

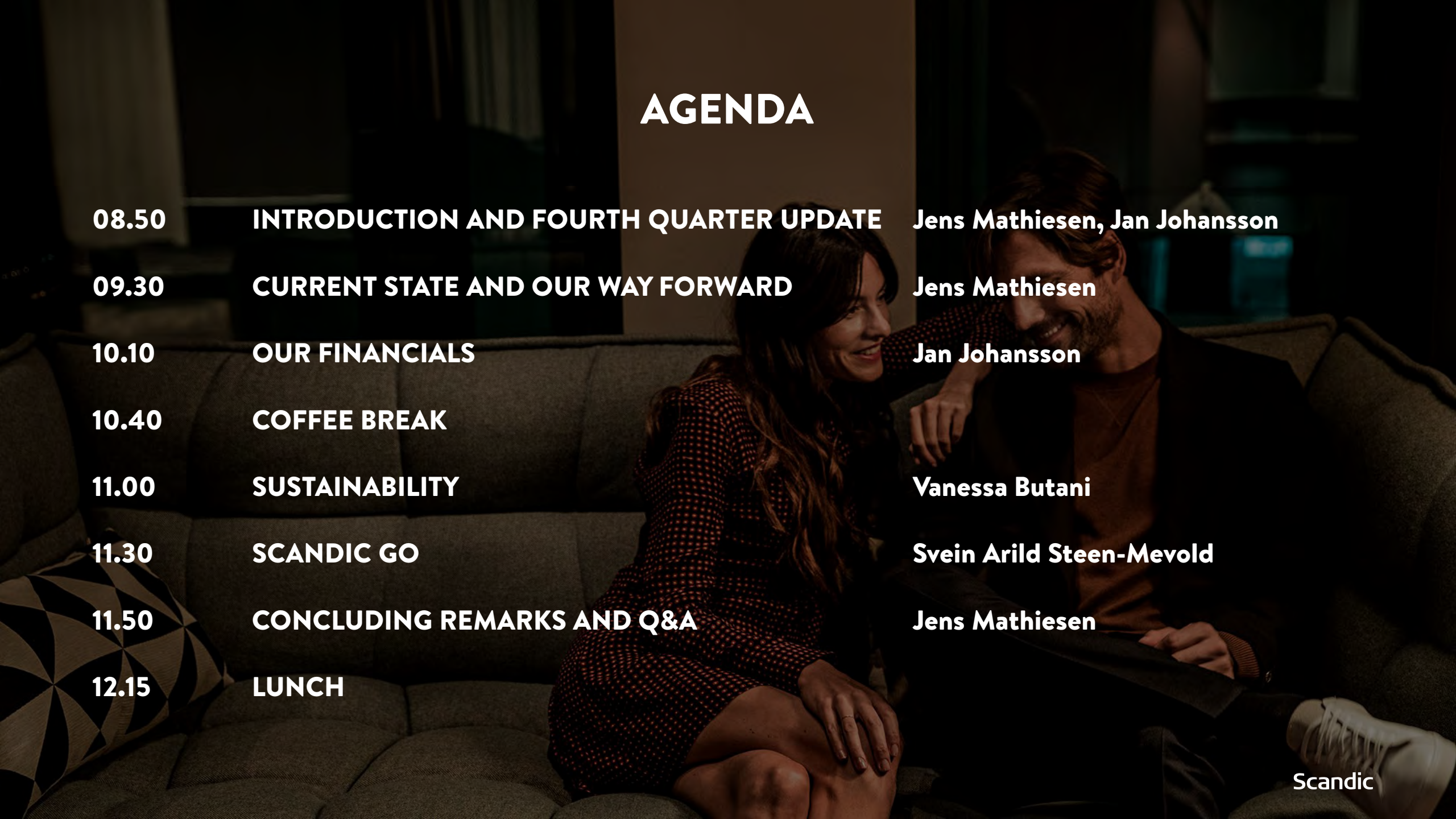


**SCANDIC HOTELS
CAPITAL MARKETS DAY.**

February 18, 2020

Scandic

AGENDA

- 
- A man and a woman are sitting on a grey sofa in a dimly lit room. The woman, on the left, has long dark hair and is wearing a dark, patterned dress. She is smiling and looking towards the man. The man, on the right, has short dark hair and a beard, and is wearing a dark jacket over a brown shirt. He is also smiling and looking towards the woman. The background is dark with some blurred lights.
- 08.50 INTRODUCTION AND FOURTH QUARTER UPDATE Jens Mathiesen, Jan Johansson**
- 09.30 CURRENT STATE AND OUR WAY FORWARD Jens Mathiesen**
- 10.10 OUR FINANCIALS Jan Johansson**
- 10.40 COFFEE BREAK**
- 11.00 SUSTAINABILITY Vanessa Butani**
- 11.30 SCANDIC GO Svein Arild Steen-Mevold**
- 11.50 CONCLUDING REMARKS AND Q&A Jens Mathiesen**
- 12.15 LUNCH**

Q4 PRESENTATION

Jens Mathiesen, President and CEO & Jan Johansson, CFO

Scandic

CONTINUED SALES AND EBITDA IMPROVEMENT IN Q4



SALES GROWTH 5.1%

ADJUSTED EBITDA 504 MSEK (487)

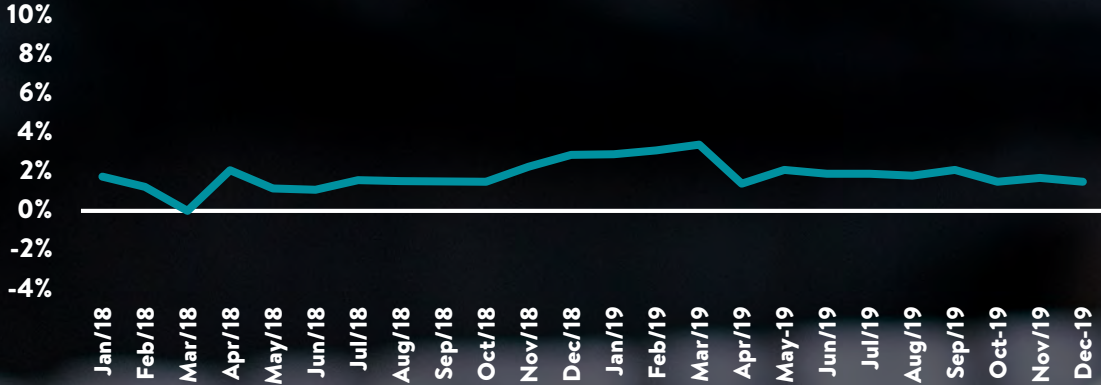
STRENGTHENED PORTFOLIO MANAGEMENT

LAUNCH OF SCANDIC GO

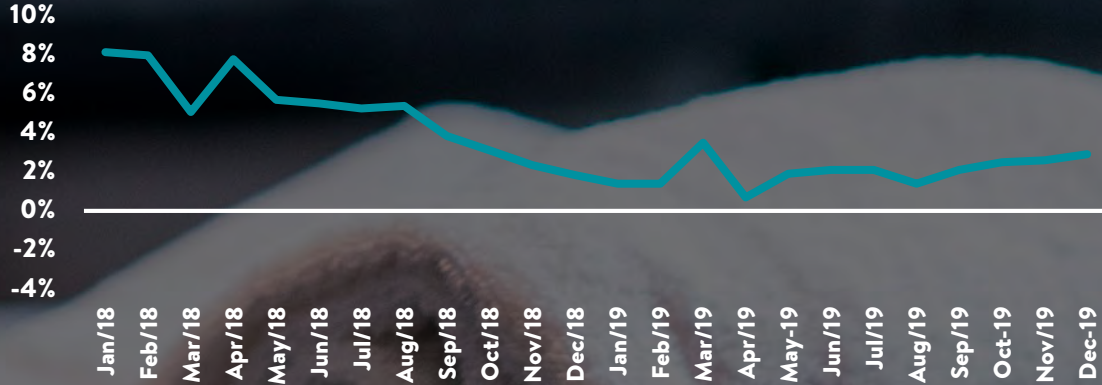
PROPOSAL TO RAISE DIVIDEND TO 3.70 SEK (3.50)

LTM MARKET REVPAR DEVELOPMENT - CONTINUED STRONG IN FINLAND

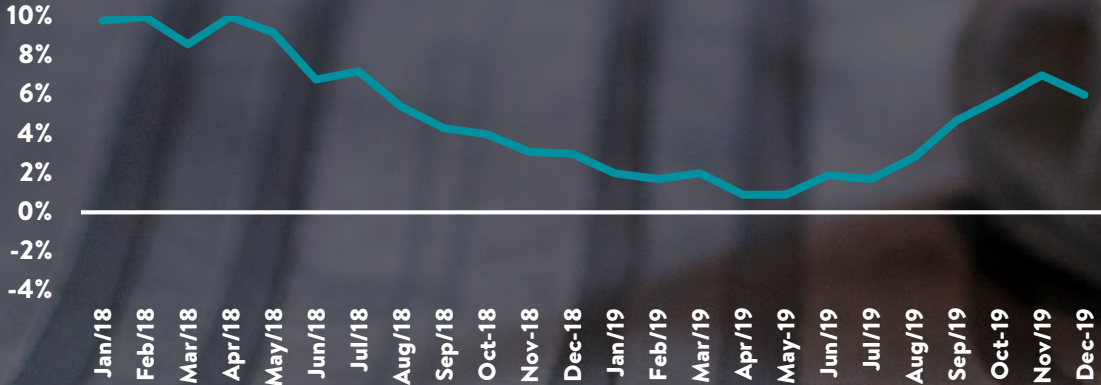
SWEDEN



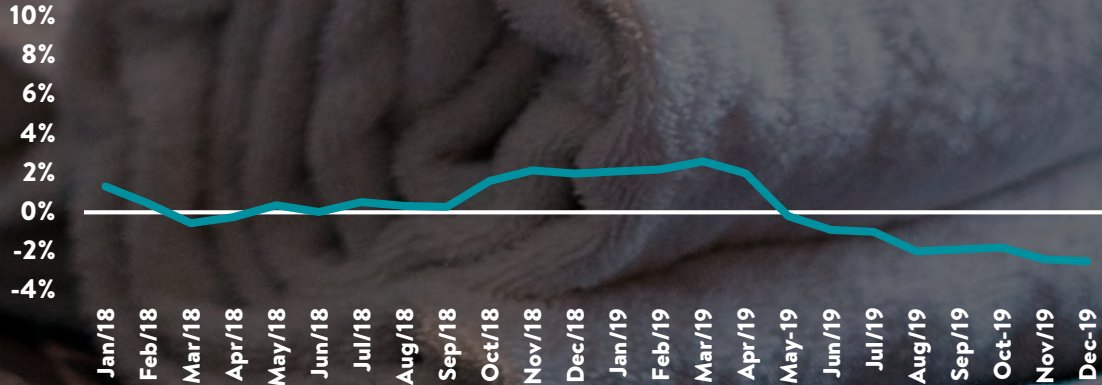
NORWAY



FINLAND

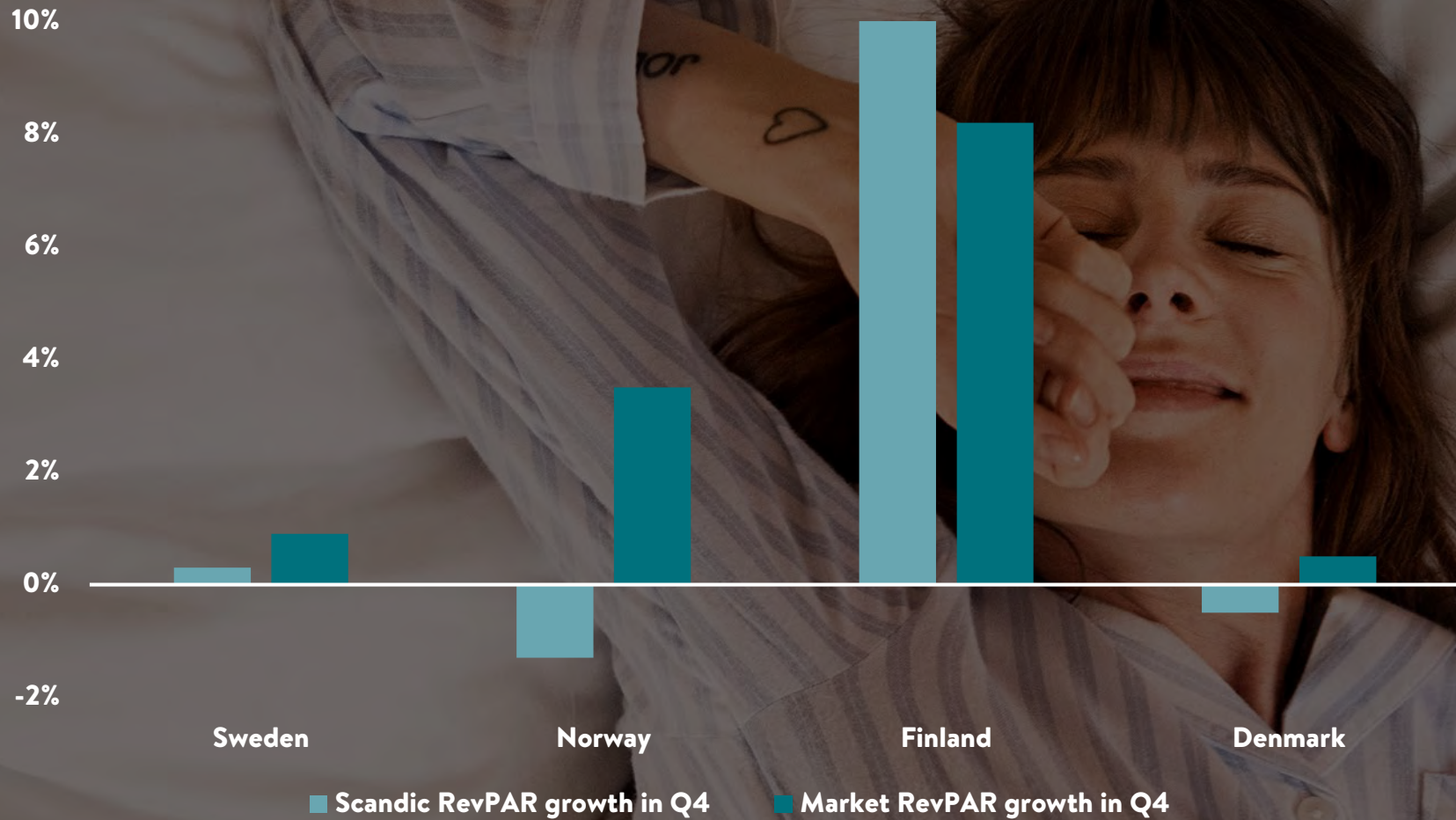


DENMARK



Source: Benchmarking Alliance

SCANDIC REVPAR VS THE MARKET IN Q4



**STRONG
PERFORMANCE
IN FINLAND**

**NEGATIVELY AFFECTED
BY CAPACITY INCREASE
IN OSLO**

Source: Benchmarking Alliance

MAIN PORTFOLIO CHANGES IN Q4

- **Opening of Scandic Royal Stavanger with 215 rooms**
- **Agreement for Scandic Avenue, a new congress and meeting hotel in central Helsinki with 350 rooms to open in 2022**
- **Agreement for new hotel in Örebro with 160 rooms to open in 2022**
- **Exit of Scandic Lappeenranta and Seurahuone in Finland with 213 rooms in total**

