



MILLENNIUM

HOTELS AND RESORTS

More than Meets the Eye

Policy

DIVERSITY AND INCLUSION

HUMAN RESOURCES POLICY – CORPORATE COMMUNICATIONS

Owner: Global HR

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Page 1 of 5

Objectives:

Millennium & Copthorne Hotels plc (“MHR” or “we” or the “Company”) recognizes that people are our greatest asset and we are committed to cultivating an inclusive working environment that promotes healthy growth both personally and professionally, which benefits from the dynamics of our diverse workforce, as well as to the elimination of unlawful and unfair discrimination.

The Company will not discriminate because of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (which includes colour, nationality and ethnic or national origins), religion or belief, sex or sexual orientation. It will not discriminate because of any other irrelevant factors and will build a culture that values meritocracy, openness, fairness and transparency.

All employees are responsible for the promotion and advancement of this policy. Behaviour, actions or words that transgress the policy will not be tolerated and will be dealt with in line with the Company’s disciplinary policy.

The policy is applicable to all employees, guests, customers, suppliers and contractors, whether permanent or temporary. The policy applies to all processes relating to employment including hiring, evaluating, disciplinary and training employees and to any dealings with guests and customers.

The policy will be reviewed by the Group Human Resources Department on an on-going basis to reflect changes in the law, demographics and internal business requirements. Progress relating to the policy will be recorded annually and a full report will be presented to the senior management team to debate progress and review the policy status.

The publication of a diversity policy enables the Company to send out a strong message of commitment, both internally and externally. Although the diversity policy is a fundamental part of the Company's diversity strategy, it will be brought to life only if it is reinforced by a focused and structured strategic diversity plan. At the minimum, we will comply with all relevant employment laws in the jurisdictions in which we operate and honour our contractual commitments to employees. To help elevate our standards, we have developed our Guiding Principles, which underpin and shape our Framework for Embracing Diversity. However, in order to be successful, our Framework for Embracing Diversity must be implemented throughout the Company and the success of this and the related policies must be measured on a regular basis. These processes are outlined further below.

Guiding Principles:

- We encourage diversity and inclusion in the workplace, not just because it is best practice, but also because it makes good business sense.
- We seek to leverage the unique cultures of our global communities and develop a culture where a work environment of inclusiveness prevails.

- We create a working environment free of harassment, bullying, victimisation, retaliation and unlawful discrimination, promoting dignity and respect for all employees where individual differences and their contributions are recognised and valued.
- We regard the highest levels of integrity, ethics, and service excellence, and together we will attract, develop, reward and retain the best talent.
- We embrace such practices not limited to our own employees, guests, suppliers, business partners, but also in our interactions with our local communities.

Our Framework for Embracing Diversity:

a) Culture Building

- The Company embraces a culture of ownership in which employees' interests are aligned with the Company's, irrespective of whether the employee is in a front line or managerial position;
- We believe that our leaders should be good role models for others, by demonstrating behaviours which matches our values, and by adhering to them, which cascades throughout the business;
- We believe that if we can engage leaders to take good care of our employees, our employees in turn, will be able to engage with and take good care of our guests and customers;
- We operate on a 24 hours-a-day, 7-days-a-week, 365-days-a-year basis in a highly competitive hospitality industry that requires our employees to demonstrate commitment to high level of service excellence. We are most effective when we respect each other's importance and contributions;
- Our employees are entrusted to perform their work to the best of their abilities and to meet the customers and business needs. Every employee is accountable for his/ or her own performance, however; team work is also highly encouraged;
- We will commend, reward, counsel and discipline employees fairly based on their performances, actions and behaviours demonstrated.

b) Talent Recruitment & Selection Process

- All positions at MHR Corporate Office and Hotels are to be filled on the basis of merit and qualifications. This means that all applicants are to undertake a formal candidate journey and be assessed on the basis of competencies they command in relation to the requirements of the job;
- Though positions are to be filled based on merit, some positions will be filled by internal employees who are identified through our succession planning;
- We recognise the importance of having a diverse workforce and thus encouraging people from all backgrounds to apply to work with our Company and also to apply for promotion or transfer opportunities once within the Company;

