



MADE WITH SUSTAINABILITY IN MIND.

SUSTAINABILITY UPDATE 2015 - 2017

LIFE IS A JOURNEY. LIVE IT WELL

swissôtel
Hotels & Resorts

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01

WE BELIEVE IN QUALITY IN LIFE AND SUSTAINABLE EXCELLENCE

BUILDING A SUSTAINABLE FUTURE TOGETHER

As guests of the world we combine high quality comfort and vitality with a positive social and environmental impact to enhance our guests' quality of life today and tomorrow.

Our commitment is visible in thoughtful details found in our architecture, design and craftsmanship to gastronomy, services and facilities. We understand that our business is dependent on preserving and conserving the environments, cultures and communities in which we operate.

As a member of AccorHotels, we are part of an even bigger movement. One that aims to provide a positive hospitality experience and empower our guests and Heartists® to make more sustainable choices.

About this report

Building on our full Sustainability Reports published in 2012 and 2015, this update covers the years 2015, 2016 and 2017. It explains our understanding and approach as well as our strategies and actions to improve our sustainability performance. It provides insight into how we tackle those topics which are most important to our key stakeholders and our organisation based on a materiality assessment conducted by our sustainability management team and external experts. You will find updated performance data from previous years that provides greater historical context, alongside recent case studies and highlights of initiatives that will give a clearer picture of what sustainability at Swissôtel means.

After all, every action matters. **Together, let's be the change that we wish to see in the world.**



Lilian Roten
VP Brand Management
Swissôtel

31

operating
hotels

6951

Heartists®¹

1.1²

million guests
per year

100%

of our hotels ensure that their waste
disposal is environmentally friendly
since 2009³

02

EXECUTIVE SUMMARY

Since 2009 our 31 properties around the world have made a positive economic, environmental and social impact while also achieving a notable improvement of our key performance indicators:

The management system of Swissôtel is certified for

- Quality Management (ISO 9001)
- Environmental Management (ISO 14001)
- Health and Safety Management (OHSAS 18001)



pp = percentage points

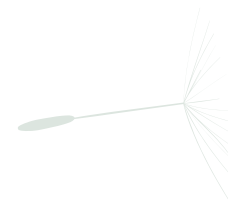
1. AccorHotels sees a 'Heartist®' in each employee; a master of the art of hospitality who serves others from the heart.

2. Unique guest count

3. Excluding franchised hotels (4 hotels)

4. Swissôtel changed vendors twice between 2009 and 2017, which affected the methodology of collecting guest feedback and calculating guest satisfaction scores. Therefore, we are unable to provide a percentage for the improvement during this time. Since 2017 we use the same vendor as AccorHotels.

5. Swissôtel implemented mystery guest visits in 2012 conducted by our vendor Leading Quality Assurance (LQA), used by many brands in the industry. We changed from the LQA luxury standards to upscale standards in 2017.



03 WHY SUSTAINABILITY IS MORE IMPORTANT THAN EVER

EVOLVING OUR APPROACH TO A CHANGING WORLD

The hospitality industry is undergoing significant change as sustainability takes a more prominent role in today's world and the consciousness of our guests, employees, the media and society. In order for us to create a positive impact on our people and planet, we need to have a clearer insight into the main causes of the current global sustainability problems. The following is based on our experience, know-how and input from sustainability experts.

ENVIRONMENTAL ISSUES

- Air pollution
- Climate change, global warming, desertification, soil erosion, hurricanes
- Ecocide, pollution, radiation exposure
- Forest dieback, extinction
- Water scarcity

GLOBAL POPULATION

- Population explosion
- Conflicts over water, mineral resources, wood, pastures and arable land
- Migration and urbanisation
- Terrorism, religious and clan warfare

RAW MATERIALS AND ENERGY

- Increased demand for energy and natural resources
- Industrial waste conflicts
- Depletion of oil, gas, coal, wood, rare-earth elements

HEALTH & WELFARE

- Poverty, malnutrition
- Lack of education, illiteracy
- Illness, air and water pollution
- Lack of basic supplies, healthcare and services

NUTRITION

- Soil erosion, water shortage
- Malnutrition
- Food pollution
- Distribution and storage problems

HUMAN RIGHTS

- Child labour
- Wage dumping, work safety
- Discrimination, injustice
- Oppression, lawlessness

03 OUR RESPONSE - THE PRINCIPLES WE FOLLOW

ENVIRONMENTAL, ECONOMIC AND SOCIAL SUSTAINABILITY

At Swissôtel we believe that the future of the world and the future of hospitality are one in the same. Since 2009, our response to the world's sustainability challenges is to follow these principles.

Environmental sustainability:

While environmental initiatives are the way into sustainability for most organisations, our target is to have a systematic approach that covers all three key aspects of sustainability: Environment, Society and Economy. Our journey began in 1989 with the implementation of an energy efficiency management tool. Today, it's the personal responsibility of all our employees to identify and implement new ways to reduce our eco-footprint. Recent initiatives include converting to energy-saving LED light bulbs and implementing heat recovery installations that put used energy back into the cycle.

All our properties are committed to:

- Managing resources carefully
- Avoiding air and water pollution as much as possible
- Reducing energy and water consumption
- Buying locally as much as possible
- Using organic food
- Reducing waste
- Using public transport, bike sharing, using eco-friendly vehicles and fuel
- Considering eco-friendly energy-efficient standards when building and renovating our properties
- Buying clean power
- Using eco-friendly lighting systems

Economic management:

In the customer-oriented hospitality industry, guest satisfaction will always be top of mind as well as budget. However, our economic management practices demonstrate that responsibility does not come at the cost of high-end facilities and experience that our guests expect, as well as our financial success. To achieve the right balance we closely monitor key indicators related to the stay of our guests by using our Guest Satisfaction surveys. Furthermore, quantitative and qualitative feedback is collected through channels such as our online surveys, individual interviews, focus groups and mystery guest checks.

All our properties are committed to:

- Ensuring sustainable growth of our brand
- Generating long-term economic performance
- Focusing on the preferences and needs of our guests
- Striving for innovative products, offers and services
- Fostering a caring leadership and providing safe workplaces
- Making efficient use of resources
- Delivering operational excellence
- Developing and implementing Sustainable Excellence best practices

03

Social sustainability:

At Swissôtel we put the accent on our people. Our Heartists® embody heart and artist and are the beating heart of our business and operations. That's why we do what we can to enhance their professional and personal lives. We provide a caring and safe working environment, invest in their personal development and professional careers and empower them to be creative when it comes to the future of our brand and sustainability efforts. Our approach is tracked by tools such as the performance review and regular colleague engagement surveys that undergo professional analysis of the results to enable us to have a good understanding of our culture, as well as identify areas for improvement.

All our properties are committed to:

- Consistent consideration of the legitimate needs of our team members, both at work and at home
- Supporting training and personal development
- Respectful treatment of the local environment, community and people
- Supporting foundations, associations and projects with social, cultural or educational activities



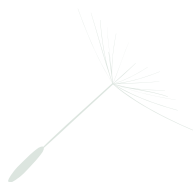
03

CODE OF ETHICS

PROTECTING OUR PEOPLE, POLICIES AND BRAND

In 2008 we launched our code of ethics that supports equal opportunities and the human rights of our colleagues, affirming our commitment to uphold high moral and ethical standards. Upon joining Swissôtel, each team member is requested to sign the code of ethics and undergoes training.

It's essential that our people have a voice and feel empowered to speak up. We have put in place a number of tools to encourage this. Our ethics hotline is a cost-free service managed by an independent company, which allows colleagues to anonymously report any concerns they may have and any concerns raised are rigorously investigated.



03 SUSTAINABILITY IN PRACTICE - CASE STUDIES

SMALL CHANGES MAKE A BIG DIFFERENCE

We believe that being sustainable is simply being better at business and these recent case studies demonstrate just how we are achieving this and enhancing our guests' quality of life.