Picture: Scandic in Örebro

NET PIPELINE CORRESPONDS TO 11% OF THE EXISTING PORTFOLIO

	Hotels	Rooms	Share of current portfolio
Signed gross pipeline	18	6,212	11.8%
Decided exits	-3	-330	
Net pipeline	15	5,882	11.1%
Current portfolio	268	52,755	

**VERY STRONG PIPELINE
FOR 2021 AND 2022**

PIPELINE FOCUSED ON ATTRACTIVE LOCATIONS IN KEY DESTINATIONS

Year	Hotel	Destination		# Rooms	% of existing portfolio/year
Q1 2020	Scandic Voss	Voss, Norway	New	220	
Q2 2020	Scandic Pasila	Helsinki, Finland	Take-over	178	0.8%
Q1 2021	Scandic Nørreport	Copenhagen, Denmark	New	100	
Q1 2021	Scandic Landvetter Airport	Göteborg, Sweden	New	223	
Q1 2021	Scandic Helsinki Railway Station	Helsinki, Finland	New	491	
Q1 2021	Scandic by Copenhagen Airport	Copenhagen, Denmark	New	357	
Q1 2021	Scandic Sortland	Sortland, Norway	New, franchise	130	
Q3 2021	Scandic Spectrum	Copenhagen, Denmark	New	632	
Q4 2021	Scandic Hamburger Börs	Turku, Finland	Take-over	272	4.2%
Q1 2022	Scandic Örebro Central	Örebro, Sweden	New	160	
Q1 2022	Scandic Helsingborg Harbour	Helsingborg, Sweden	New	184	
Q1 2022	Scandic Platinan	Göteborg, Sweden	New	451	
Q1 2022	Scandic Ferrum	Kiruna, Sweden	New	230	
Q2 2022	Scandic Macherei	Munich, Germany	New	234	
Q3 2022	Scandic Trondheim	Trondheim, Norway	New	425	
Q3 2022	Scandic Avenue	Helsinki, Finland	New	350	3.9%
Q1 2023	Scandic Hafenspark	Frankfurt, Germany	New	505	0.9%
Q1 2024	Scandic Aarhus Harbour	Aarhus, Denmark	New	485	0.9%
	Ongoing extensions			585	1.1%
	Exits			-330	-0.6%
	Total net pipeline			5,882	11.1%

HOTELS IN PIPELINE

"Copenhagen Airport"
Copenhagen, Denmark

Scandic Landvetter
Gothenburg, Sweden

Railway Station by Scandic
Helsinki, Finland

Scandic Platinan
Gothenburg, Sweden

Scandic

HOTELS IN PIPELINE



Scandic Spektrum
Copenhagen, Denmark



Scandic Aarhus Havn
Aarhus, Denmark



"Helsingborg Hamn"
Helsingborg, Sweden



Scandic Hamburger Börs
Turku, Finland



Scandic Frankfurt Hafenpark
Frankfurt, Germany

Scandic

STRENGTHENED PORTFOLIO MANAGEMENT

- **Svein Arild Steen-Mevold appointed as Chief Portfolio Officer with overall responsibility for portfolio development and management**
- **Coordinating our expertise in everything from lead generation, contract and project management, design & configuration**

LAUNCH OF SCANDIC GO

- **New brand with lean customer offering with focus on city locations**
- **A complement to our existing portfolio of full-service Scandic hotels**
- **With Scandic GO we expect to double our yearly rooms growth in the Nordics**
- **Higher share of rooms business means higher margins and capital efficiency**
- **Initial launch of five hotels**

FINANCIAL UPDATE

Jan Johansson, CFO

Scandic

CONTINUED LIKE-FOR-LIKE GROWTH IN Q4

LFL SALES GROWTH PER SEGMENT:

	Oct-Dec 2019	Oct-Dec 2018	%	Jan-Dec 2019	Jan-Dec 2018	%
Net sales	4,831	4,595	5.1%	18,945	18,007	5,2%
FX	33		0.7%	239		1.3%
Organic growth	203		4.4%	699		3,9%
New hotels	169		3.7%	626		3,5%
Exited hotels	-68		-1.5%	-195		-1.1%
Like-for like	102		2.2%	268		1.5%

	Q4	FY
Sweden:	1.5%	1.6%
Norway:	-0.6%	0.3%
Finland:	8.0%	4.3%
Other Europe:	-0.1%	-0.9%

Q4: MARGIN IMPROVEMENT IN FINLAND AND NORWAY

Oct-Dec MSEK	Net sales		Adjusted EBITDA		Adjusted EBITDA, %	
	2019	2018	2019	2018	2019	2018
Sweden	1,622	1,621	239	244	14.7%	15.1%
Norway	1,277	1,260	115	100	9.0%	7.9%
Finland	1,222	1,084	216	186	17.7%	17.2%
Other Europe	710	630	60	76	8.5%	12.1%
Central costs & group adjustments	-	-	-126	-119	-	-
Group	4,831	4,595	504	487	10.4%	10.6%
Group January-December	18,945	18,007	2,046	1,957	10.8%	10,6%

**IMPROVED MARGIN IN
FINLAND AND NORWAY**

**Q4 2018 POSITIVELY
IMPACTED BY ONE-OFFS
IN FINLAND**

UNDERLYING EPS DEVELOPMENT

SEK	October-December		January-December	
	2019	2018	2019	2018
Reported EPS	1.21	1.59	7.01	6.54
Effect from finance lease	-0.63	-0.08	-2.14	-0.26
EPS excluding finance lease	1.84	1.67	9.15	6.80
Items affecting comparability	0.01	-0.17	1.66	-1.07
EPS excluding finance lease and items affecting comparability	1.83	1.84	7.49	7.87

**LAST YEAR'S NUMBERS
POSITIVELY INFLUENCED
BY ONE-OFFS, THUS
UNDERLYING EPS
GROWTH WAS 4%**

**DIVIDEND PROPOSAL
3.70 SEK (3.50)**

IMPROVED CASH FLOW

	2019	2018
Adjusted EBITDA	2,046	1,957
Change in working capital	158	45
Paid tax, interest, pre-opening and other items	-499	-485
Cash flow from operations	1,705	1,517
Investments in existing operations	-793	-840
Free cash flow before expansion capex	912	677
Acquisitions/disposals	232	-38
Expansion capex	-367	-376
Free cash flow	777	263
Net debt	3,497	3,837
Net debt/Adjusted EBITDA	1.7	2.0

**IMPROVED WORKING
CAPITAL DEVELOPMENT
AND LOWER CAPEX**

**FINANCIAL CAPACITY TO
SELF-FUND INVESTMENT
OPPORTUNITIES**

OUTLOOK

**WE EXPECT CONTINUED DEMAND GROWTH IN Q1
WITH ESTIMATED LIKE-FOR-LIKE GROWTH OF 1-3%**

MARGINAL IMPACT FROM INVENTORY CHANGES IN Q1

**TOTAL MARKET CAPACITY GROWTH IN 2020 IS EXPECTED
TO BE SLIGHTLY LOWER THAN IN 2019**

Q&A

Scandic



CURRENT STATE AND OUR WAY FORWARD

Jens Mathiesen, President and CEO

Scandic

SCANDIC TODAY – SOLID POSITION IN THE ATTRACTIVE HOSPITALITY MARKET

**DEMAND
GROWTH**

**MARKET
POSITION**

**BUSINESS
MODEL**

SUSTAINABILITY

CULTURE

A woman with dark curly hair, wearing a red top with a black floral pattern and a silver watch, is smiling and looking towards the left. She is standing in a well-lit, modern hotel lobby with large windows and contemporary decor. The background is slightly blurred, focusing attention on her.

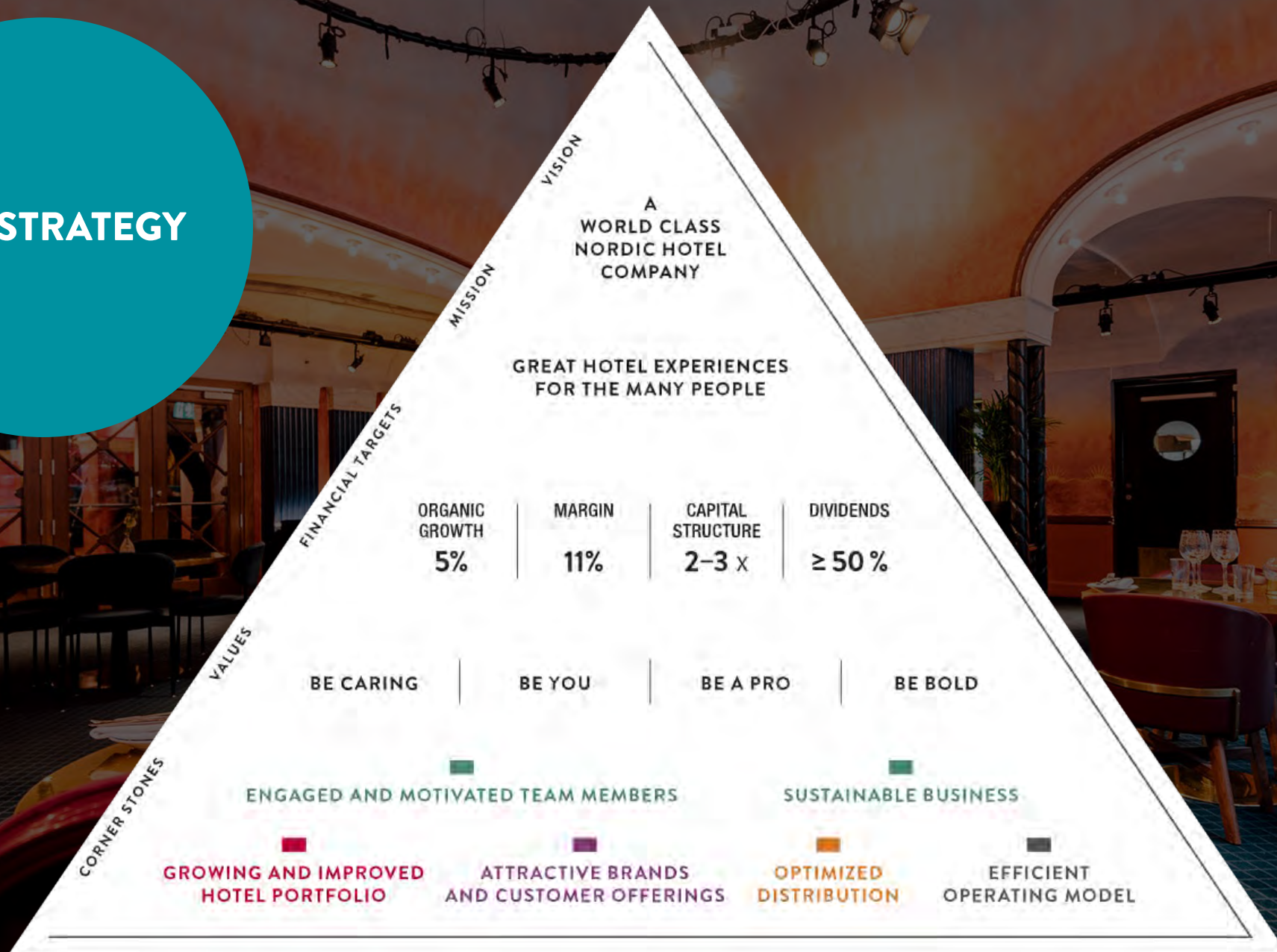
STRONG CULTURE DRIVES CUSTOMER SATISFACTION