- Employees who are involved in the talent acquisition and selection process are to be trained in assessing applicants as an Equal Employment Opportunity (“EEO”) employer and in a manner consistent with this policy;
- Any talent search engaged by the Company from time to time is to adhere to this policy, together with our EEO policies in recommending a diverse pool of talents for consideration;

c) Learning & Development

- MHR seeks to develop our employees and to hone their technical, management and leadership skills;
- Subject to the terms of any collective bargaining or union agreements, opportunities for further development will be offered based on job requirements and business needs rather than work seniority;
- For operational or business needs, English as a second language is to be offered to employees to help them in enhancing work effectiveness and self-development;
- Management colleagues are to receive training around diversity awareness to help them better manage their teams;

d) Succession Planning

- In order to ensure the continuity in business excellence, the Company must ensure development programmes relating to career advancement are in place;
- We will work with high potential employees in crafting development programmes to addressing their competency gaps in an effort to assist them along their journeys to senior roles in the future;
- Tailored mentoring and coaching programmes will be made available to MHR colleagues whenever required;

Implementation:

Leadership

MHR’s commitment to diversity is endorsed at the highest level of the organisation by the Group’s Board Of Directors. The Group Chief Executive Officer together with the Global Head of Human Resources are tasked with leading and implementing MHR’s diversity efforts.

Audit

The Company will at least annually:

- undertake an audit in relation to MHR’s policies and procedures relating to diversity, and the practice and perception of those policies and procedures;
- obtain workforce metrics and compare them with sector and best practice company; and
- produce a report on the audit for senior management and Board Members to help drive continual improvement in diversity across the Group.

The audit will include a review of all the processes to establish the Company's position with regard to compliance and best practices. This may be done by administering a questionnaire to all

employees, undertaking one-to-one interviews with key leaders and stakeholders, and/or facilitating focus groups to establish employees' perception in relation to key areas.

Policy development

The Company will from time to time:

- benchmark existing policy statements from other organisations and advisory groups;
- continue to develop and refine human resources and other policies (outlining vision, scope, responsibility, accountability and measurements);
- cascade new or revised policies throughout the business.

Training and Education

The Company will as needed:

- conduct a full “training needs” analysis relating to the understanding and management of diversity by senior colleagues within MHR;
- consult key stakeholders on the organisational learning requirements;
- continue to integrate diversity into MHR training and development programmes;
- ensure education programmes are available for all employees (including programmes that move from awareness to behavioural change); and
- seek to integrate diversity competencies into development programmes, assessment and selection processes.

Communication and Consultation

The Company will:

- establish key lines of communication across the business through consultation with key stakeholders;
- ensure that communication text, imagery and graphics are inclusive, consistent, and reflect and reinforce MHR's diversity policies;
- ensure adequate top-down and bottom-up communication is in place to monitor the effectiveness of the MHR diversity efforts;

Resources

The Company will:

- select and establish a diversity steering council with representatives from across all parts of the organisation;
- identify and appoint functional diversity champions to report progress to the diversity council on a quarterly basis;

Measurement

The Company will:

- monitor progress against targets and objectives;
- develop long-term aspirational targets for the workforce composition over a rolling five-year period;
- utilize formal measurement tools to assess the climate in the organisation (for example regular employees surveys, 360° feedback mechanisms and diversity perception audits);

- assess progress against external benchmarking bodies (with, for example, Race for Opportunity, Opportunity Now, the Employers Forum on Age and the Equality and Human Rights Commission); and
- report on these measurements from time to time, to senior management and the Group's Board.

Reinforcing Our Actions through Policies:

We will continue to work in embracing diversity through the implementation of policies & procedures, initiatives, and practices, which include the following:

- a) Equal Employment Opportunity
- b) Workplace Gender Equality
- c) Sexual Harassment Policy
- d) Grievances Procedures
- e) Code of Business Conducts and Ethics
- f) Whistle Blowing Policy.

What happens if you are in breach of the policy?

If an employee is deemed to be in breach of this policy, they may be subject to disciplinary action up to and including dismissal, subject to the severity of the breach, and in line with the company's disciplinary policy and procedure.

What is the process for an employee if they believe there has been discrimination?

The employee may choose to raise the matter as a complaint in the first instance through the company's grievance policy and procedure.

Endorsed by the Remuneration Committee of the Board of Directors of Millennium & Copthorne Hotels plc on 2 May 2018.