SWISSÔTEL NANKAI, OSAKA - WATER SAVINGS

We want to make sure that our guests can contribute to our sustainability approach without compromising on comfort and Swissôtel Osaka achieved this in 2015 by implementing Air-In Shower Heads in their bathrooms. By mixing air and water the pressure is kept high reducing the volume of water substantially at the same point in time.



SWISSÔTEL THE BOSPHORUS, ISTANBUL - TRI-GENERATION SYSTEM

As a leading hotel brand we are continually seeking ways to use energy more efficiently. Swissôtel The Bosphorus opted for a tri-generation system that generates the total electricity consumption of the large hotel on a daily basis. In fact, the heat waste generated by the machine is used to cool the hotel with absorption chillers, so almost nothing is wasted.



HERB GARDENS

80% of the properties included in this report have their own herb gardens that provide the freshest ingredients for our cuisine while reducing our carbon emissions as we don't rely upon external suppliers to deliver the herbs.

SWISSÔTEL CHICAGO, SWISSÔTEL THE STAMFORD, SINGAPORE AND SWISSÔTEL NANKAI, OSAKA - BIO FOOD RECYCLING

By taking smart steps to waste less and recycle more, our hotels are reaping financial as well as environmental benefits.

Our properties in Chicago, Osaka and Singapore opted for a technical solution to tackle the global issue of food waste - the Bio food recycling machine, that produces bio soil or grey water from leftover and waste food.

03

SWISSÔTEL THE STAMFORD, SINGAPORE - TRIPLE BOTTOM LINE

Our target for the Sustainable Management Practices at Swissôtel is to have a positive impact on the economic, social and environmental aspects - what we call the triple bottom line

When Swissôtel The Stamford, Singapore underwent a renovation in 2017 the team saw it as an opportunity to make improvements to the triple bottom line.

- Social impact: the renovation focused on enhancing colleague engagement and reducing the staff turnover
- Economic impact: the digitalisation of guest requests increased the efficiency of the processes for the front office team and reduced the amount of paperwork
- Environmental impact: the introduction of dispensers for bathroom products will help to reduce waste

Green Mode
air-conditioning

Reducing energy
consumption by
regulating the
temperature,
humidity and
condensation in
the room



By a simple touch of a button our guests can activate the Green Mode on the room's digital energy management system. This automatically reduces energy consumption by regulating the temperature, humidity and condensation in the room. Since the introduction of this system in 2017, consumption of energy has dropped by an impressive 19%.

Following the renovation, Swissôtel The Stamford, Singapore saw an immediate increase in guest satisfaction, the average daily rate (ADR) and the team member engagement.

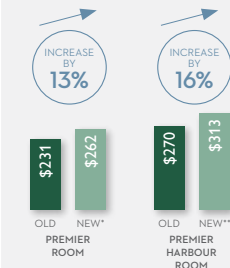
GUEST SATISFACTION - REPUTATION PERFORMANCE SCORE



ADR COMPARISON - ALL SEGMENTS



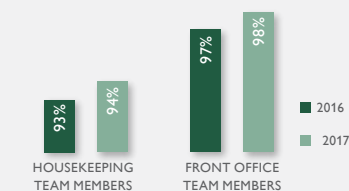
ADR COMPARISON - TRANSIENT SEGMENT



*After renovation name of category was changed from Classic Room to Premier Room.

**After renovation name of category was changed from Classic Harbour Room to Premier Harbour Room.

COLLEAGUE ENGAGEMENT



Source: IBM-Kenexa Colleague Engagement Survey



SWISSÔTEL LE PLAZA, BASEL - SOCIAL SUSTAINABILITY

Swiss hospitality stands for quality, efficiency and care. Swissôtel Le Plaza, Basel has recently implemented the following social activities that underline our approach to hospitality enhance the guest experience.

Soap saves lives

After our guests check-out we collect the unused and half-finished soaps from their rooms, for the SapoCycle-Foundation. This foundation turns discarded soap into life-saving products for children and families in need. Quite simply, hand washing with soap can cut morbidity rates from the leading causes of death by nearly 50%. www.sapocycle.org

Amenities restore a little humanity

Our Pürovel bathroom amenities are not thrown away after guests use them. We donate them to the Heilsarmee in Basel. This organisation gives homeless people a place to stay and supports them to stand on their own feet again. These products help that people feel clean and respected and that's a first step back to life.

<https://wohnen.heilsarmee-basel.ch/>



Bottle labels help people to live life well

Who saves the plastic bottle labels? That's what we thought. Le Bouchons d'amour is a French foundation that uses labels to provide humanitarian aid for purchases of equipment for disabled people. www.bouchonsdamour.com/l-association/objectifs

SWISSÔTEL MERCHANT COURT, SINGAPORE

Workplace safety

A safe working environment for our colleagues is a top priority. That's why the senior management and health and safety team regularly walk around to assess the property for potential safety issues.

We never take the health of our colleagues for granted. Each year we organise an onsite complimentary health screening for all colleagues.



We care week

For over a decade, Swissôtel Merchant Court, Singapore holds its annual We Care Week for its guests and local community comprising programmes and initiatives designed to encourage healthy living including visits to the local food bank, the Kallang River clean-up and an interdepartmental healthy cooking competition.



SWISSÔTEL CHICAGO

Sustainability pays off for all stakeholders involved

In 2014 Swissôtel Chicago introduced its 'Make a Green Room Choice' initiative. As the majority of visitors to the city stay two nights or less, the daily change of towels and bed linen leads to unnecessary costs, time and environmental impact. This initiative is a win-win situation for society, the environment and the economy. It enables guests to customise the housekeeping service to their individual needs and those that do (around 10% of guests) are rewarded with a hotel restaurant voucher and actively contribute to a more sustainable stay. The environment benefits from a reduced ecological footprint due to lower consumption of resources and the hotel has to spend (approximately USD 250,000) less per year on payroll, detergents, water and electricity.



EARTH DAY. EVERY DAY.

Receive a \$10 food & beverage credit for each day you opt out of housekeeping during your stay*. That's \$10 per day to spend in our food & beverage outlets including:

Amuse - cocktails and small bites
In-room dining - dine in the comfort of your room

Contact the front desk to enroll, or place this outside your door before 2am.

*2 night minimum stay required. Restrictions apply.

swissôtel CHICAGO



NO. OF EARTH DAY EVERY DAY ROOMS

SINCE 2014 MORE THAN 50,000 GUESTS HAVE OPTED OUT OF HOUSEKEEPING SERVICES TO SUPPORT A LOWER ENVIRONMENTAL FOOTPRINT WHEN STAYING AT THE HOTEL



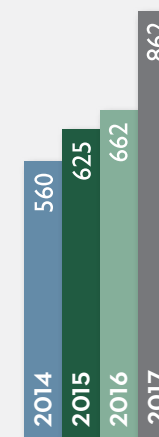
LINEN NOT WASHED IN KG

ALMOST 350,000 KG OF LINEN WAS NOT WASHED DAILY DUE TO THE INITIATIVE, WHICH EQUATES TO 1500 FULL WASHING LOADS



WATER SAVED IN LTR

FROM 2014 TO 2017, THE INITIATIVE HAS ACHIEVED A ONE MILLION LITRE WATER SAVING AT THE HOTEL



DETERGENTS SAVED IN KG

SINCE 2014, THE HOTEL HAS SAVED MORE THAN 2700 KG OF DETERGENT* BASED ON THE NUMBER OF LAUNDRY LOADS NOT WASHED UPON GUEST REQUEST.

*Detergents include Alkali/ Sodium Hydroxide, Bleach/ Sodium Hypochlorite, Bleach/ Hydrogen Peroxid, Sour/ Mild Acid and Softener

03 SOS CHILDREN'S VILLAGES

IT TAKES A VILLAGE OF SUPPORT

Swissôtel is a proud supporter of the SOS Children's Villages since 1999. SOS Children's Villages is a global nonprofit organisation that works to protect and care for vulnerable orphaned and abandoned children, creating stable families around the globe to provide the love, care and education they need.

