehensive health and well-being programme which implemented practical tools and mechanisms to maintaining COVID-safety protocols alongside a full training suite of the protocols in place. This training, termed our Reassuring Moments programme included webinars, on-the-job-training and a suite of standard operating procedures to cover every element of the new protocols and procedures.

Following the implementation of the Reassuring Moments programme, we utilised pulse surveys in selected offices and hotels to assess how the procedures and the training were received by team members and what changes they would suggest. The Company then aggregated the responses of the pulse survey and made changes to the approach in response to team member feedback.

We continue to put the health and well-being of our team members and guests at the heart of our operations.

Healthy Hospitality at Home (Re)Connect & (Re)Create

Our (Re)Connect & (Re)Create Programme was created specifically to ensure we had the opportunity to 'check in' and 'engage' with team members. Part of the programme, that was delivered in live sessions and attended by more than a thousand colleagues in the first few months, focused on mental health and well-being.

The restrictions on movement and in person socialising in 2020 were undoubtedly a challenge to both mental and physical health. To overcome these challenges we created a number of interactive and web tools to encourage physical and mental health. Included in those was reformatting our Mental Health first aiders programme across our UK region to encourage people to speak up and contact one of our nominated mental health first aider if they needed support.

Creating a culture that supports mental and physical well-being across the organisation is important to us. We want to promote an environment where mental health and physical health issues are treated without stigma and where everyone feels accepted and supported if dealing with wellness and health issues. We encourage all of our team members to take part in internal events to promote health and well-being and continue to invest our efforts in growing our Mental Health First Aiders programme in the UK and promoting healthy initiatives in our other operating regions.

We rolled out a weekly newsletter with links to free programmes, classes, tools and applications to support mental and physical health. Many of our team members stepped up and took the initiative, with, for example, some of our award-winning chefs offering cooking classes and sharing easy-to-follow recipes or our colleagues with interest in fitness hosting free online fitness classes.

The weekly news updates were seen as a big success and is something we hope to continue with well into the future.

Weekly newsletters

Our weekly newsletters and other digital channels proved to be useful tools not only to create a network of support and promote well-being in challenging times, but generally allowed our leadership to continue to communicate with team members. Travel restrictions, social distancing measures and other limitations caused by COVID-19 meant that conducting our usual extensive programme of face-to-face town hall meetings, workshops, and other events was no longer possible. Therefore, we completely restructured our communications with the emphasis on digital channels. Our weekly newsletters featured regular updates from leadership of all ranks including our CEO, Executive Leadership team and senior management, pre-recorded webinars and various other business updates. To ensure that we maintain effective two-way communication we encouraged our team members to submit their questions and each weekly newsletter featured a pre-recorded Q&A session with our Deputy CEO.



Greg Hegarty, Deputy Chief Executive Officer & COO, speaks to Team Members in weekly video message



“It was important to myself and the Executive Leadership team to continue to communicate with our team members through various communication channels.”

Boris Ivesha
President & Chief Executive Officer

Developing talent

Our team members are critical to the success of our business. Development and learning is a key element of our talent retention programme and it underpins our success as a Company. As such, supporting and encouraging team members to develop and grow their careers within the business is a priority for us.

Notwithstanding the pandemic, we strived to continue our learning and development programmes where possible. This included our Foundation in Management programme designed to develop managers over a nine-month period.

We were proud to have 19 colleagues successfully pass their assignments in 2020. Our greater team members were also offered some easy-to-access and free-to-use courses via our newsletters. Although we did not have many new openings to fill, we maintained contact and collaboration with schools and universities with whom we had established good relationships and participated in various digital events and activities throughout 2020.

Our Places

Our goals:

1. Increasing our charity initiatives and volunteering
2. Contributions and investments with our local community
3. Engagement with our local community

Sustainable Development Goals:



“True to our values, purpose, and strategy, we remained committed to playing an active role in our local communities. Our individual team members led the charge to support those in need, filling gaps in service, care and support that were left exposed by the COVID-19 pandemic. We remain eager to do more and to be present in bringing positive support to our communities.”

Inbar Zilberman
Chief Corporate & Legal Officer

The 2020 Communities Programme

Our Communities Strategy is designed to create sustainable relationships with each of the neighbourhoods which we call home. The Communities Strategy, approved in 2019 by our Executive Team and implemented by our Responsible Business Team, included the roll-out of our Responsible Ambassadors Programme in early 2020.