HIGHLY ENGAGED TEAM MEMBERS

ATTRACTIVE EMPLOYER

SATISFIED AND LOYAL GUESTS

OUR STRATEGY



UNRIVALLED GEOGRAPHIC NETWORK

AROUND 130 DESTINATIONS

253

SCANDIC

5

SIGNATURE
HOTELS

7

IHG

3

HILTON

2019 WAS A YEAR OF REFOCUSING

**BECOMING
THE NORDIC
MARKET
LEADER**

**MEASURES TO
DRIVE
MARGINS, CASH
FLOW AND
MARKET
POSITION**

**CONTINUED
GROWTH FROM
A POSITION OF
STRENGTH**

2014

2015

2016

2017

2018

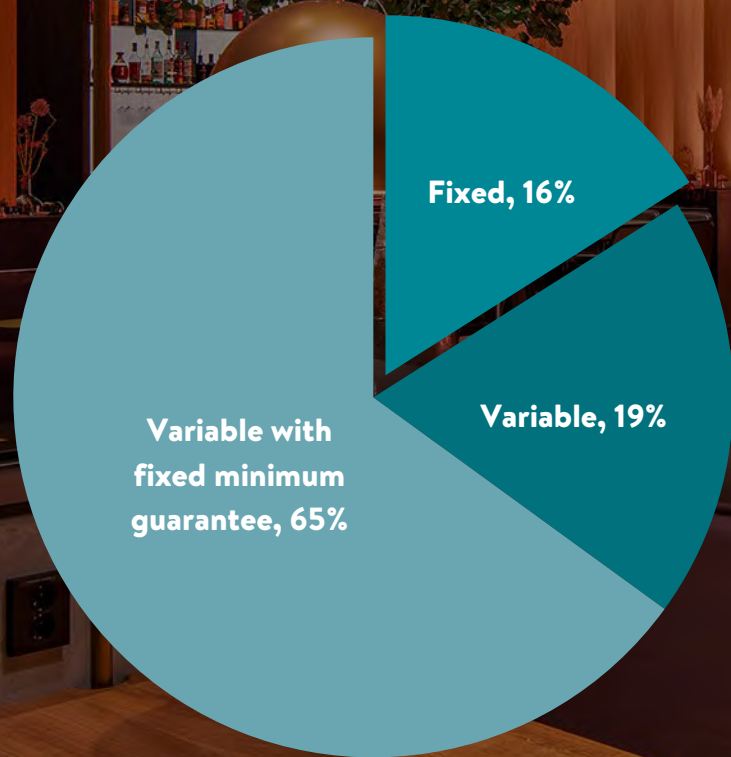
2019

2020

2021-

VARIABLE LEASES AND FULL CONTROL OF CUSTOMER OFFERING

PORTFOLIO BY LEASE MODEL
(SPLIT BY # ROOMS)



● BRAND & DISTRIBUTION

● HOTEL OPERATION

● REAL ESTATE

SEVERAL ADVANTAGES WITH THE VARIABLE LEASE MODEL

MARGIN STABILITY

CONTROL OF CUSTOMER OFFERING

TIME TO MARKET

**ECONOMIES OF SCALE BOTH IN
OPERATIONS AND DISTRIBUTION**

SHARED INTEREST WITH LANDLORDS

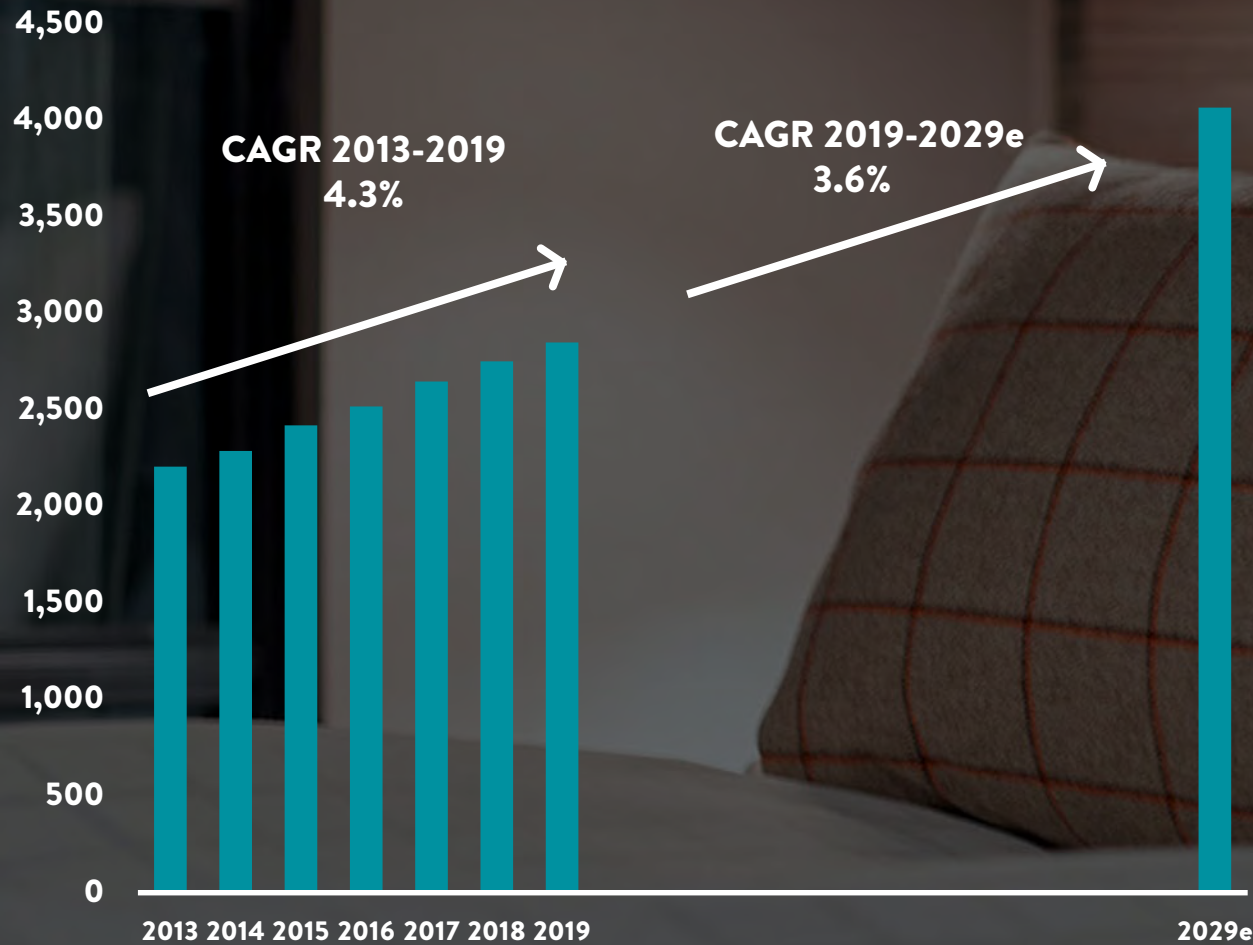
**LIMITED PRESENCE FROM INTERNATIONAL
HOTEL CHAINS IN THE NORDIC MARKETS**

CUSTOMER FOCUS AND STANDARDIZATION

**BACK END –
STANDARDIZATION**

**FRONT END –
GREAT HOTEL
EXPERIENCES**

GLOBAL TRAVEL AND TOURISM SPENDING IS GROWING OVER TIME



SEVERAL GROWTH DRIVERS:

Travel industry growing at a premium to GDP

Low-fare airlines

Digital distribution

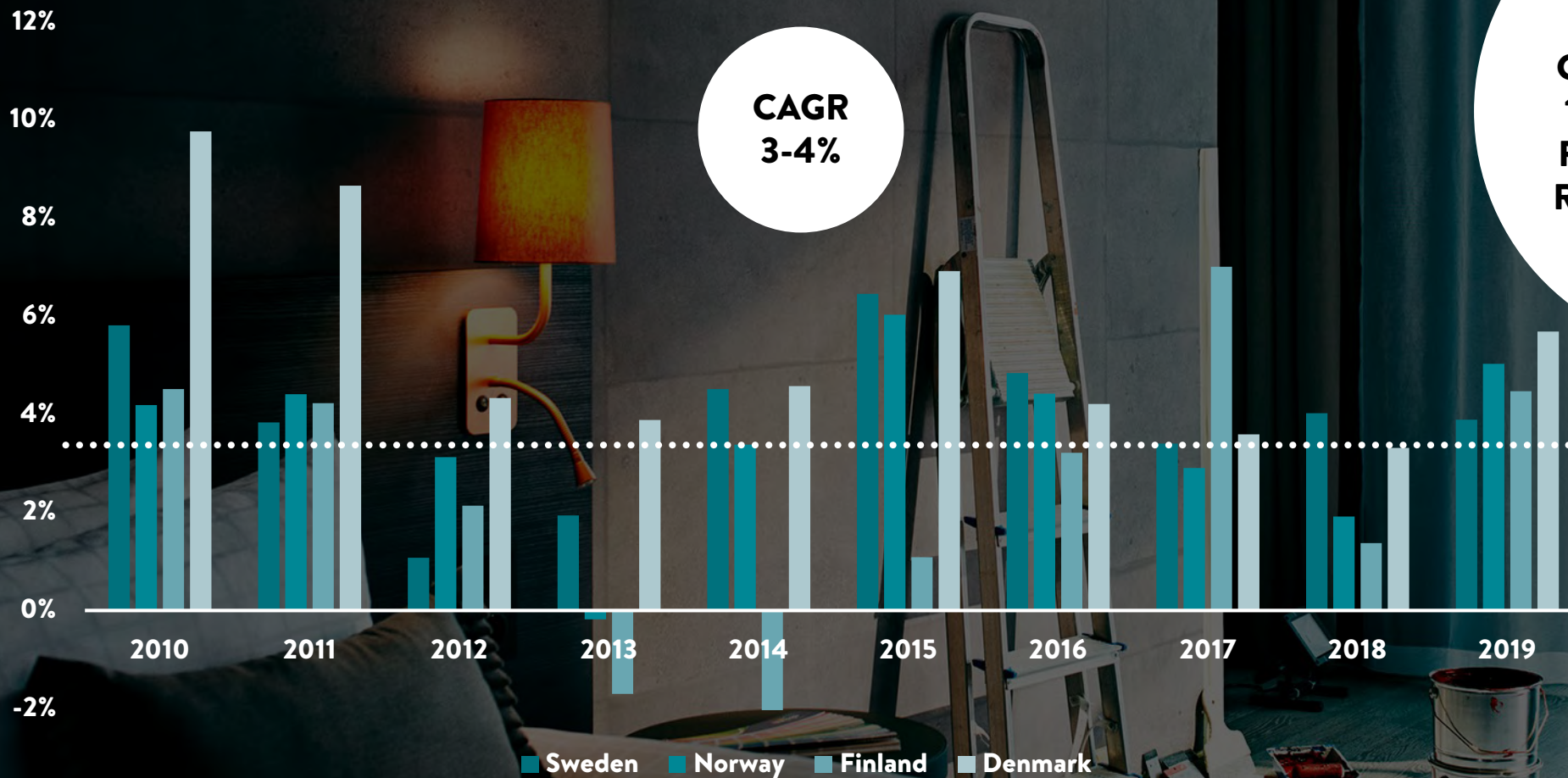
Urbanization

Growing leisure

Individualization

Source: The World Travel & Tourism Council

SOLID NORDIC VOLUME DEMAND GROWTH

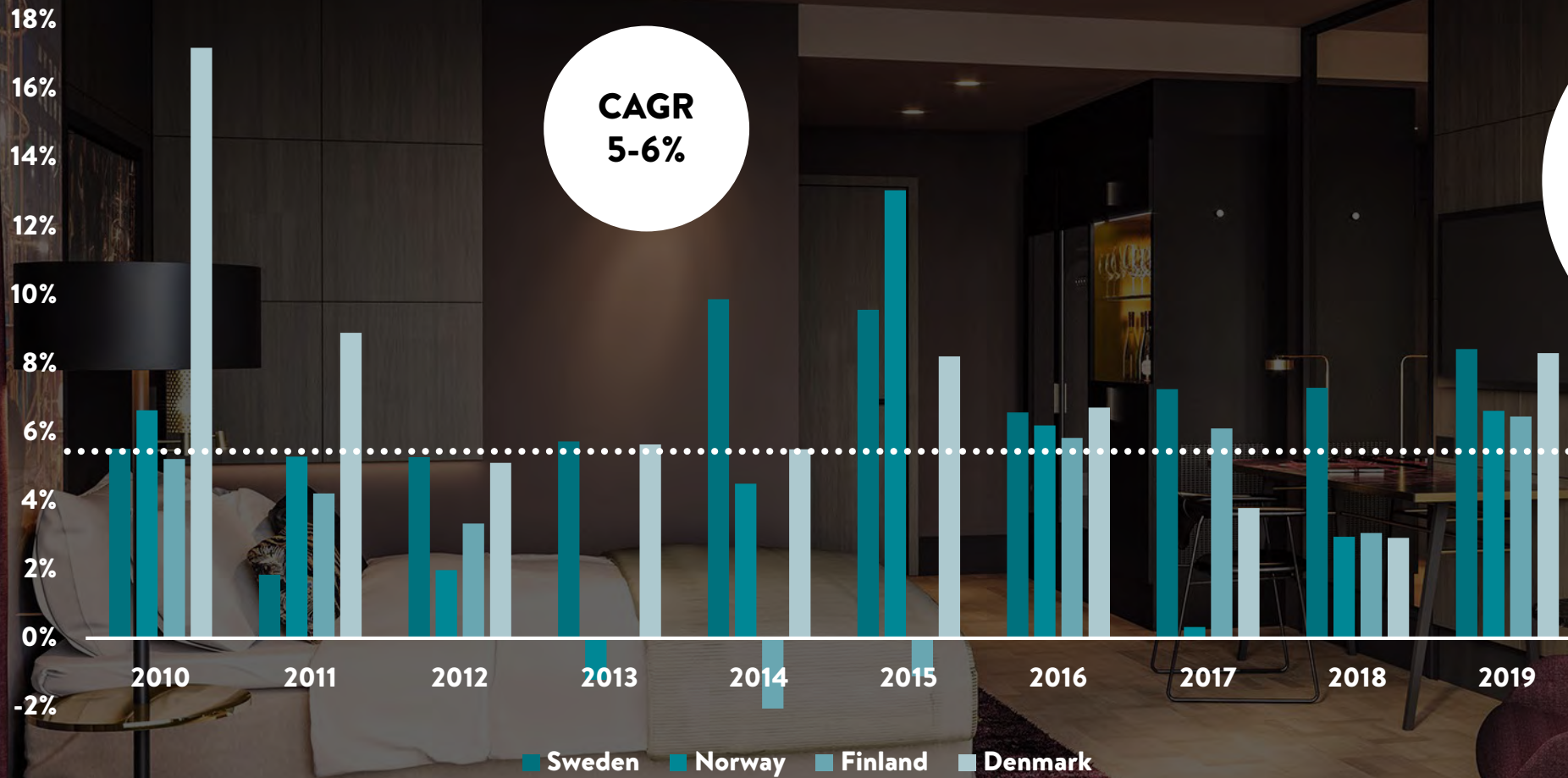


**CAGR
3-4%**

**NORDIC DEMAND
GROWTH
CORRESPONDS TO
10-12,000 ROOMS
PER YEAR, OR ~3M
ROOM NIGHTS PER
YEAR.**

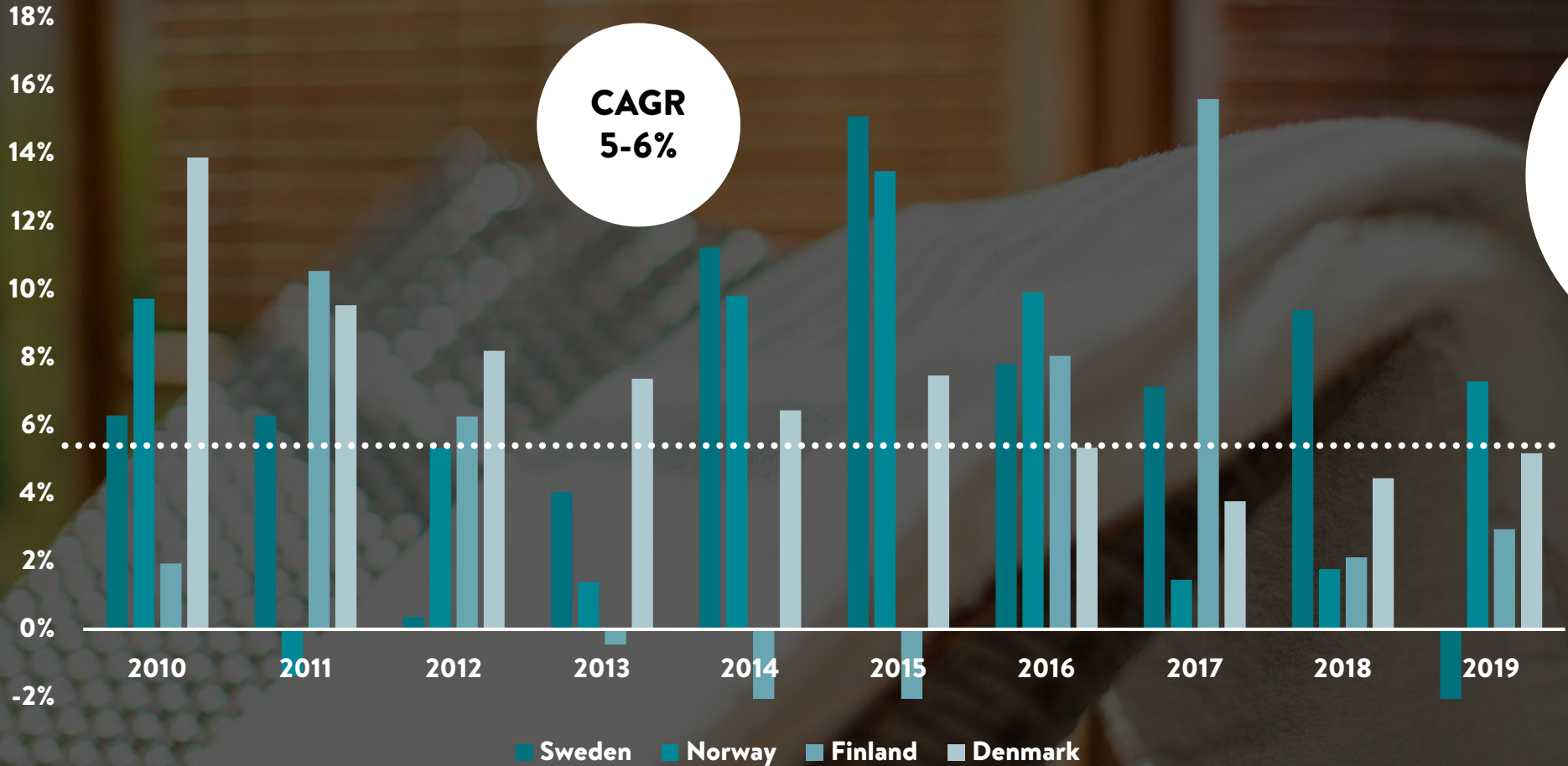
Source: National Statistics

LEISURE DEMAND GROWING AT 5-6%



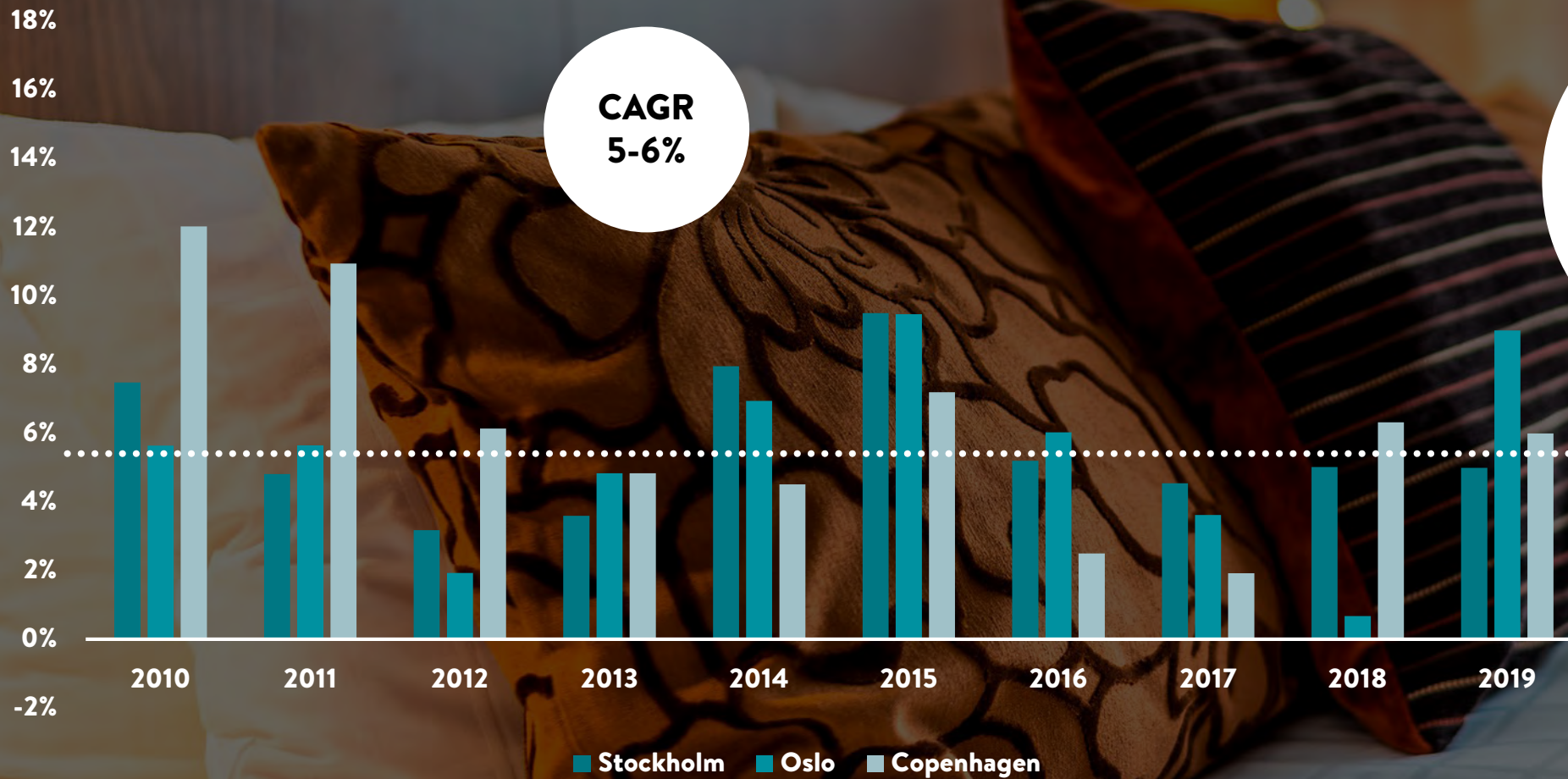
Source: National Statistics

INTERNATIONAL (NON-NORDIC) DEMAND GROWING AT 5-6% PER YEAR