Each year our properties organise donation campaigns, events and recruit young talents to give them a positive start to their professional life.

PARTNERSHIP WITH SOS CHILDREN'S VILLAGES



SWISSÔTEL KUNSHAN

Since 2015, Swissôtel Kunshan supports Wulian School – a migrant school in Kunshan. Initiatives include fulfilling the children's Christmas wish lists and hosting a large Christmas bazaar in the hotel lobby with 50 exhibitors. Over 1000 guests donated to the Christmas bazaar fund resulting in 20 school children receiving a full set of new clothing.

SWISSÔTEL BREMEN

In 2016 Swissôtel Bremen hosted several events with their local SOS Children's Village.

Movie night:

The hotel hosted a 'Minions' movie night at their cine lounge with popcorn, snacks and drinks. Some of the children were able to spend the night in a suite, which was decorated as a soft and cosy overnight camp.

Festive cookies and lantern running:

The hotel team spent an afternoon with the children building and decorating gingerbread houses assisted by the chef and his culinary team.

December also saw the hotel team go lantern running with the children in the neighbourhood before returning to the hotel to enjoy festive treats and Christmas music.

SWISSÔTEL CHICAGO

Our global social responsibility initiatives enable us to connect with the less fortunate in our society and inspire and empower children to pursue a career in hospitality. It's our way of building the future through inspiration, support and opportunity. Our property in Chicago is a great example:

Garden project:

In May 2016, the property helped the SOS Children's Village foster children and families weed, mulch and plant village vegetable gardens. Modelled after Steven Ritz's nationally acclaimed Green Bronx Machine in New York City, the project strives to inspire and educate the children on gardening, healthy eating and environmental responsibility.

Career day:

In 2016 and 2017 the property hosted its Career Day – an inspiring event where high school students were invited to participate in a full day shadow programme showcasing the hospitality industry, offering a preview of potential future employment opportunities at Swissôtel Chicago. In July 2017, Swissôtel Chicago hired a former member of SOS Children's Villages Illinois as a Front Desk Agent. This colleague receives constant praise and recognition from his colleagues and on Trip Advisor for being a wonderful team member and providing excellent service to guests.



GARDEN PROJECT, SWISSÔTEL CHICAGO



SWISSÔTEL BEIJING, HONG KONG MACAU CENTRE

The hotel has been a supporter of the China Association of SOS Children's Villages for more than ten years. To mark this milestone, General Manager Thomas Reupke and his management team visited the Tianjin SOS Children's Village in 2017.

Greeted by the Deputy Secretary-General, the Village head, SOS parents and 20 children, the day began with speeches and a donation ceremony, followed by a workshop organised for the children by Dany, the pastry chef.



03

VITALITY AT SWISSÔTEL

ENERGISING OUR GUESTS AND COLLEAGUES AROUND THE WORLD

Enhancing the quality of life for our guests and colleagues is one of the key passions of the Swissôtel brand experience and integral to our social sustainability approach.

Swissôtel Vitality Programme

Over the last six years Vitality has become a holistic part of the guest experience from meetings and mindfulness to menus and movement, giving guests the peace of mind they need to explore the world and discover life's true rewards.

Swissôtel Vitality Day

Each year we celebrate the 'Day of Vitality' on March 21st at all our properties worldwide. Guests and colleagues alike participate in activities and initiatives that are designed to enhance well-being such as yoga classes, biking, rowing, and fitness and healthy cuisine.



THE WAY FORWARD IS TO CELEBRATE THE BEGINNING OF SPRING (MARCH 21ST) WITH A FOCUS ON VITALITY IN CUISINE.

IN JUNE WE WILL CELEBRATE AN ENTIRE WEEK OF VITALITY FOR BODY, MIND AND SOUL. THIS IS IN CONJUNCTION WITH THE GLOBAL WELLNESS DAY THAT TAKES PLACE ON THE SECOND SATURDAY IN JUNE EVERY YEAR.





03

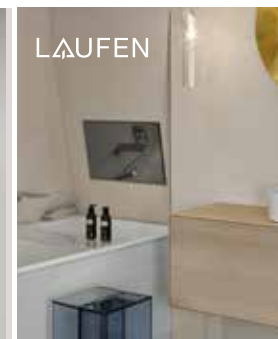
Swissôtel Vitality Room Concept

Launched in October 2016, the serene and stylish sanctuary includes bespoke wellness features to help guests maintain their mental and physical health while away from home. Renowned international brands and innovators in their respective fields were key collaborators including Vitra, Laufen, Dornbracht, NOHrD, IQAir, Philips, Dinesen, Stepevi and Lasvit.

CREATED IN PARTNERSHIP WITH WALLPAPER* MAGAZINE, THE INNOVATIVE VITALITY ROOM CONCEPT, LAUNCHED AT SWISSÔTEL ZÜRICH, IS THE LIVING EMBODIMENT OF OUR BRAND'S IDENTITY AND TAKES THE BRAND'S 'LIVE IT WELL' PHILOSOPHY TO THE NEXT LEVEL.

Lilian Roten

VP Brand Management, Swissôtel



INNOVATIVE ASPECTS OF THE VITALITY ROOM

Well-being Wall

- Space-efficient and compact in-room Well-being Wall exclusively designed for Swissôtel by NOHrD
- Multilingual cyber-trainer via a simple to use touchscreen monitor displays exercises geared towards strengthening, stretching, meditation and breathing
- Training equipment designed to activate a users' complete kinetic chain

Other exclusively-designed features

- Dornbracht's specialised water settings are a fusion of temperature and water pressure to help guests energies and revitalise
- Laufen's bathtub includes atmospheric LED lighting (guests can choose the colour to match their state of mind) and a Pürovel Scent Mist function to soothe and restore

- Vitra furniture includes tables with adjustable heights and various seating options, allowing guests to adapt the space to their needs

Additional health benefits

- Circadian light is utilised, a first for the hotel industry. The Vitality Room lets guests' vary the room's ambience along the whole white light spectrum to help them to revitalise or unwind
- Invisibly integrated into the Vitality Room, the IQAir CleanZone air purification system filters even the tiniest airborne particulates including allergens, bacteria, viruses and exhaust particles



OUR UNDERSTANDING

EXECUTIVE SUMMARY

WHY - THE CHALLENGES AND OUR RESPONSE

HOW - MANAGING SUSTAINABILITY

WHAT - OUR ACHIEVEMENTS

THE WAY FORWARD - PLANET 21

03

SWISSÔTEL SCENT

A BREATH OF FRESH AIR

Our subconscious memories have a distinct fragrance. Aromatherapy and perfumed air complement the beneficial experience of a spa, helping to relax or invigorate guests. To create a subconscious footprint, we have developed our own scent that is inspired by fresh alpine air – the dense, verdant forests and flower-filled pastures of the Swiss Alps.

Our scent partner 'SuisseSences'

Having realised that there was a lack of original Swiss essential oils on the market, our nine Swiss

farmers started their new business model, which enables them to sustain their business in the future.

Since 2004 SuisseSences produces their own essential oils and today offers a range of massage oils, shower gels and body creams in a variety of fragrances based on their raw material.

All ingredients used in SuisseSences products are **locally grown and 100% organic**. In keeping with our commitment to sustainability, all packaging is made from recycled and biodegradable material.