The programme allowed each hotel to nominate a Responsible Business Ambassador from within the workforce who received training on our Responsible Business Programme, were each allotted

monthly work hours to promote local community initiatives, in line with our SDGs, and report their efforts to other Ambassadors during frequent training and collaboration sessions led by our central Responsible Business Team. The intended outcome of the programme was to present to the Board and panel of colleagues at various levels of the business, on the community efforts of their hotel and allow the panel to select an annual Group charity for the regional and corporate offices to support. The programme was rolled out across the UK, Netherlands and Germany in early March 2020 and was well received. As COVID-19 took hold, the programme was placed into temporary hibernation. By late spring, our Responsible Business Ambassadors along with their colleagues had picked up the reigns and resumed their efforts to support those in their local communities through various charitable and public service groups.

NHS Secondment Programme

Our team members are passionate about delivering exceptional hospitality experiences. Creating great hospitality experiences requires a number of skills and disciplines, many of which are symbolic of the hotel experience. The welcoming greeting and memorable sense of arrival as you enter a hotel at the start of your holiday, the scent of a perfectly cooked dinner as it is delicately placed in front of each guest at a table, the flurried scene of people arranging every detail in the final minutes before the doors open at the annual company event are all quintessential features of true hospitality. These fond memories that outlive a stay at our hotels are created for each individual guest and curated by the dedicated work of our skilled team members.

In 2020, many of our colleagues found that their expertise, training and passion for hospitality could be of great value and use at hospitals and medical facilities, where the demand for staff was outpacing the supply.

With the unexpected onset of the pandemic, the healthcare industry found itself facing increased demand, practically overnight. Similarly, our industry saw a shortage of work, creating a challenge for us to remain certain roles where operations were closed or limited.

Our UK operations and human resources teams collaborated with the UK National Health Service (“NHS”) to create a unique secondment programme for our team members. The programme invited team members of all skillsets and backgrounds to volunteer to work directly in the healthcare sector during times of need, while maintaining their employment with the Group. This allowed us to maintain roles which otherwise would not have been needed while operations were limited and it allowed the NHS access to the exceptional support of our team members across a number of disciplines.

Be it the logistics mastery of our marketing and events teams, the culinary expertise of our chefs and the hospitable yet watchful eye of our security team, our team members found that they could use their talents to support health services throughout the pandemic.

Without this crisis, the speed and magnitude of reskilling to leverage the talents of our team members would never have been contemplated. We have learned that when there is a need, there is most certainly a way to help one another, even across differing industries. We remain humbled by the efforts of our colleagues who welcomed the secondment opportunity, even in the early days of the pandemic when so much about COVID-19 remained a mystery.

As part of the programme we have seconded team members for roles in:



Meet & Greet
From March 2020



Porters
From March 2020



Food Service Assistants
From March 2020



Vaccination recruitment
From December 2020



Vaccination Support
From December 2020



Chefs
From March through June 2020 & from December 2020

As of Christmas Day 2020, we had 70 team members seconded to St Thomas’ & Guy’s Hospitals. As we ended 2020, we began the effort of quickly enrolling our operational managers and meeting and events teams for new roles to support the vaccination roll-out.

We want to thank our colleagues for their eagerness to lend their talents to the NHS, in even the darkest days of the pandemic, and who continue their secondment in 2021 in hospitals, medical facilities and in aiding with the logistics and roll-out of COVID-19 vaccines.

Supporting Local Hospitals & Health Care

From the outset of the pandemic during the months of March, April and May, our colleagues in Croatia undertook a series of activities to help the local community cope with the crisis. Amongst those were co-financing the purchase of Ultraviolet-360 Room Sanitizer for Pula General Hospital and donation of 35 LCD television sets for the use of patients. Our team also prepared more than 6,000 packed lunches for hospital staff over a two-month period and some 20 of our colleagues assisted in the preparation and cleaning of new hospital spaces.