Source: National Statistics

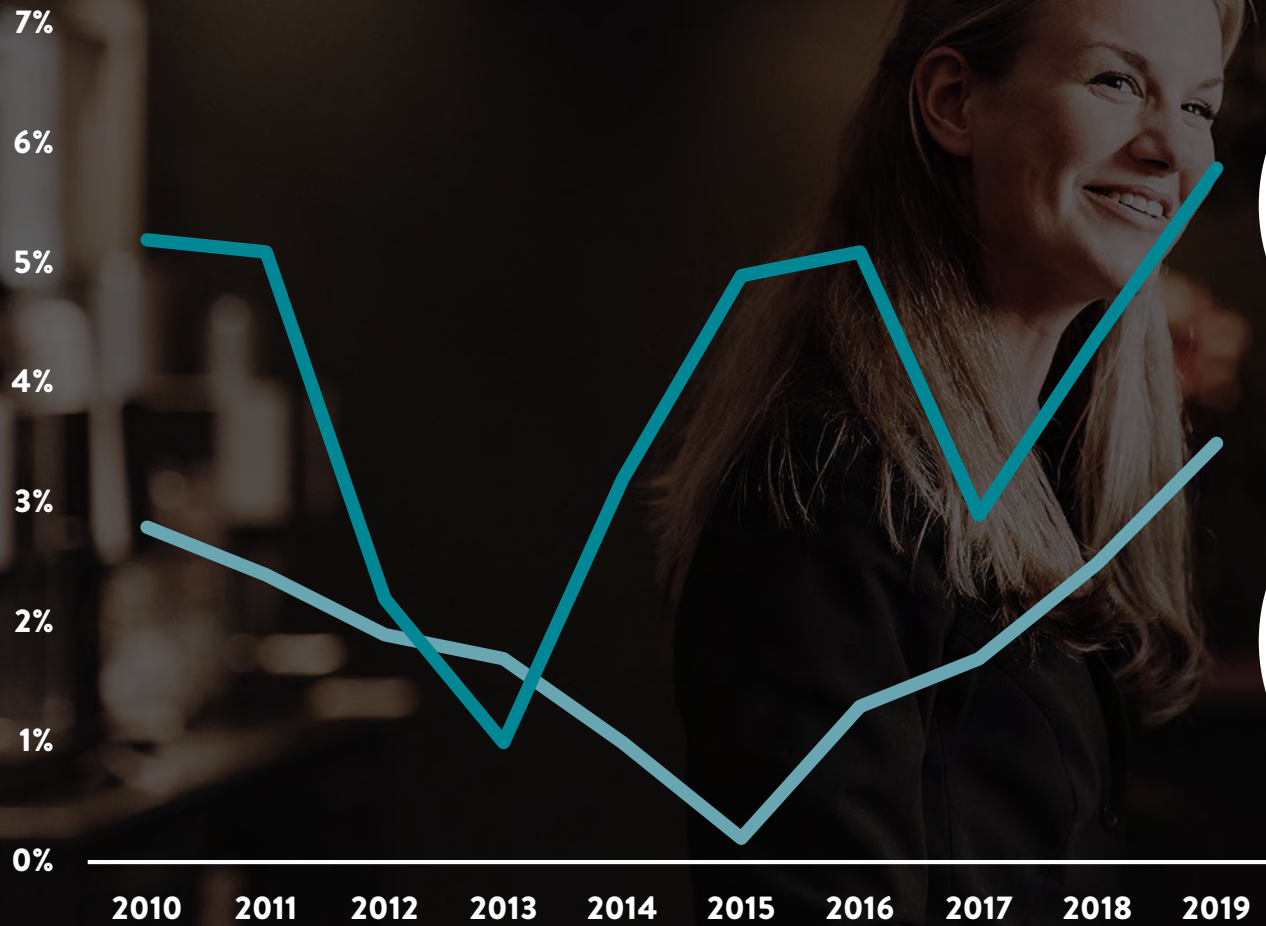
ROBUST DEMAND IN THE CAPITAL CITIES



**URBANIZATION
DRIVES
GROWTH IN
THE CAPITAL
CITIES**

Source: National Statistics

DEMAND HAS OUTGROWN SUPPLY IN THE NORDICS



**DEMAND:
ROOM NIGHTS
GROWTH**

**SUPPLY:
CAPACITY
GROWTH**

**SUPPLY GROWTH IN
2020 EXPECTED TO BE
SLIGHTLY LOWER THAN
IN 2019**

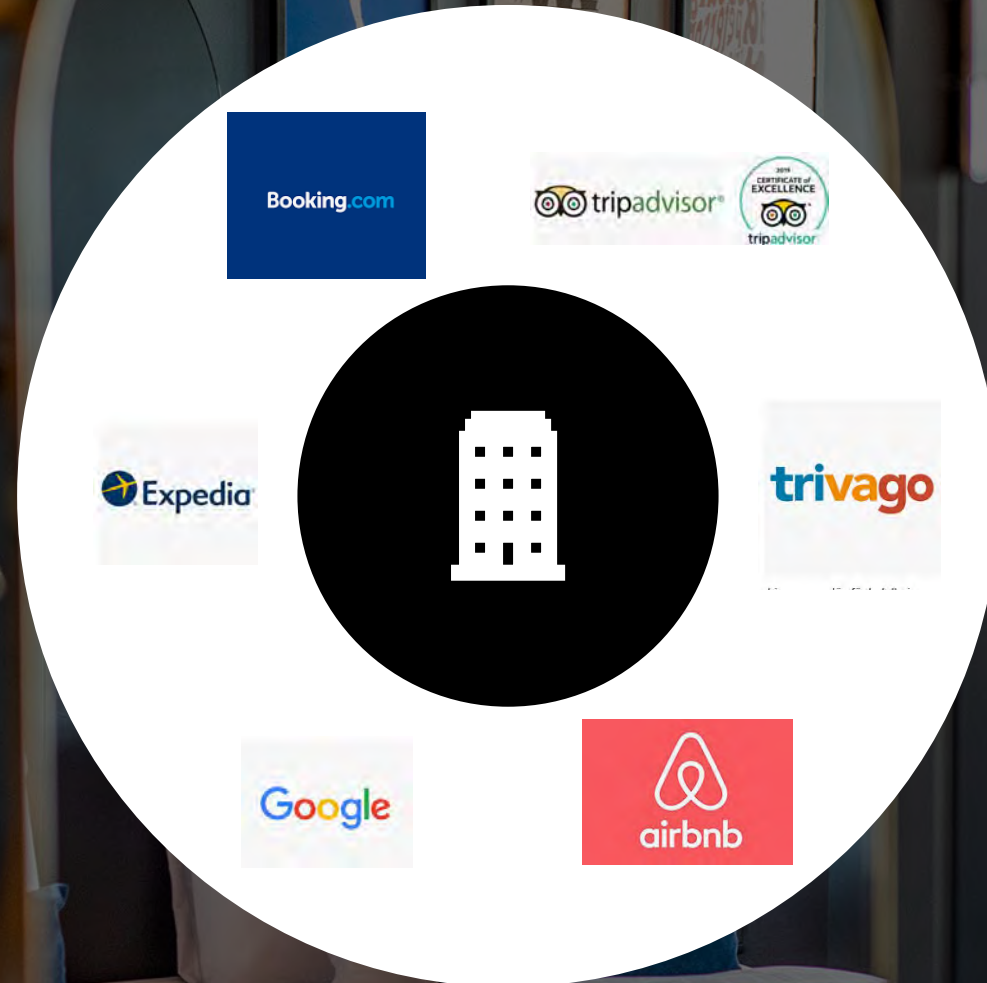
Source: National Statistics, Benchmarking Alliance

A CHANGING DISTRIBUTION LANDSCAPE

**INCREASED PRESENCE
FROM GOOGLE**

**OTA TAKING STEPS INTO
BUSINESS TRAVEL**

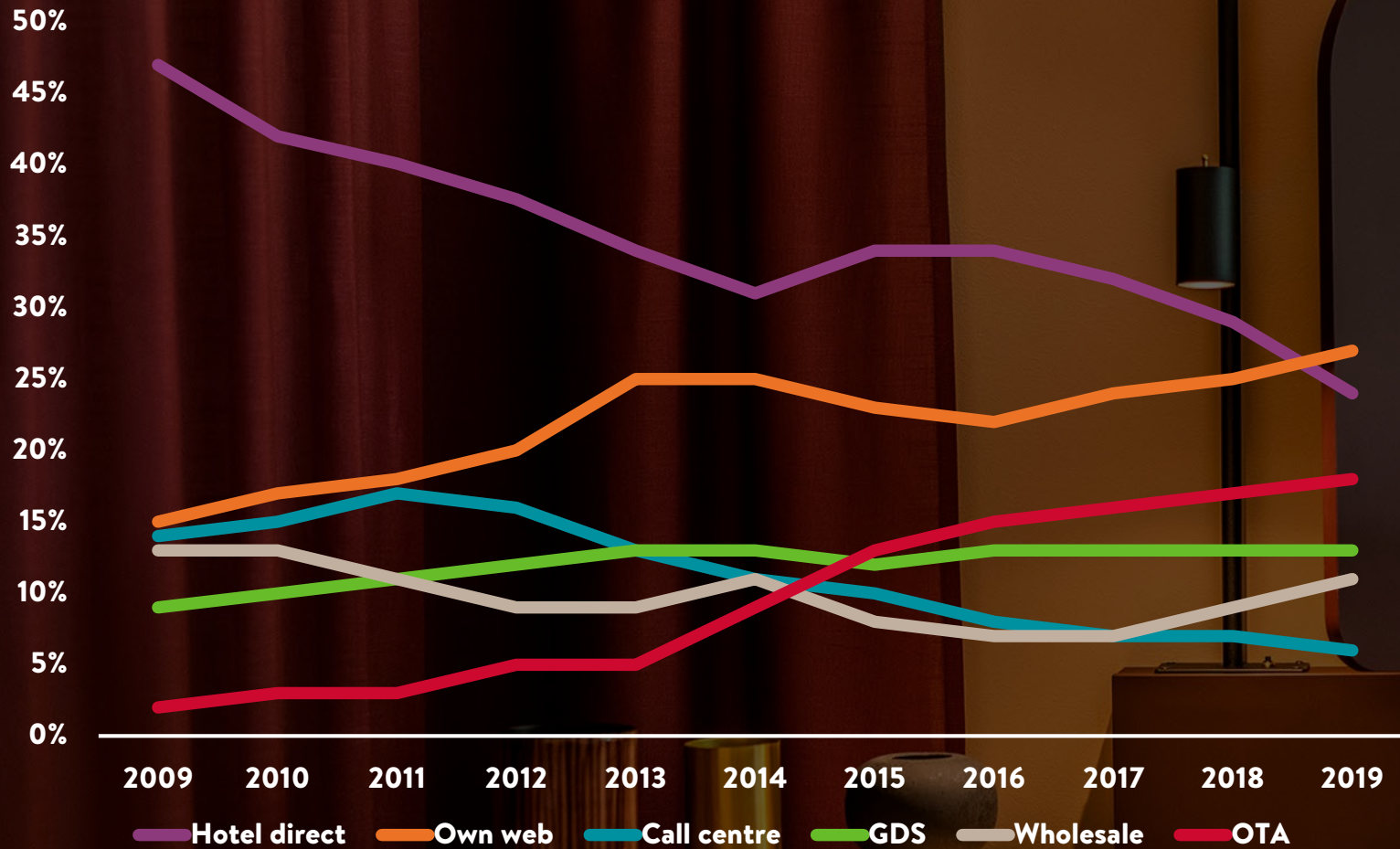
**DISTRIBUTORS AIMING TO
OFFER THE WHOLE VALUE
CHAIN**