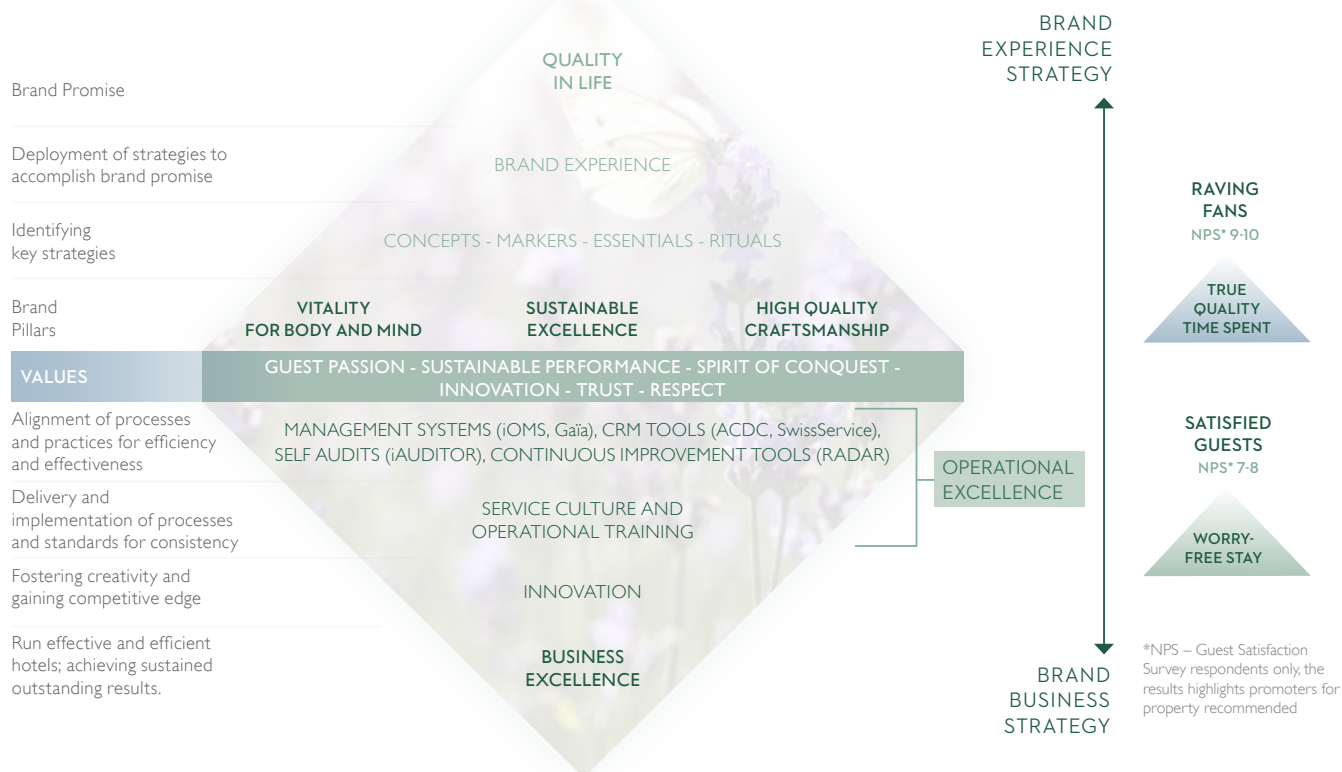


Pürovel amenities

Our Pürovel bath care products bring a little piece of Switzerland to every Swissôtel guestroom worldwide. Infused with an inspiring blend of Swiss essential oils, our bathroom range features the essence of bee balm, lavender, peppermint and clary sage that guarantee an invigorating alpine feel to restore your natural vitality.

04 OUR OVERALL STRATEGY

SUSTAINABILITY IS KEY TO OUR SUCCESS



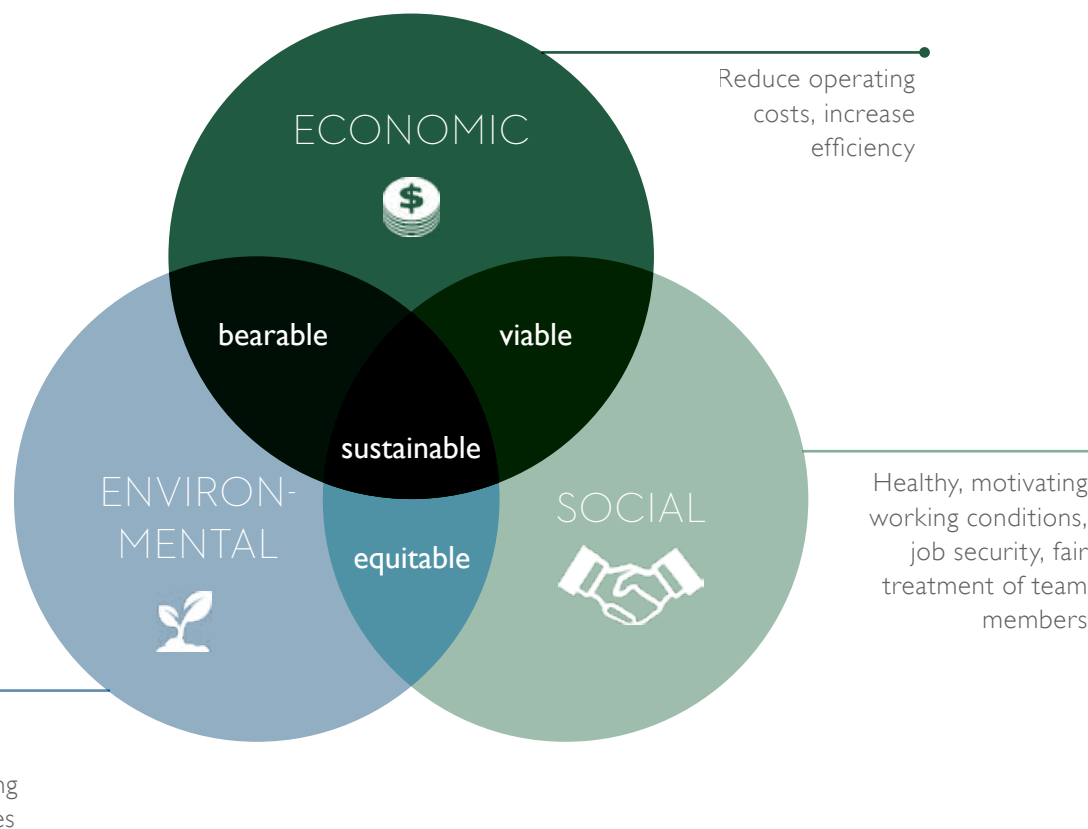
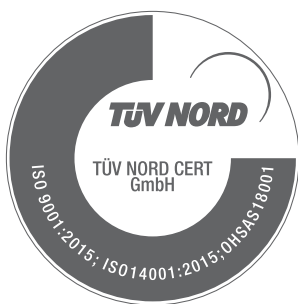
When it comes to brand strategy, consistency is a key factor in achieving long-term success. It should come as no surprise that we continue to follow the roadmap created in 2012.

As you can see, the two parts of the pyramid complement each other and enable us to compose the entire strategy of the Swissôtel brand, of which sustainable excellence is a key part.

04 OUR ISO CERTIFIED MANAGEMENT SYSTEM

EFFICIENCY IS KEY TO SUSTAINABLE GROWTH

In 2009 we implemented our ISO certified Management System, an integrated online management system built around the international standards of quality management, environmental management, food safety and health and safety management. This tool not only allows efficient and effective management of all our processes, but also enables us to support the three pillars of sustainability as it serves as an accessible platform for exchanging best practices across the globe.



04 OUR SUSTAINABILITY APPROACH OVER TIME

30 YEARS OF SUSTAINABILITY - OUR JOURNEY SO FAR



04 FOSTERING SUSTAINABILITY ACROSS OUR GUEST EXPERIENCE

BEING SUSTAINABLE IS PART OF OUR EVERYDAY APPROACH

While many people and companies concern themselves with their CO² emissions data, we like to take a holistic look at our sustainability impact across the entire guest experience.

We empower our Heartists® communities, stakeholders and guests to be innovative in sustainable practices. All ideas and thoughts are welcome.