Helping Our Key Workers

The pandemic highlighted how vividly dependent our communities are on key workers. Millions of front-line staff left their homes every day to help maintain key services and a semblance of normality and we felt it was important to support them where we could and as well as to show our appreciation. The team at Park Plaza Victoria London, for example, offered first respondents, including firefighters, police officers and medical staff, respite in-between shifts and call outs; Park Plaza Eindhoven offered free parking spaces to those working in healthcare, teachers or individuals involved in other initiatives in support of the crisis; and Holmes Hotel London delivered 78 boxes of chocolate Easter Eggs to St John's Ambulance headquarters as a small act of kindness to show their gratitude.

Supporting Local Business

In some of our properties, we lease commercial spaces to tenants. Whether it is a cheesemonger selling traditional, local varieties of cheese or a family-run jeweller, most of those are small local enterprises that play an important role in the local communities. We recognised the devastating effect various social distancing measures and falling footfall had on their cash flow and general sales in 2020 and we

were glad to work with our tenants to offer special support and arrangements to assist them through hardship.

Supporting Local People in Need

The novel coronavirus pandemic had a devastating social economic impact on some of the most vulnerable members of our societies. As many local services had to close their doors, we supported a London charity that provided free meals to those in need at a local church. As part of the effort, more than 24,000 meals were served over the period of six weeks providing breakfast and lunch to up to 200 people a day. In December 2020, Park Plaza Westminster Bridge London further partnered with Lambeth Council to join its Helping Hands programme. The hotel donated 2,000 roast dinners, bringing together a team of 36 volunteers from the business to prepare and pack food boxes for distribution to elderly and vulnerable residents across Lambeth area of London.

2020 saw several other activities aimed at supporting local communities and charities. In September, for example, TOZI London partnered with a charity which provides financial and emotional support to theatre workers and designed a special dish which was sold with a £1 donation alongside an additional discretionary £1 on every bill. Team members at Park Plaza Victoria London donated dry goods, cereals and canned items to a charity that caters for vulnerable families as well as toilet rolls, toiletries and soaps to a homeless outreach centre; and our colleagues in Berlin donated 250 chocolate bunnies to a local charity for Easter. Park Plaza Utrecht offered complimentary rooms for parents staying with or visiting their children at a local oncology hospital. We were also pleased to hear of several grass-root initiatives spearheaded by team members who organised bake sales, sold face masks or otherwise raised money for a charity of choice.

70 team members seconded to St Thomas' & Guy's Hospitals, London

Donated 35 LCD television sets to a Croatian hospital

Park Plaza Westminster Bridge London donated 2,000 meals

24,000 meals provided over 6 weeks at a local London church

Berlin team members donated 250 chocolate bunnies to a local charity

Holmes Hotel London delivered 78 boxes of chocolate Easter eggs to St John's ambulance

36 volunteers prepared packed food boxes for the elderly residents in Lambeth

Croatian team members prepared +6,000 packed lunches for hospital staff

Our Planet

Our goals:

1. Reduce carbon footprint
2. Reduce water usage
3. Reduce waste and recycle more
4. Increase the use of ethically sourced and eco-friendly materials

Sustainable Development Goals:



An area of focus

We understand that the way we do business can have a significant impact on the world around us and that all of us have an increased level of responsibility in this area. Assessing our climate and impact on the world around us, be it our operational ecosystem and cultural atmosphere or the environmental footprint of our operations, is and will continue to be an area of focus for our Board.

As a company that develops, owns/ co-owns and manages many of our properties, we are in a unique position when it comes to integrating sustainability into our business from the point of development all the way to day-to-day operations. This, in turn, enables us to deliver long-term value for all our stakeholders.

2020: Investing in the wider climate and doing more to ensure we protect the planet which sources our every supply.

Where possible, we work with local certification agencies to have our operations certified. These are local to our operations and are internationally recognised by the Global Sustainable Tourism Council. More than two-thirds of our owned/managed hotels in the UK, the Netherlands, Hungary, Germany and Croatia are certified by Green Key, Green Globe, Green Tourism, Travelife or in accordance with the relevant ISO standard, as appropriate. We strive to continually improve our social and environmental performance year-on-year.

