

Corporate Social Responsibility Statement

June 2009

Guoman Hotel Management (UK) Limited operates 37 hotels in key locations throughout the UK, across two distinct brands: Guoman Hotels and Thistle Hotels. We are committed to ensuring that we are a 'socially responsible' company and take our commitment to the environment and the communities in which we operate seriously.

We define our social responsibility into four key areas:

Marketplace –Responsibility to our guests, suppliers and partners as a leading hotel company.

Workplace –Commitment to what we regard as our most valuable resource: our employees.

Environment – Doing all we can to reduce our impact on the environment.

Community – Ensuring that each of our hotels is an active partner in the communities in which they operate.

We are committed to building a culture where our employees, guests, suppliers and contractors recognise our commitment to ensuring that our hotels operate successfully in their communities and that we achieve our goal as a company of long-term sustainable success.

We have a Corporate Social Responsibility committee that meets at least six times per year, which is managed by a member of the executive board and senior level representatives from all areas of the business including operations, purchasing, human resources and sales & marketing. This committee is tasked with upholding our duty of care to the environment and our communities. Quarterly performance reports are provided to the Board.

MARKETPLACE

As a leading hotel company, we are committed to the highest standards of business practices towards our guests, suppliers and partners.

- Our services and facilities will, where reasonably practical, be accessible to all, including those with disabilities or special needs.
- All areas of our business will operate a healthy and safe environment for our guests, employees, visitors and contractors.

- We are committed to the personal safety of all guests.
- We are committed to appropriate investment in our properties.
- Our purchasing department always consider ethical and environmental obligations in all activities.
- Ethical and environmental questionnaires are a requirement within our tenders and the results are used as part of the decision making process when selecting suppliers.
- We will not purchase from any organisation whose products are produced with the exploitation of child labour, paying an unfair wage in poor working conditions or any other violation of worker's rights.
- We are committed to honesty and transparency in our communication with customers and we adhere to industry best-practice in advertising and other marketing activity.

WORKPLACE

We recognise the value and importance of our employees and managing talent within our company is a priority. Our employment policies not only comply with all relevant legislation, but seek to go beyond that in order to ensure that the working environment within all areas of our business embraces diversity, offers fairness and equality of opportunity in every respect.

The key employment policies that we refer to include the following:

- **Recruitment**
Applicants for employment within our business will be assessed fairly, regardless of race, gender, age, disability, marital status, sexual orientation or religious belief. They will be treated with honesty and respect at every stage of the recruitment process.
- **Training and development**
Appropriate training will be offered to all employees in order to assist and empower them within their daily work.
- **Remuneration**
We will pay a fair wage for a fair day's work.
- **Diversity and equal opportunities**
All staff will be treated with dignity and respect regardless of their origin or background. We embrace diversity and it is viewed as a strength within our business.
- **Anti-discrimination**
We have robust anti-discrimination policies and any allegation of discrimination is taken extremely seriously and dealt with accordingly.

- **Family friendly working policies**
We recognise the importance of all our employees, including those who are working parents and we value and uphold the rights of working parents under current legislation.
- **Talent management**
We are keen to harness the potential of all of our employees and we actively encourage and support all those who demonstrate talent and wish to progress within our organisation. We offer a management training programme and training courses aimed specifically at those who wish to develop new skills and a robust succession plan.
- **Employee consultation and internal communications**
Communication with our employees is a priority and we actively seek opportunities to engage with our staff. We welcome feedback from our employees and listen carefully to suggestions.
- **Health & Safety in the workplace**
The Health & Safety of our employees is vital and we make the appropriate investment in equipment and training to ensure that accidents and injuries are avoided. We provide a safe and pleasant working environment.

ENVIRONMENT

Guoman Hotel Management (UK) Limited actively seeks ways to reduce our impact on the environment and we work with suppliers, partners and our team-members to ensure that we all understand the environmental impact of our operations. All areas of our business are targeted with reducing energy and water consumption and increasing recycling levels.

- **Energy consumption**
Energy consumption is the largest environmental impact of our business and we actively explore and implement as appropriate, any initiative that could reduce our energy consumption. For example, low energy lighting, regular boiler efficiency audits, maximum water temperatures and movement sensor-controlled lighting are just some of our current initiatives.
- **Water**
Society often overlooks that water is a scarce resource, but we actively strive and encourage our team-members to conserve water usage throughout our business. By detailed measurement and innovation to reduce consumption, we have implemented a proactive water monitoring process to quickly identify leaks and potential problems, in addition to providing water saving devices in toilets and restrictors for taps and showers.
- **Waste management**

As a group standard, every one of our hotels is targeted with ensuring that the proportion of their waste that goes to landfill is less than 40% in each financial year and we are committed to increasing recycling levels year on year. Waste streams are segregated at all hotels and paper, glass and cardboard are recycled.

We continue to work with suppliers to reduce the excess packaging and increase the use of recycled cardboard and reusable delivery trays wherever possible.

- **Responsible purchasing**

We ensure that all our suppliers are aware of our environmental goals and have their own environmental policies in place. Wherever practical, we purchase products made from renewable and ethically sound sources.

We aim to exceed the minimum standards our business is required to achieve by environmental legislation and set our general managers challenging environmental targets to meet. Performance in each financial year is accurately measured and we nominate a 'Green Hotel of the Year' in the company's annual performance awards.

We recognise that people are key to our environmental success and all employees are encouraged to be environmentally responsible through regular training, instruction and awareness raising activities.

This policy is regularly monitored by the group CSR committee and updated to reflect new initiatives and processes that can further drive our ability to reduce our impact on the environment both locally and nationally.

COMMUNITY

We recognise and value the communities that we operate within. As a successful and progressive hotel business we wish to interact with and support these diverse communities wherever possible.

Our commitment to the community includes supporting local charities at individual hotels, forming and maintaining links with local schools and colleges for work experience placements and assisting employees that wish to volunteer to assist local community projects where appropriate.

Our corporate charity is Help for Heroes, launched in 2007 as a non political, non critical organisation providing support and assistance to wounded men and women of the Armed Forces and their families while they enter back into their lives after sustaining injury.