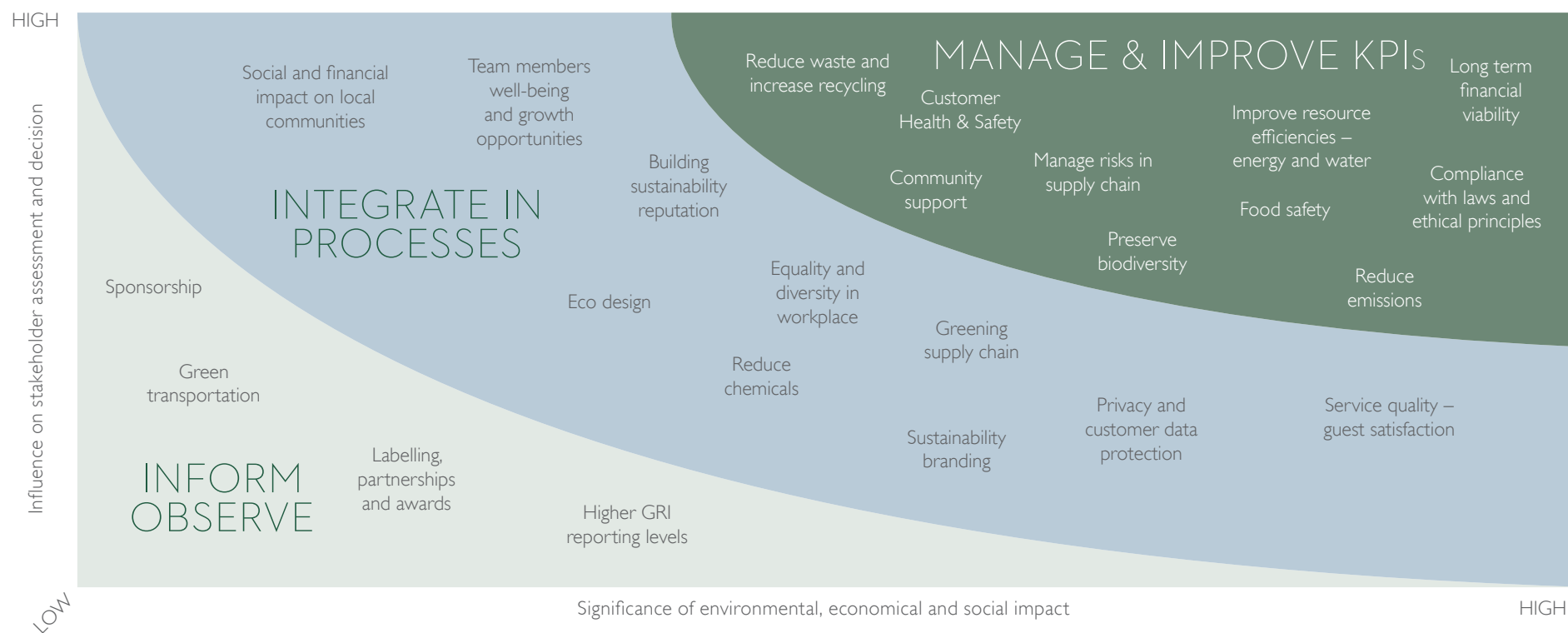
We have identified opportunities that contribute to a sustainable stay that goes beyond CO² emissions and have implemented the following initiatives:

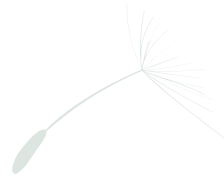


04 OUR MATERIALITY MATRIX

DETERMINING OUR SUSTAINABILITY PRIORITIES

Our materiality matrix is a systematic approach that helps us identify and prioritise the sustainability issues that matter most to our guests, Heartists® and stakeholders. It helps us to develop a clear strategy for what subjects we address, and how and when we address them.





04

FIVE YEAR REVIEW

We update our **MATERIALITY MATRIX** every five years to make sure it reflects changes in our business and the external environment.

The sustainability hot spots and our response

Current hot spots, identified under the **Manage & Improve KPIs**, are in the process of being addressed by the following approaches:

- **Health & safety of guests and team members:** OHSAS 18001 Health & Safety Management
- **Managing Resources, preserving biodiversity and reducing emissions:** ISO 14001 Environmental Management
- **Managing long-term success:** ISO 9001 Quality Management
- **Risk-based approach to supply chain:** Application of specific selection and valuation criteria
- **Community support:** In addition to the support of the SOS Children's Villages, hotels are supporting local community partners and charities
- **Compliance with laws:** Implementation and annual review of sound processes to control and monitor all relevant laws and regulations
- **Food safety:** Implementation of the ISO 22 000 Food Safety Management approach
- **Waste management:** We record data on our waste in our sustainability indicator monitor since its launch in 2009



04 OUR LIFECYCLE APPROACH

INCREASING OUR UNDERSTANDING OF RELEVANT ENVIRONMENTAL ASPECTS

Our target is to reduce the environmental impact for all products and processes

When it comes to environmental aspects the revised 'ISO 14001:2015' fosters a broader view. It differentiates those aspects we can manage with our own decisions and those aspects we might be

able to influence by involving our partners. It asks for a detailed screening of the life-cycle of products and services to identify all relevant aspects. We have provided our hotels with a tool which helps them to apply that principle at their destination – so they focus on aspects most relevant to them.





04 SUSTAINABILITY THROUGH PROCESS MANAGEMENT

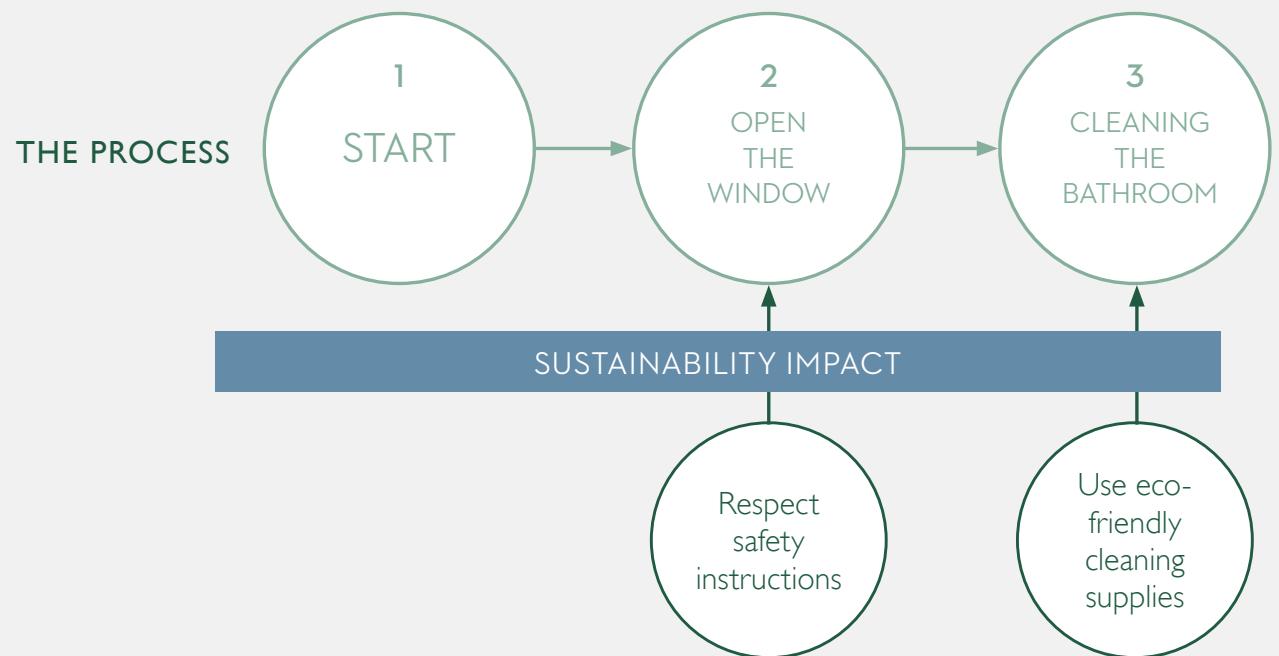
MAKING SUSTAINABLE CHOICES IN OUR DAILY WORK

Sustainability is a choice we make every day. From the global initiatives we develop through to the seemingly small actions we take in our daily work.