Green accreditations and certifications



NETHERLANDS

Green Globe

Park Plaza Amsterdam Airport

Park Plaza Victoria Amsterdam

art'otel amsterdam

Green Key

Gold

Park Plaza Vondelpark, Amsterdam

Gold

Park Plaza Eindhoven

Gold

Park Plaza Utrecht

UK

Green Tourism

Gold

Park Plaza Westminster Bridge London

Gold

Park Plaza County Hall London

Gold

Park Plaza London Waterloo

Gold

Park Plaza London Riverbank

Silver

Park Plaza Victoria London

Gold

Park Plaza Nottingham

Silver

Park Plaza Leeds

GERMANY & HUNGARY

DIN EN ISO 50001:2018

Park Plaza Wallstreet Berlin Mitte

Park Plaza Berlin Kudamm

Park Plaza Nuremberg

art'otel berlin mitte

art'otel berlin kudamm

art'otel cologne

art'otel budapest

CROATIA

Travelife

Gold

Park Plaza Belvedere Medulin

Gold

Hotel Medulin

Blue Flag Beach

Yacht Beach, Park Plaza Verudela Pula

Energy and emissions

Heating and cooling represents the majority of our energy consumption. Continual improvement of energy performance, including energy efficiency, energy use and consumption is a key metric for us.

For properties in development, we consider sustainability from the start with, for example, our art'otel london hoxton targeting for BREEAM assessment 'excellent'. For existing properties, refurbishments are planned with the latest efficient fittings and a robust design that ensures our assets are built to last.

Investment projects into existing properties that we completed in 2020 included new air-cooling systems, new high-efficiency boilers and water systems, heat pumps, double-glazed windows, new laundry machines, occupancy sensors and automated lighting, replacement of existing lights with more energy efficient LEDs and more. 2021 will see the completion of various other capital investment and other projects such as, for example, Hotel Brioni Pula with works being done on the façade, replacement of old windows, new air-cooling system, new energy-efficient boilers and more – all in line with the most recent climate-related regulations.

art'otel berlin mitte: thinking a decade ahead

In January 2020, art'otel berlin mitte became the first hotel in Germany to install the next-generation air cooling system AirBlue. This three-ton device improved the energy efficiency, reduced energy consumption and operating noise while increasing the cooling capacity. It covers all of the hotel's guest bedrooms, conference and food and office spaces. The new system works with a natural refrigerant and already meets the legal requirements of the European Union, which will only come into force in a decade, in 2030.



On an operational level, team members actively engage our guests to reduce their impact on the environment through the reduction of water, electricity and cleaning materials used in our properties. This includes our 'Save tomorrow, today' programme that rewards guests for opting out of daily cleaning services participating in a linen and towel reuse programme. We also offer our guests low emissions vehicle alternatives, such as bicycles, and electric car charging facilities, where possible and relevant. Thus, more than two-thirds of our hotels offer bike rentals within the hotel or in close vicinity.

In the second quarter of 2019, we introduced carbon neutral meetings and event spaces for our guests. With Radisson Hotel Group, we are working with First Climate, one of the largest carbon offsetting organisations in the world, to offset our carbon footprint for every meeting space. This is a service that is totally free to our meeting space customers. For every meeting or event held at a Park Plaza hotel or art'otel, the carbon footprint of the meeting space and services is offset through projects in the USA, Peru, Turkey, Kenya and India. All offset projects are VCS or Gold Standard certified. Although 2020 saw some major disruptions to meeting & events operations, in 2019 the programme helped us to offset 780 tonnes of CO₂ proving its potency for success. This programme is expected to continue in 2021.

Water stewardship and biodiversity

We currently have no operations or development projects in countries considered 'Extremely-high' or 'High' for baseline water stress, nor in areas considered 'Extremely-high' or 'High' for overall water risk. Nevertheless, we recognise that water stress poses a serious threat to livelihoods and business stability and we continue to invest in water efficient technology and encourage guests to consider the environment and save water.

In line with our commitment to reduce water consumption at source, in 2020 we continued the introduction of water-saving bathroom mixers and general investment in our water systems. These included, for example, Verudela Beach Apartments with 300+ new shower heads and taps that use less water or Park Plaza Verudela Pula where more than one kilometre of water pipes was replaced. These are in addition to our existing initiatives in various other hotels, such as eco shower heads, water-softening systems to reduce limescale, collection of grey water, Ozone cleaning of guest rooms and more.