**META SEARCH IS
GROWING, MAKING PRICE
INTEGRITY MORE
IMPORTANT**

**ALTERNATIVE
ACCOMMODATION
INVENTORY INCREASING
ON ALL PLATFORMS**

CHANGED MIX OVER TIME – BUT OUR DIRECT DISTRIBUTION REMAINS STRONG



**DIRECT DISTRIBUTION
CORRESPONDS TO ~60% OF SALES**

**MIGRATION TO DIGITAL
CHANNELS**

OTA SHARE BELOW 20%

OWN WEB IS GROWING

Source: Scandic

DIFFERENT SOURCE MARKETS IN DIFFERENT CHANNELS



Own web



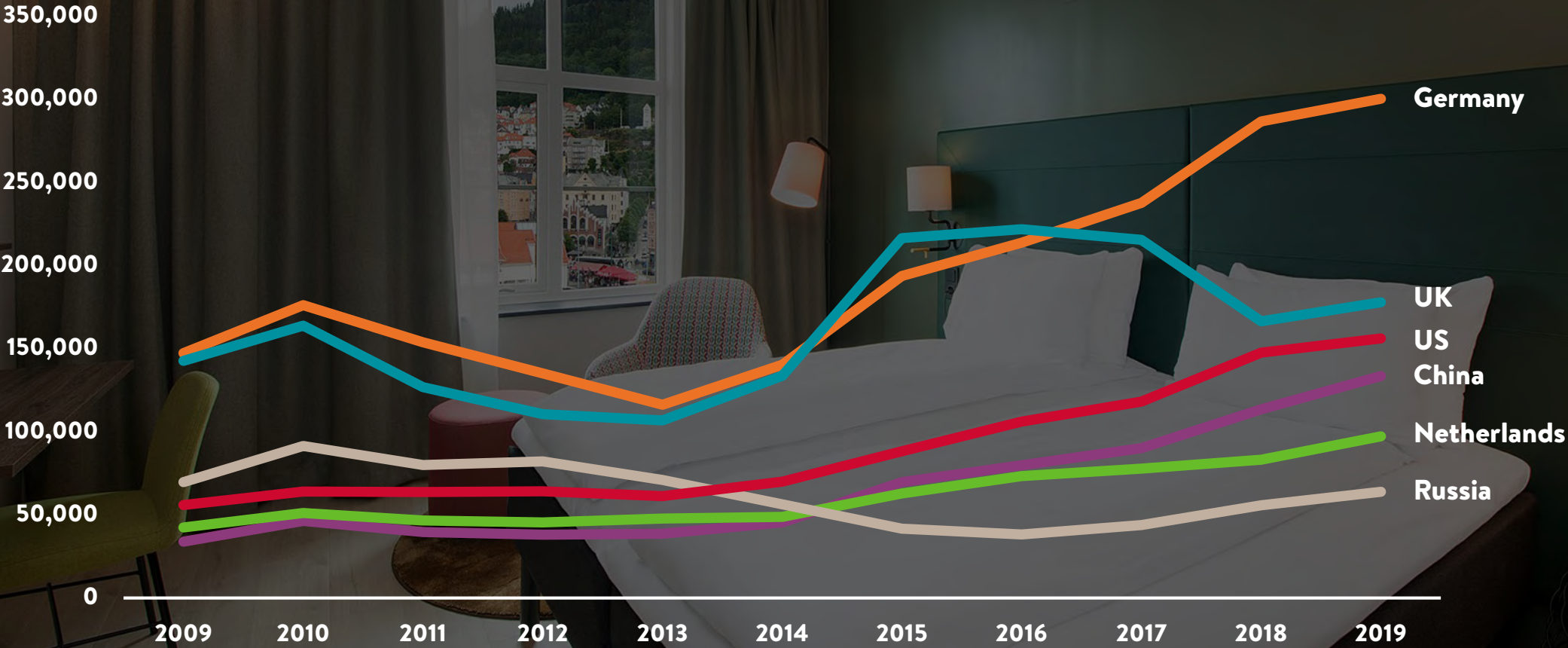
OTA

VISIBLE AND BOOKABLE IN ALL RELEVANT CHANNELS FOR INTERNATIONAL REACH

FOCUS ON CONVERTING INTRA-NORDIC BUSINESS TO OWN WEB

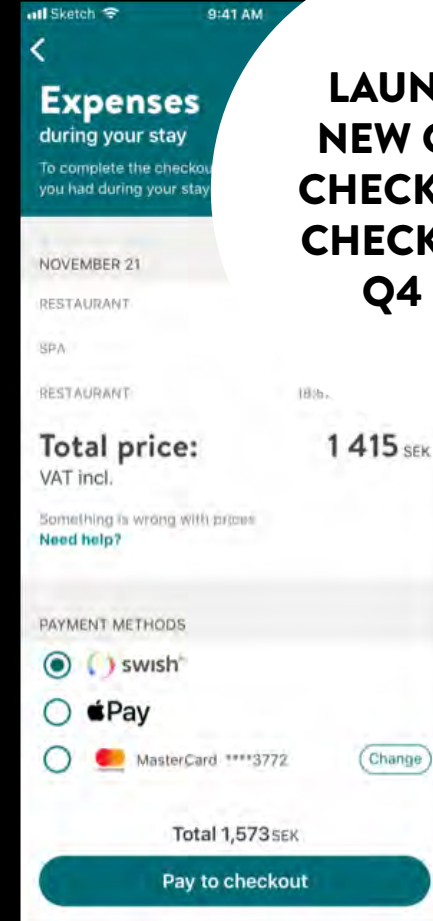
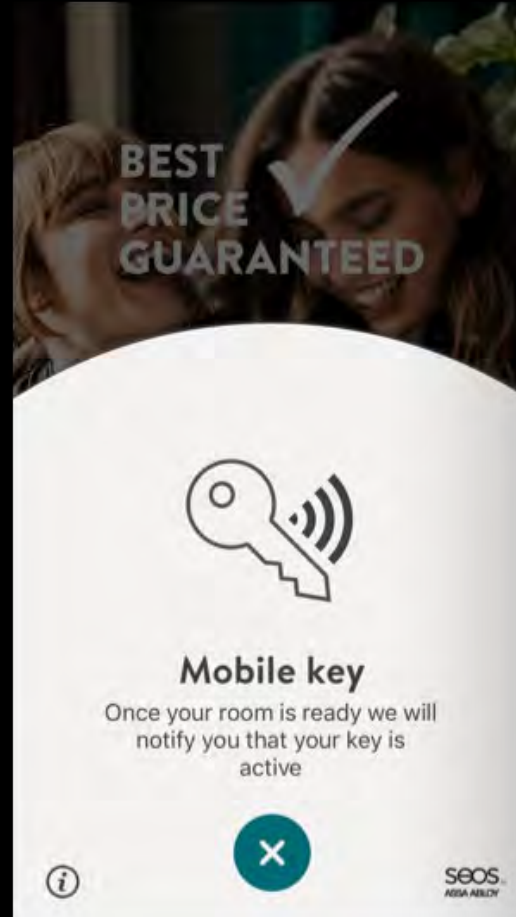
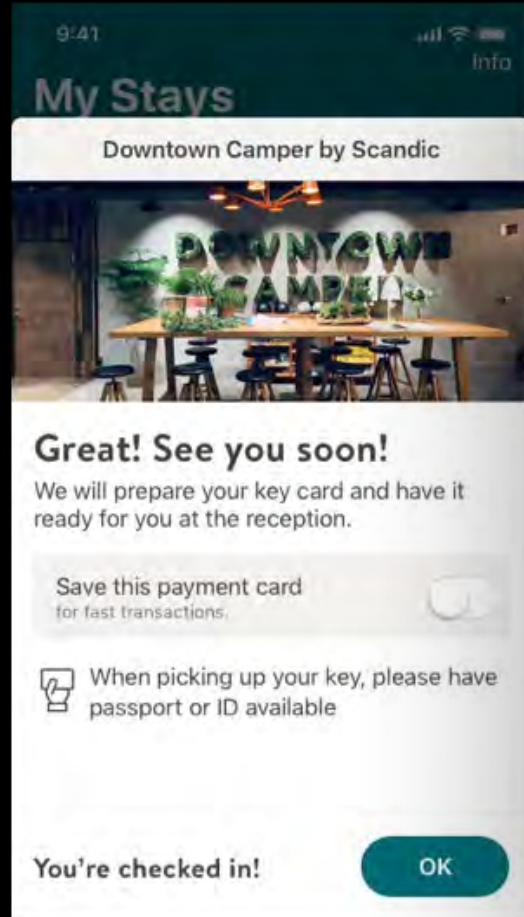
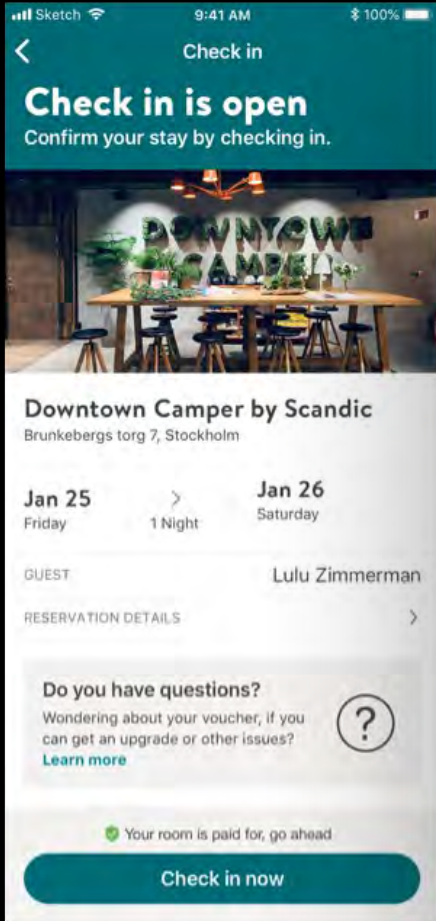
Source: Scandic

ROOM NIGHTS FROM SIX KEY INTERNATIONAL MARKETS



Source: Scandic

ENHANCING THE CUSTOMER EXPERIENCE

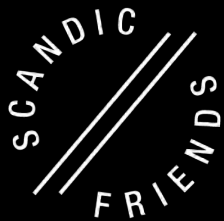


**LAUNCH OF
NEW ONLINE
CHECK IN AND
CHECK OUT IN
Q4 2020**

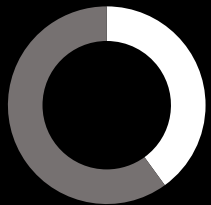
SCANDIC FRIENDS - CUSTOMER LOYALTY THROUGH DIGITALIZATION



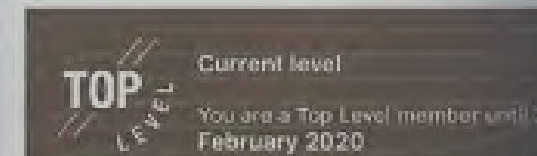
**LARGEST HOTEL PROGRAM
IN THE NORDICS**



>2.5 million MEMBERS



>35 % OF ROOM REVENUE



- Benefits
- ✓ Higher value on restaurant voucher (EUR 15/night)
 - ✓ Extended access to reward nights
 - ✓ 48-hour room guarantee
 - ✓ In-room welcome gift

[View All Benefits](#)

10:45

Stockholm

7-9 March

3 Guests

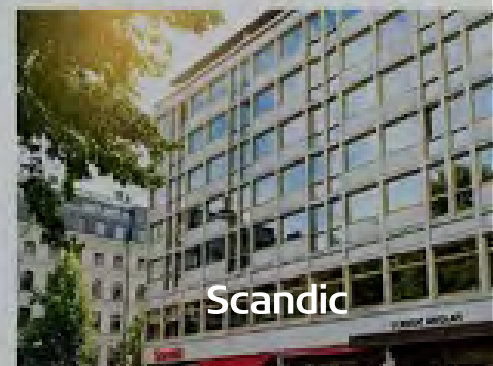
Reward Night X



Haymarket by Scandic

50 000 Points

0 km to city centre



Scandic

FOCUS AREAS TO DRIVE MARGINS, CASH FLOW AND MARKET POSITION



**PORTFOLIO
MANAGEMENT**



**FOOD &
BEVERAGE**



CAPEX



DIGITALIZATION



**OPTIMIZED
DISTRIBUTION**

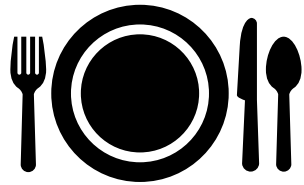
1. PORTFOLIO MANAGEMENT



PORTFOLIO MANAGEMENT

- Strengthened portfolio management organization
- Launch of Scandic GO
- Continue to secure a high quality pipeline with increased growth

2. FOOD AND BEVERAGE



FOOD & BEVERAGE

- **Review of costs, concepts and modes of operation throughout the group**
- **Evaluate outsourcing of some outlets**
- **All signature hotels charge for breakfast**
- **Centralized sales of meetings at certain destinations**

3. CAPEX



CAPEX

- **More structured approach to maintenance capex**
- **Portfolio management now integrated with business-, property- and design development**
- **Well invested portfolio after a period of relatively high investments**
- **Maintenance capex should not exceed 4%**

4. DIGITALIZATION



DIGITALIZATION

- **Several ongoing development projects to enhance efficiency and customer experience**
- **Launch of online check in and check out in Q4 2020**
- **Implementation of group-wide ERP-system**
- **Replacing manual processes**

5. OPTIMIZED DISTRIBUTION



**OPTIMIZED
DISTRIBUTION**

- **Increased market visibility in digital channels in order to secure our share of leisure and international growth**

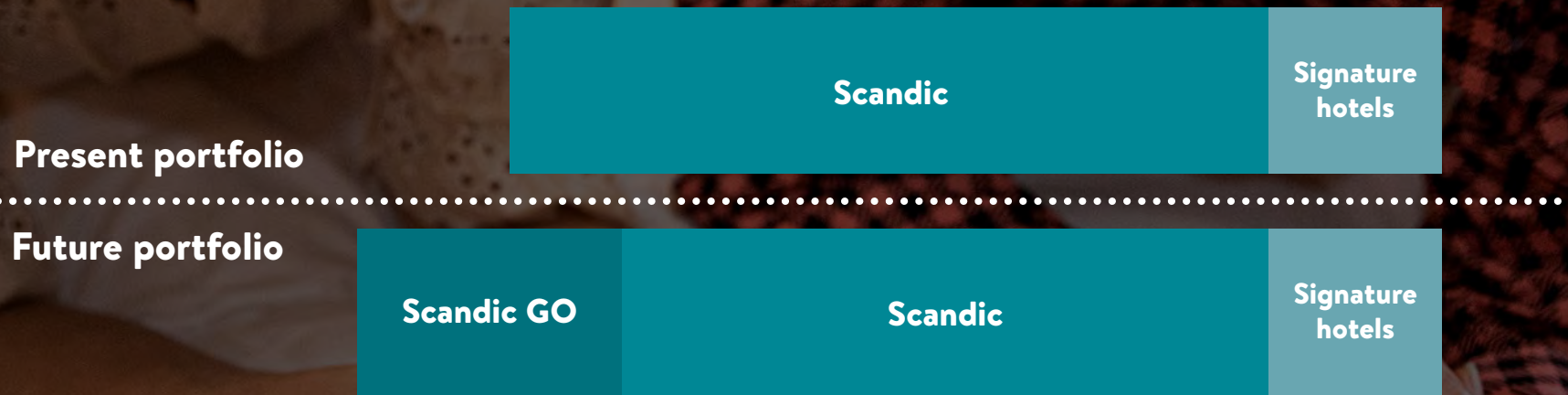
...LAUNCH OF SCANDIC GO SHOULD SUPPORT GROWTH AND MARGINS

- **With Scandic GO we tap in to the growing economy segment**
- **Significantly widens addressable market**
- **Higher share of rooms business means higher margins**
- **Less capex per room due to configuration**
- **Potential in each capital and larger regional cities throughout the Nordics**