Consistent application of sustainability in large as well as everyday tasks is a key success factor for any organisation applying a sustainability strategy. At Swissôtel we have embraced sustainability to a point where it becomes part of the company's culture and daily work. We also use an integrated online management system (iOMS) that sets out all relevant processes of our hotels ensuring those processes are supported by efficient and effective tools and documentation.

All our processes are reviewed both externally by our audits and assessments of our certification body, as well as internally on an annual basis as part of our strategic management review.

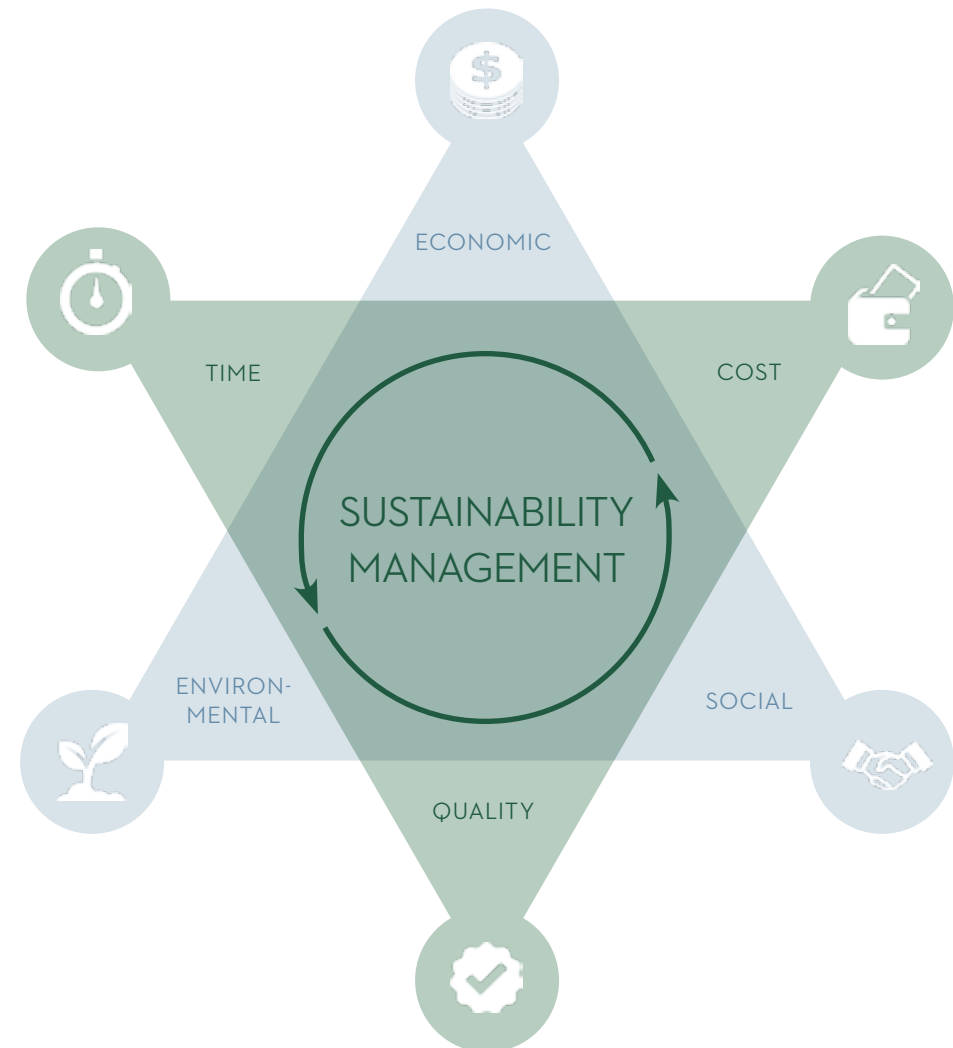
Simplified example: cleaning a guest room
with sustainability in mind



04 SUSTAINABILITY THROUGH PROJECT MANAGEMENT

MAINTAINING A SUSTAINABLE MIND-SET

Measuring our success and impact is of great importance to us. Without this data, we have no clarity as to what areas we are succeeding in and what we need to focus on and improve. The project management triangle, not only focuses on the three main criteria of a project - time, cost and quality, it also includes the three pillars of sustainability - environmental, economic and social. This helps us to consider our sustainability criteria in every project we undertake, ensuring this is a key part of our brand DNA and mind-set.

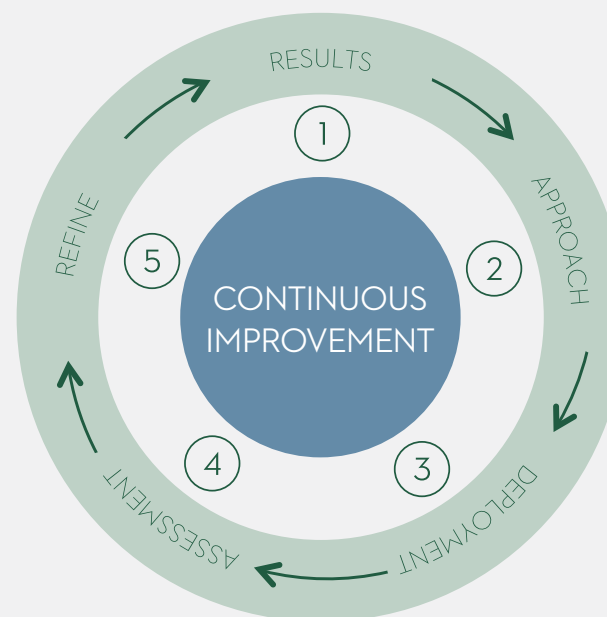


04 SUSTAINABILITY THROUGH QUALITY MANAGEMENT

MAKING INFORMED DECISIONS

In the day-to-day operations of our business, it is easy to lose sight of the strategic vision, goals and operational targets. The RADAR logic, as outlined on page 22, is one of the key tools we use as it follows the EFQM Business Excellence model. This quality management approach is simple to use and supports our managers at every level to choose the right approach, consider sustainability in their decision-making and in addition, it continuously delivers best practices.