Our Planet continued



Hotel for bees

Bees play a critical role in healthy ecosystems and through their pollination, they are essential for food production. Sadly in recent years, changes in our environment have meant that bees are significantly declining in numbers. In 2019, Park Plaza London Waterloo partnered with Dr. Luke Dixon – an expert in rooftop beekeeping and a member of the British Beekeepers Association – to create a safe haven atop its fourth floor, giving the bees an opportunity to form colonies and produce local honey, leaving the bees with ample honey to thrive. London's mild climate and wide range of food has provided a welcome environment and our rooftop is now home to 140,000 honey bees. Fresh honey collected is used in the menu of our all-day dining restaurant, Florentine, where 10% of the sales go to the Bee Friendly Trust charity.

As our Hotels for Bees at Park Plaza London Waterloo proved to be a success, in May 2020 we expanded this initiative to Park Plaza Nottingham that is now a home to approximately 30,000 bees. Our team tended to the hive twice a month during summer and left all the harvest in the hive to provide feed for the bees to survive over the winter. The bees have cemented themselves in their hive surviving a number of large storms and high winds, which provides us with a lot of confidence of a strong harvest in 2021.



Hotel for trees

Our hotel for Trees, the Park Plaza Vondelpark, Amsterdam continues to grow its 300-square-meter garden and pond, welcoming local birds and critters alike. The focus on growing a natural enclave on the hotel grounds encourages a harmony between the hotel operations and the wildlife residents of Vondelpark.

The garden with a pond was created in 2019 with the help of a local Amsterdam landscape designer to provide refuge to local wildlife. It provides a good shelter for animals and insects and the pond is an ecological system with its own biodiversity of plants, animals and insects. The trees, shrubs, plants and bushes chosen were a combination of both cultivated and native to the region. The eco balance was carefully thought through so the garden would not need regular maintenance with the flora existing in harmony. Thus, nature is left to her own devices with minimal human intrusion and minimal disturbance to the wildlife. A big percentage of the garden at Park Plaza Vondelpark, Amsterdam is also used as plant borders. The borders have a high density of plants, preventing the ground from drying out quickly acting as a natural water management system for dry summers.



Hotel for the seas

We care about the world around us and have taken measures to protect our beaches and oceans. Our Croatian subsidiary, Arena Hospitality Group, was recently awarded a Blue Flag plaque for their 16th year of ongoing activities to promote sustainability in the tourism sector, through environmental education, environmental protection and other sustainable development practices relating to the beach serving Park Plaza Histria Pula.

The Blue Flag programme is a global programme recognising beaches, marinas, and sustainable boating tourism operators. To qualify for the Blue Flag, a series of stringent environmental, educational, safety, and accessibility criteria must be met and maintained. The aim of the Blue Flag programme is to connect the public and their surroundings while encouraging them to learn more about their environment.



Waste and use of resources

Finding a solution to reducing food waste was one of the key priorities for our Waste Strategy Steering Group. In 2020, we ran a pilot project with a global marketplace for unsold, surplus food with four of our properties joining the trial in the UK and the Netherlands. Although the project only lasted for three months after which it was out into hibernation due to the pandemic, it showed great potency with more than 500 meals prevented from being thrown away. This work is expected to continue in 2021.

By December 2020, all single-use plastic cutlery, cups, straws and stirrers from all hotels in the UK, the Netherlands, Germany and Hungary were replaced with more environmentally friendly alternatives.

Where appropriate, we upcycle or donate to charity or local community groups to avoid waste. In January 2020, together with a national linen distributor, we donated 26 pallets of linen, towels and bathmats to Clean Conscience, a UK charity that redistributes and repurposes toiletries and other items. Included in those, were 500 pillowcases which are now used by an NHS hospital in London as wash bags.

Our Waste Strategy Steering Group will continue to look for effective solutions to reduce our waste and use of resources.

Support mitigation of climate change

We embrace opportunities to work collaboratively via our collective networks. Through our relationship with the Radisson Hotel Group, we work with the Sustainable Hospitality Alliance (previously known as the International Tourism Partnership). The Alliance, which covers more than 25% of the hotel sector worldwide by rooms, is committed to driving continued action on climate.



Team member working at St. Thomas' Hospital

The Strategic Report was approved by the Executive Leadership Team and will be reviewed regularly for materiality and signed on its behalf by Boris Ivesha.

Boris Ivesha
President &
Chief Executive Officer