...SCANDIC GO ALLOWS SCANDIC TO ADDRESS A LARGER PART OF THE MARKET

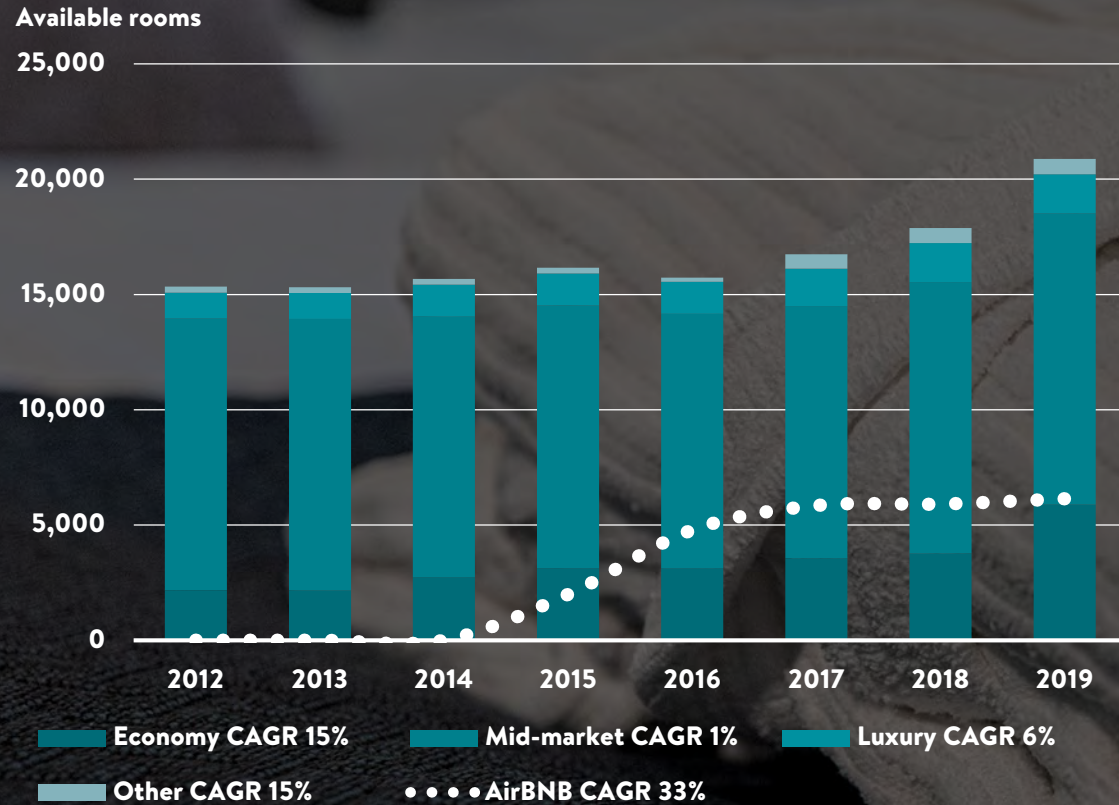
Economy ←

→ Luxury

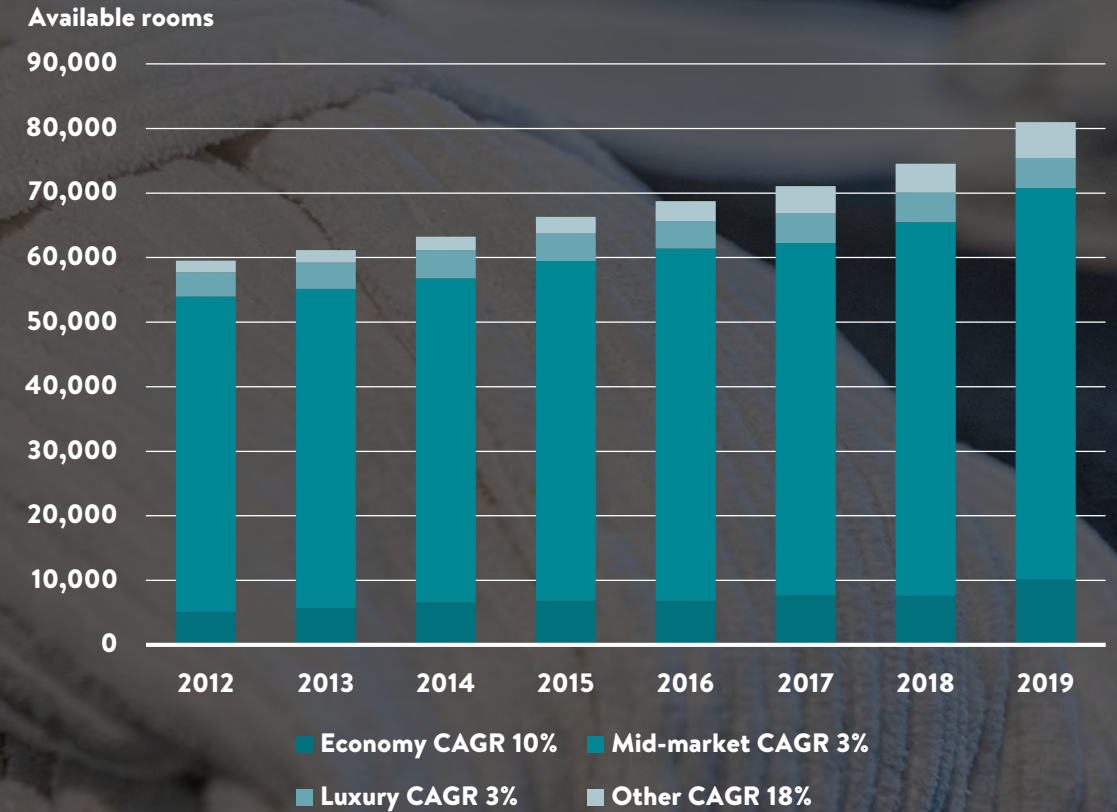


TAPPING IN TO A GROWING SEGMENT

COPENHAGEN + Airbnb



STOCKHOLM, HELSINKI, OSLO, COPENHAGEN



Source: Scandic Nordic Hotel Database, AirDNA

SCANDIC GO INCREASES SCANDIC'S TOTAL GROWTH POTENTIAL IN THE NORDICS



**ANNUAL NORDIC DEMAND GROWTH
10-12,000 ROOMS PER YEAR**



**SCANDIC'S CURRENT NORDIC
PORTFOLIO GROWTH
~1,500 ROOMS PER YEAR**



**POTENTIAL ASSUMING 25% OF
MARKET GROWTH
~2,500-3,000 ROOMS PER YEAR**

INTERNATIONAL GROWTH CONSIDERATIONS

**PROVEN BUSINESS MODEL
IN GERMANY**

ONGOING INDUSTRY CONSOLIDATION

**STRENGTHENED BUSINESS
DEVELOPMENT ORGANIZATION**

INTERNAL FUNDING CAPACITY

**SCANDIC WILL
EXPLORE GROWTH
OPPORTUNITIES
OUTSIDE THE
NORDICS**

**SHAREHOLDER
VALUE IS KEY!**

GROWTH ALTERNATIVES OUTSIDE THE NORDICS

NEW-BUILD PROJECTS

**Control of hotel configuration
but slow process**

**TAKE-OVER OF SINGLE
HOTELS AND SMALL CHAINS**

Increased focus

M&A

**Relatively high
transaction prices**

SCANDIC'S GROWTH AVENUES

**ROLL-OUT OF
SCANDIC GO**

**CONTINUED
ORGANIC
GROWTH IN
GERMANY**

**SCANDIC IN THE
NORDICS**

**OPERATE OTHER
BRANDS**

**EXPLORE
OPPORTUNITIES
OUTSIDE THE
NORDICS**



Q&A

Scandic

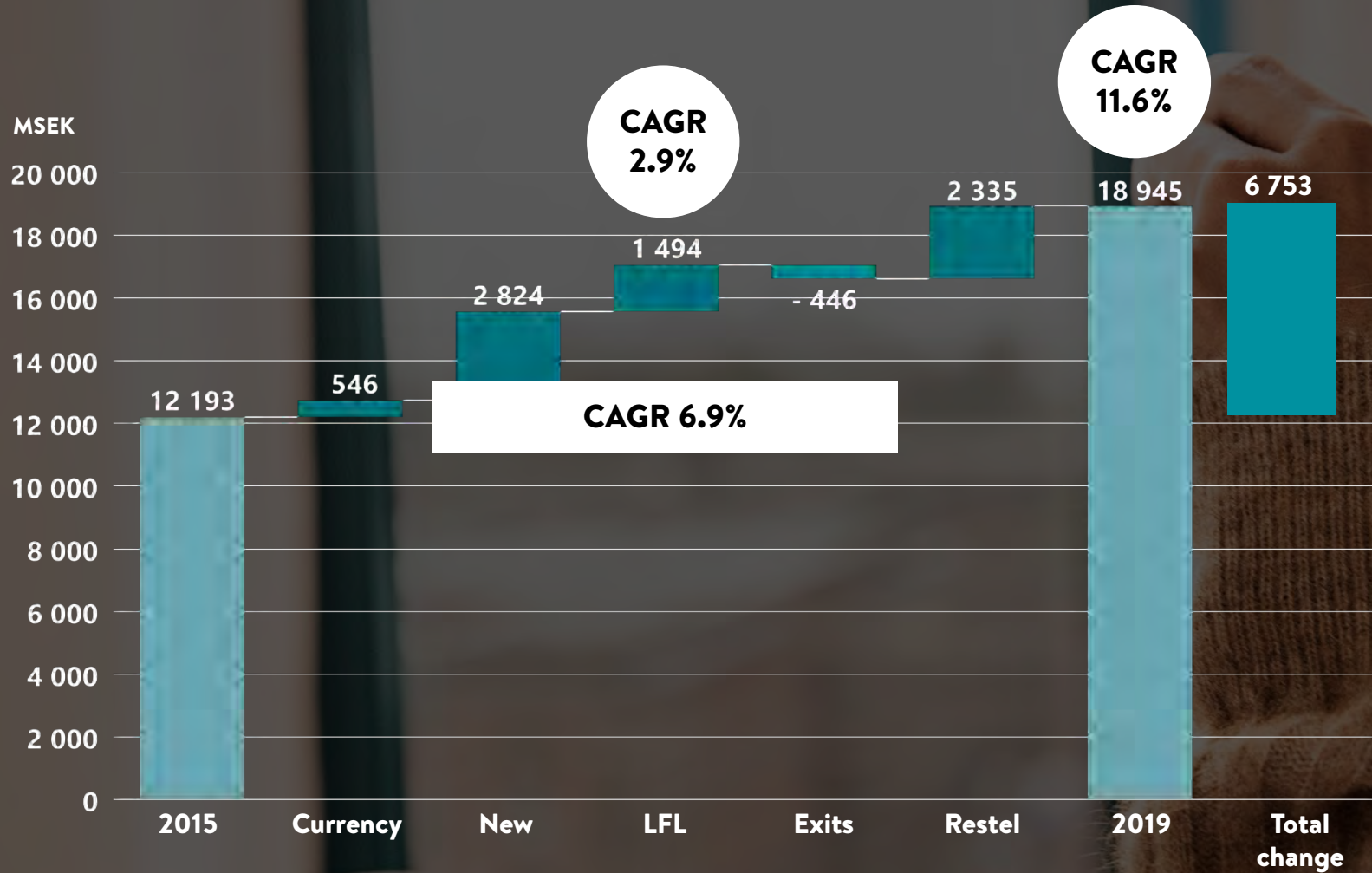
A photograph of a meeting table with a laptop, papers, pens, a glass of water, and a cup of coffee. The scene is dimly lit, with a warm, brownish tint. The text 'OUR FINANCIALS' is overlaid in white, bold, sans-serif font. A horizontal white line is positioned above the text, and another is positioned below it.