The RADAR logic

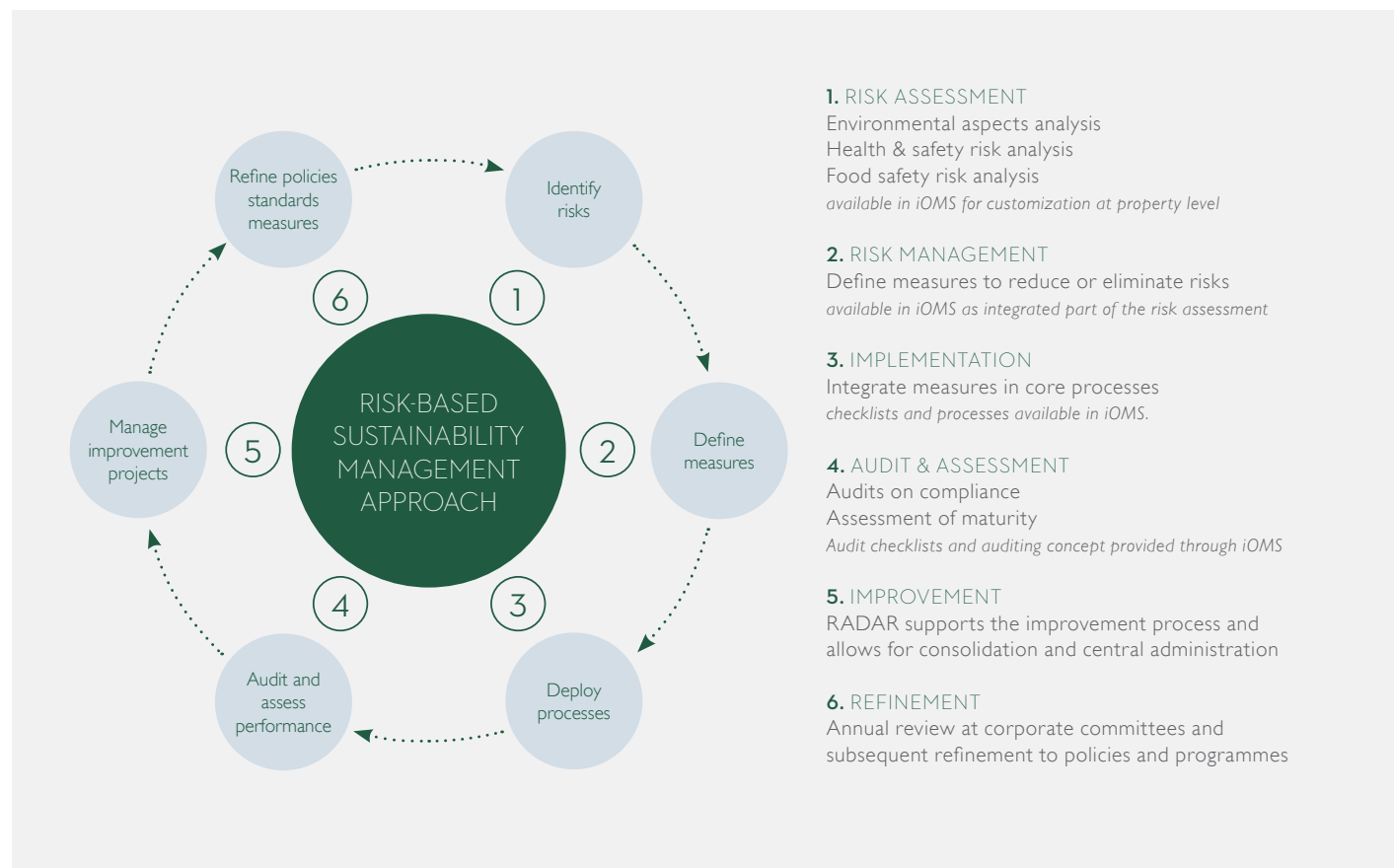


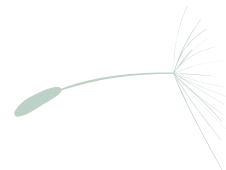
1. What you want to achieve
2. How you are going to achieve it
3. How and where in the organisation it needs to be implemented
4. How you measure the effectiveness and efficiency of the approach and its deployment in delivering the results you expect
5. Improve your strategy and your processes based on your learnings to further drive your performance

04 SUSTAINABILITY THROUGH RISK MANAGEMENT

PROTECTING OUR FUTURE

Innovation should not come at the cost of great risk to our people, planet and profits. At Swissôtel our robust risk management process combines the identification of strategic risks with the systematic review of our processes to identify operational risks. Measures including frequent trainings are implemented in response to incidents and accidents.



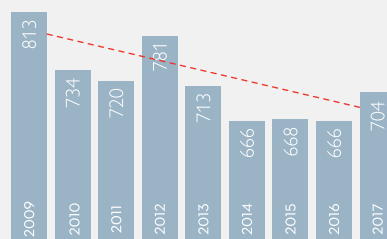


05 KEY PERFORMANCE INDICATORS

TRACKING AND MONITORING OUR IMPACT ON THE ENVIRONMENT

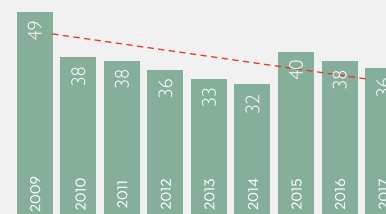
We began our journey to sustainable excellence in 1988. In 2009 we set out our key performance indicators (KPIs) to help us track and monitor our impact. Since this date, 20 properties have been part of this exciting process and delivered great improvements in their KPIs.

This success is down to a systematic approach to sustainability paired with personal engagement and professionalism by our colleagues. For almost a decade Swissôtel has demonstrated double digit KPI improvements as shown on the right. This is our motivation moving forward. We want to thank all our colleagues for their ongoing care, support and efforts related to sustainability excellence at Swissôtel.



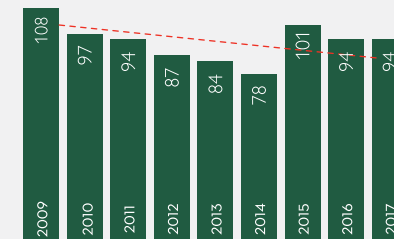
WATER (L)
per guest night

WATER
CONSUMPTION
PER GUEST NIGHT
**DECREASED BY
13% SINCE
2009**



ENERGY (KWH)
per guest night

ENERGY
USED PER
GUEST NIGHT
**DECREASED
BY 13% SINCE
2009**



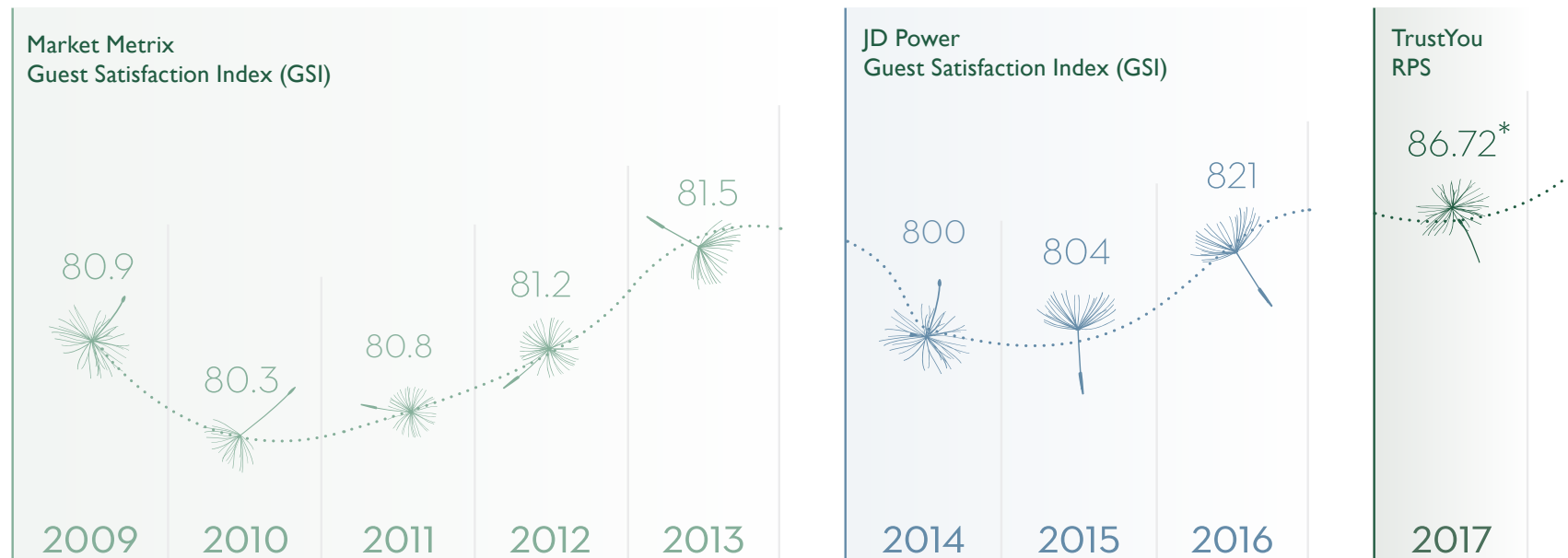
CO² EMISSION (KG)
per guest night

CO²
EMISSIONS PER
GUEST NIGHT
**DECREASED
BY 27% SINCE
2009**

Due to outside temperature, overall occupancy and guest mix the hotels face some fluctuation of volumes in energy and water consumption in some years. However the impact of the overall saving initiatives can be understood looking at the overall trend over years.

