

Reid's Palace SUSTAINABILITY & ENERGY POLICY

Version: 4.0

Updated: 3rd March 2026

Owner: - Global Head of Environmental and Social Impact

BELMOND

Step into a world of timeless elegance in the stunning
"Isle of Eternal Spring"

Surrounded by lush subtropical gardens, Reid's Palace is located overlooking the beautiful port of Funchal, in a property measuring 41,331 m². Welcoming guests for over a century, we have perfected the art of hospitality. Get ready to admire the breathtaking panoramic views, innovative cuisine and excellent service of a bygone era. You probably don't want to leave.

The hotel features 126 elegantly decorated rooms and suites, 5 restaurants (1 seasonal), 2 bars, tea terrace & lounge, 1 gelateria, 4 swimming pools (one for children), kids club, gym, 2 tennis courts, SPA with 5 treatment rooms and 8 meeting rooms.

Provision of accommodation, restaurants, bar, leisure activities and events organization.

We recognize that the environmental and social impact of these business operations needs to be carefully managed. All Belmond branded operations are covered in this policy's scope, including food and beverage sourcing, textiles and furniture, and guest experiences on-site (e.g. spas.) This policy does not extend to off-property experiences and excursions, or to how guests travel to and from our properties. We are committed to engaging guests with our sustainability journey and efforts. We invite them to discover a new pace of travel as they savour their time, engage with local culture, and connect with the nature and people around them.

Our committed approach to sustainable tourism is based on three pillars.

1. GASTRONOMY

Our ambition is to reduce our impact on food and beverage value chains while driving positive change in the culinary ecosystem.

WE ARE COMMITTED TO:

- Focus on local sourcing with improved traceability and increased plant-based options
- Design our servings to minimise food waste and close the loop with composting
- Partner with suppliers and farmers who source ingredients responsibly¹ and minimise plastic usage
- Champion best practices for energy, waste, and water management in our kitchens

2. HABITAT

Our ambition is to reduce our reliance on resources while protecting and enriching our surrounding natural habitat.

WE ARE COMMITTED TO:

- Improving energy efficiency

¹ Detailed guidelines provided in Belmond Purchasing Policy V3 2026 including sensitive raw materials guidelines for beef, dairy, eggs, fish, seafood, coffee, and cocoa.

- Renewable energy sourcing
- Water stewardship that conserves and maintains quality of water
- Waste management with an increase in recycling and resource efficiency
- Protecting and enhancing biodiversity on site
- Natural habitat regeneration on property²
- Sustainably and ethically sourced, traceable furniture and textiles

3. PEOPLE

Our ambition is to foster a safe and inclusive environment for all. We partner with and support our teams, supply chain partners and local communities to help them thrive.

OUR COMMITMENTS TO THE BELMOND TEAM ARE TO:

- Constantly review our Health and Safety procedures to ensure they are best in class, for the protection of all who work with or for us
- Provide national living or fair wage for all direct employees in line with Fair Wage Network guidance
- Ensure team wellbeing with a comprehensive set of benefits
- Provide access to Belmond's confidential 'Speak Up' line to our team and LVMH 'Alert' Line to our team and external stakeholders, including our suppliers and guests
- Always demonstrate respect and support for each other, organising learning through proper training and promoting confidence
- Maximise local employment to support the communities in which we operate

OUR COMMITMENTS TO OUR LOCAL COMMUNITIES ARE TO:

- Source products and services locally wherever possible, in accordance with fair trade principles
- Ensure that our suppliers abide by the LVMH labour standards and social responsibilities in our Supplier and Business Partner Code of Conduct
- Enable our teams to share their knowledge and skills through volunteering, helping people in the local community to reach their potential
- Continue our close collaboration with trusted partners for all our community engagement efforts

We commit to raising awareness amongst our teams, suppliers, and business partners about our sustainability initiatives. We will involve them in practical training sessions and provide them with regular and relevant newsletters, ensuring they understand and respect our commitments and values. Although this policy does not extend to how guests travel to or from our destinations or off-property excursions and experiences, we will encourage activations on-property to inspire guest engagement with our sustainability journey and efforts.

We diligently adhere to overarching global guidelines to ensure consistency and alignment with our sustainability goals. At the same time, we recognise the unique challenges and

² For non-food-bearing areas

opportunities present in Funchal, Madeira in Estrada Monumental N° 139, with the location GPS 32.640613, -16.923923. Therefore, we develop our own action plans and roadmaps tailored to our specific contexts. This approach empowers us to implement effective and innovative solutions that contribute to our collective mission of sustainability. By combining global standards with localized initiatives, we strive to make a meaningful impact on the environment and the communities we serve.

We commit to continual improvement measured by an annual external benchmarking assessment via the EarthCheck Certified programme, which provides tools and indicators to help our team minimise our environmental footprint and be accountable for our actions. As a member of the LVMH Group, we align with their sustainability reporting protocols, which are also independently audited.

Belmond complies with all applicable legislation and respects the legislation of the countries in which we operate.

We commit to reviewing this policy annually so that we may track our improvements and set yearly targets. We commit to ensuring our policy is shared with all appropriate stakeholders, including but not limited to guests, teams and suppliers and local authorities.

Our commitment is protected by our General Manager, Senior Leadership Team and the Green Team.



EDUARDO PEREGRINO
General Manager

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POLICY OWNER:	CONTACT:	ASSOCIATED POLICIES & GUIDANCE:
Global Head of Environmental & Social Impact	Carmel McQuaid Alison Gubbins	Sustainable Purchasing Policy Community Engagement Policy

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