MONITORING OUR IMPACT ON GUEST SATISFACTION

Swissôtel changed vendors twice between 2009 and 2017, which affected the methodology of collecting guest feedback and calculating guest satisfaction scores. Therefore, we are unable to provide a percentage for the improvement during this time. Since 2017 we use the same vendor as AccorHotels. Nevertheless, one can see that Swissôtel was able to achieve an improvement shortly after changing vendors.

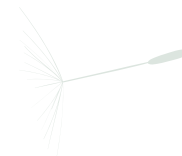


*The Reputation Performance Score combines scores from guest satisfaction surveys and online reviews. This Performance indicator replaced the more traditional guest satisfaction scorecard in 2017.

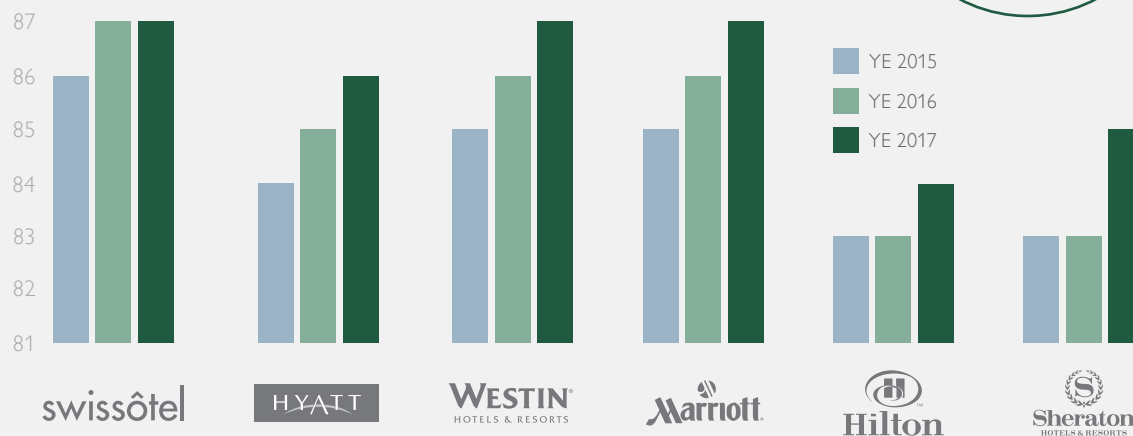
05

MONITORING OUR IMPACT ON OUR REPUTATION

The online performance is a derived score from the online reviews from over 250 websites. These online sources include Booking.com, Facebook, Hotels.com, TripAdvisor and many more.



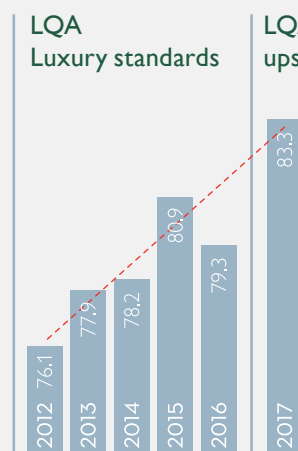
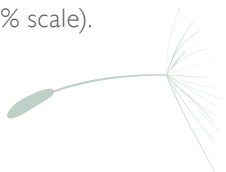
Online performance



MONITORING OUR IMPACT ON SERVICE QUALITY AND COLLEAGUE ENGAGEMENT

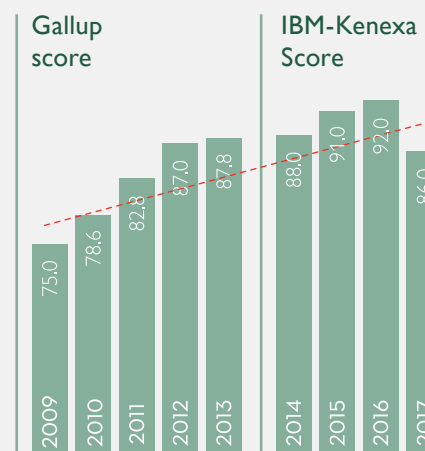
We know that engaged and happy colleagues increase our business success and performance. Therefore, it's important that we monitor this regularly. While colleague engagement has improved consistently, there was a score drop in 2016 related to the sale of the company to AccorHotels Group and the uncertainties that naturally came with it. As the transition phase was successfully completed by the end of 2017 we believe that the colleague engagement score will rise again.

Please note that data from 2010 to 2013 were measured by Gallup (scale on 5) while data from 2014 and onwards was measured by Kenexa Surveys (% scale).



MYSTERY GUEST CHECKS (%)

MYSTERY GUEST
CHECKS SCORING
**INCREASED BY
7.2 PERCENTAGE
POINTS SINCE
2012***



COLLEAGUE ENGAGEMENT (%)

COLLEAGUE
ENGAGEMENT
**INCREASED BY
11 PERCENTAGE
POINTS SINCE
2009**

*Swissôtel changed from Luxury to Upscale Standards in 2017.

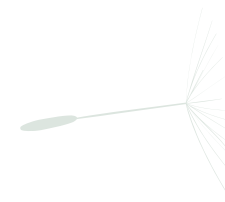
05 AWARDS AND ACCOLADES

RECOGNISED AS A LEADING GLOBAL TRAVEL BRAND

In 2017, Swissôtel was awarded an impressive 65 sought-after hospitality awards. Highlights included:

- **Swissôtel Büyük Efes, Izmir**, ranked second out of eight entries competing in the urban accommodation category for the SKÅL International Sustainability Awards 2017
- **Swissôtel Krasnye Holmy, Moscow** awarded two World Luxury Hotel Awards
- **Swissôtel Grand, Shanghai, Swissôtel Kunshan** and **Swissôtel Kolkata** all received TripAdvisor's Certificate of Excellence
- **Swissôtel the Stamford, Singapore** named the Best 5* Business Hotel in Singapore by Travel & Tour Awards
- **Swissôtel Merchant Court, Singapore** is the top-award winning property with a total of 10 awards in 2017





06

PART OF AN EVEN BIGGER MOVEMENT

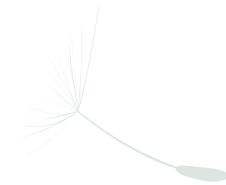
COMMITTED TO DOING MORE

Since joining AccorHotels in July 2016, we are part of an even bigger movement. One that aims to provide a positive hospitality experience. The Planet 21 Programme is aligned with our vision of placing sustainable hospitality at the core of our strategy, development and innovation.

The AccorHotels has been a committed group for many years and has constantly worked to redefine boundaries. The Planet 21 program demonstrates the Group's ambitious goals for 2020, based on four strategic priorities: work with its employees, involve its customers, innovate with its partners and work with local communities. Two key issues to tackle in 2018 will be food and buildings.

Swissôtel will continue to report on its progress of sustainable excellence as an integrated part of the official Planet 21 reporting process. For further information use the following link: www.accorhotels.com/gb/sustainable-development/index.shtml





GLOSSARY

This report has been prepared with the help of our hotels and input from external experts.

For further information please contact: lilian.roten@swissotel.com

ADR	Average Daily Rate	IIP	Investors in People
BAT	Best Available Technology	iOMS	Integrated Online Management System
CES	Colleague Engagement Survey	ISO	International Standards Organisation
CO ²	Carbon Dioxide	k	Thousand units
CSR	Corporate Social Responsibility	kWh	Kilowatt hours
Eur or €	Euros	KPI	Key Performance Indicator
EFQM	European Foundation for Quality Management	LED	Light Emitting Diod
GH	Greenhouse Gases	LEED	Leadership in Energy and Environmental Design
GRI	Global Reporting initiative	Occupancy rate	% of rooms available that are occupied
GSI	Guest Satisfacton Index	OHSAS	Occupational Health & Safety Assessment Series
Guest night	Person staying at hotel for one night	RPS	Reputation Performance Score
GWh	Gigawatt hours	SERAM	Social Environmental Reporting and Management tool