OUR FINANCIALS

Jan Johansson, CFO

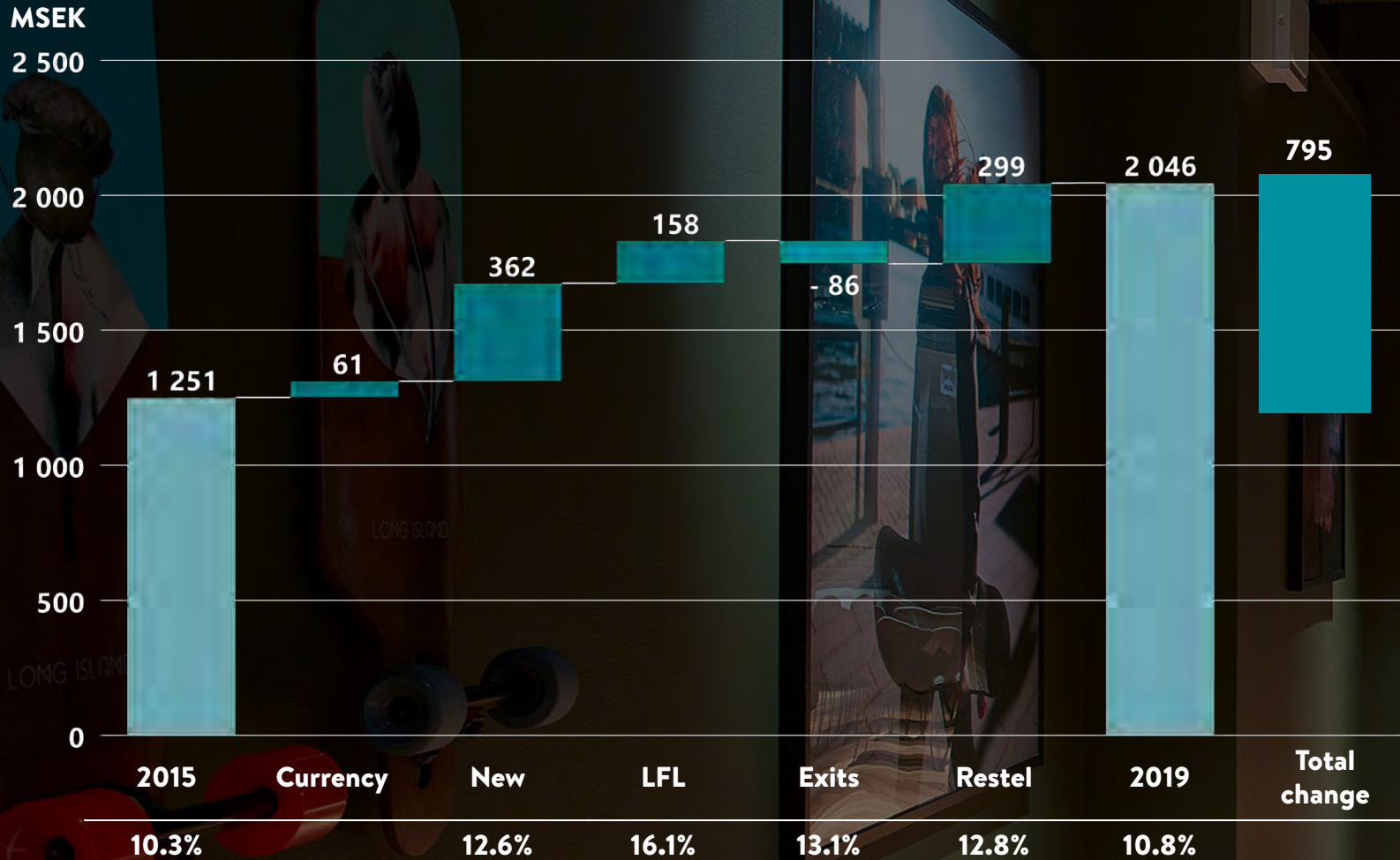
Scandic

SALES DEVELOPMENT SINCE 2015



**FINANCIAL OBJECTIVE:
ORGANIC GROWTH OF AT
LEAST 5% PER YEAR**

ADJUSTED EBITDA SINCE 2015 – CONTRIBUTION TO MARGIN



OBJECTIVE: ADJUSTED EBITDA MARGIN OF AT LEAST 11%

RETURN ON CAPITAL EMPLOYED

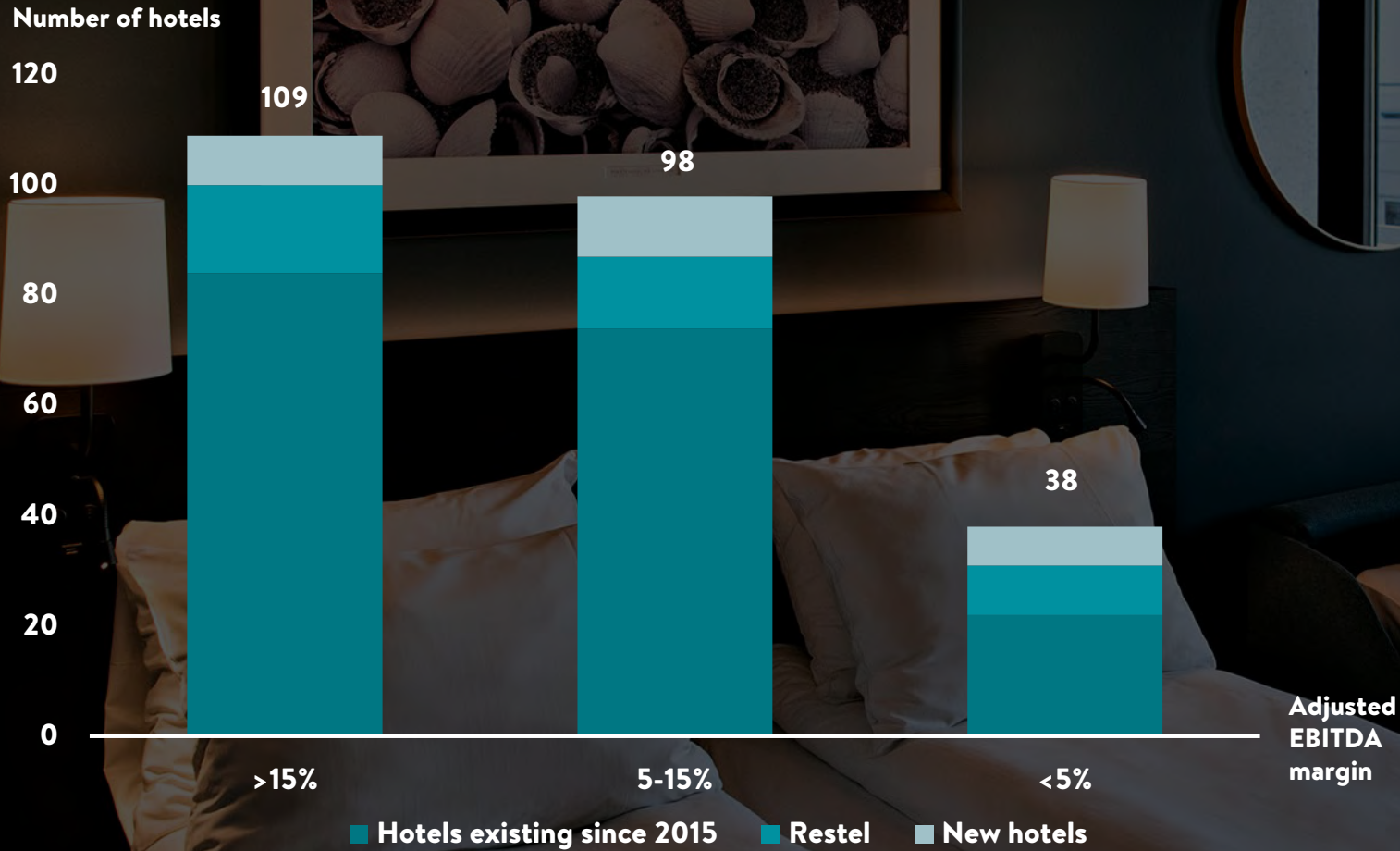


PROFITABILITY SPREAD IN THE HOTEL PORTFOLIO

Share of leased portfolio



PERFORMANCE SPREAD IN ALL CATEGORIES



**STRICTER INVESTMENT
CRITERIA IMPLEMENTED**

**EXPECTED ADJUSTED EBITDA
MARGIN IN PIPELINE >17%**

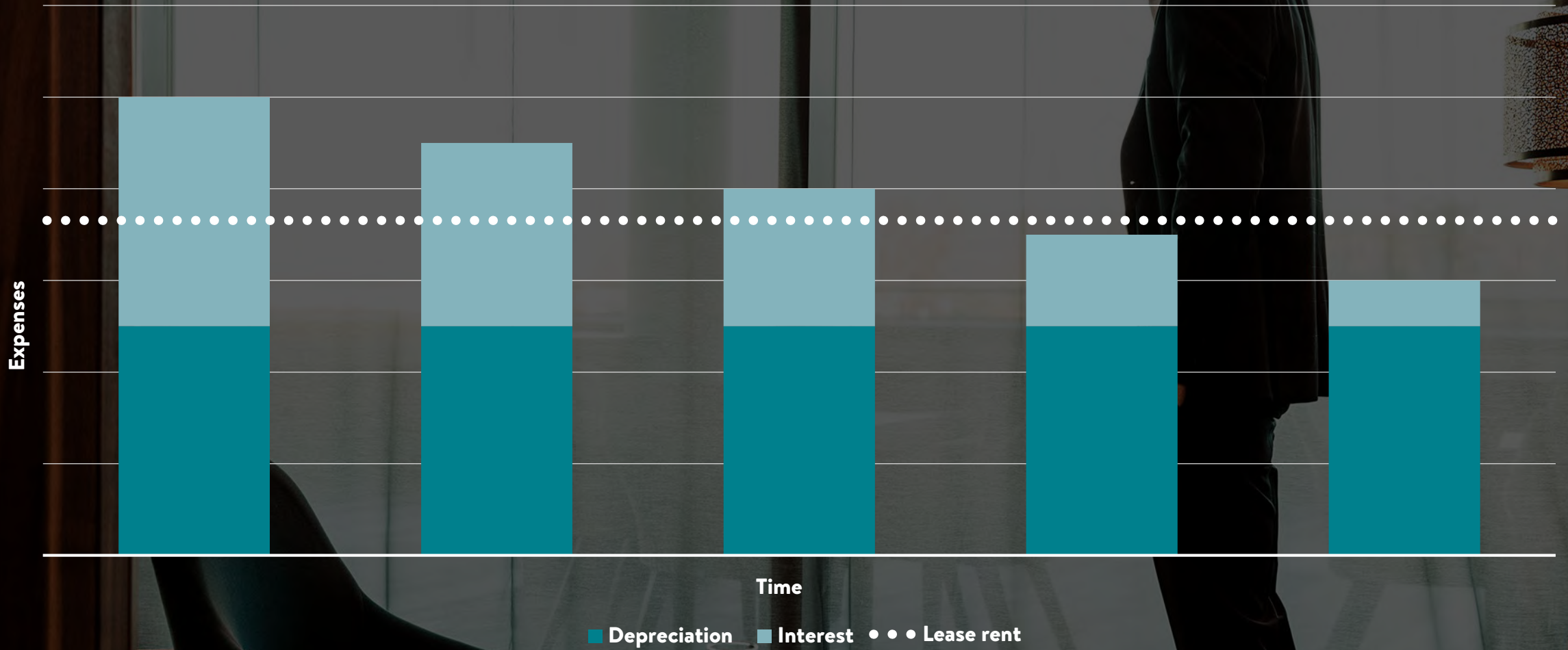
SENSITIVITY ANALYSIS

**FLEXIBLE COST STRUCTURE AS ~75%
OF LEASING COSTS ARE VARIABLE**

**COMPOUNDED VARIABILITY
IS JUST BELOW 50%**

	Share of revenue	Variability	Compounded variability
Cost of goods sold	9%	100%	9%
Direct variable selling costs	4%	100%	4%
Hotel operations payroll	25%	45%	11%
Hotel operations other	11%	35%	4%
SG&A	13%	0%	0%
EBITDAR margin	37%		
EBITDAR conversion			28%
Rent	27%	75%	20%
Adjusted EBITDA margin	11%		
Adjusted EBITDA conversion			48%

WHAT IS IFRS 16?



INVESTMENT CASE – EXAMPLE

SCANDIC IS CONSIDERING INVESTING IN A HOTEL FOR VARIOUS REASONS IT HAS BEEN DISCUSSED WHETHER THE LEASE TERM SHOULD BE 5 OR 20 YEARS WITH OTHERWISE UNCHANGED TERMS.

Rooms:	350
RevPAR:	825
F&B share:	20%
Revenues	132
GOP 47%	62
Rent 27%	36
Adjusted EBITDA	26
Adjusted EBITDA%	20%

Capex:	90
ROI	29%
Guaranteed rent	30
Rent cover	2,1

Depreciation (10 years)	9
Interest	3%

IFRS 16 EFFECT – OUTCOME

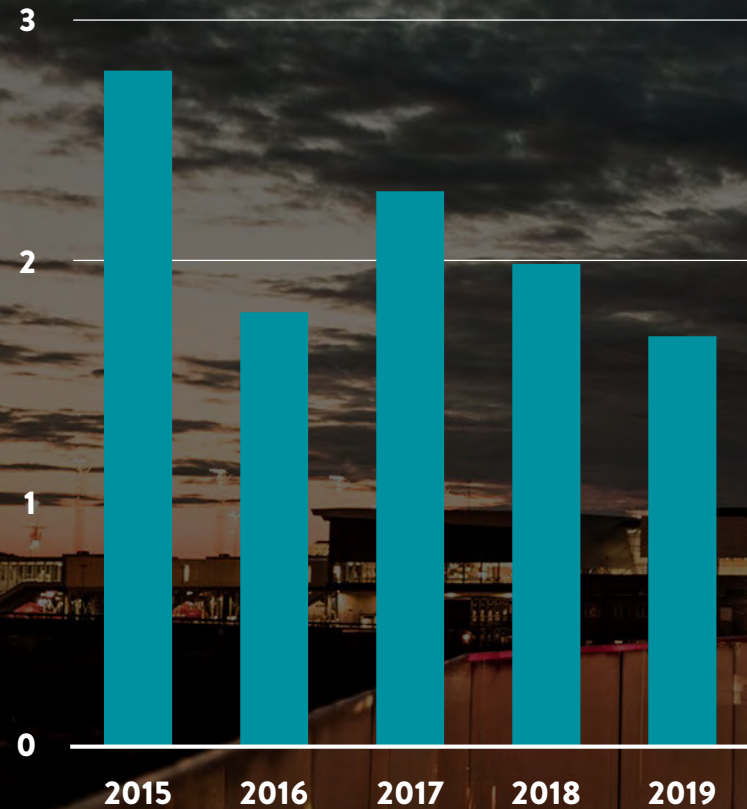
Effects in reporting:	5 years lease		20 years lease	
	Non - IFRS 16	IFRS 16	Non - IFRS 16	IFRS 16
Ramped up year 3				
Revenue	132	132	132	132
EBITDAR	62	62	62	62
Rent	-36	-6	-36	-6
Adj. EBITDA	26		26	
EBITDA	26	56	26	56
Depreciation	-9	-36	-9	-30
EBIT	17	20	17	26
Financial net	-3	-5	-3	-16
Tax	-3	-3	-3	-2
Net profit	11	11	11	7

OUR REPORTING GOING FORWARD

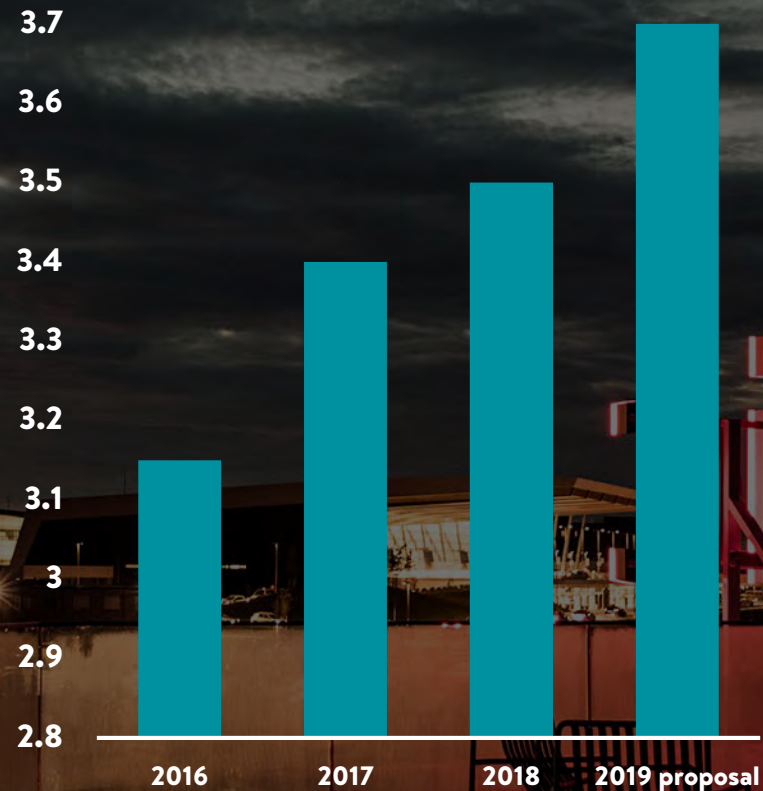
- **We will disregard IFRS 16 effects when making investments decisions**
- **Financial objectives and important key ratios will continue to be defined ex IFRS 16**
- **Complete financial statements will be provided with and without IFRS 16 going forward**

FINANCIAL POSITION AND DIVIDEND

NET DEBT/ADJUSTED EBITDA



DIVIDEND PER SHARE



**ADDITIONAL DEBT CAPACITY
OF AT LEAST 2.5 BSEK**

**CASH GENERATIVE BUSINESS
WITH FREE CASH FLOW OF
~4% OF SALES BEFORE
EXPANSION CAPEX
AND DIVIDEND**



Q&A

Scandic

COFFEE BREAK

Scandic

A modern hotel lobby with a bar, seating, and large potted trees. The scene is dimly lit with warm, ambient lighting. In the foreground, there's a wooden table and a dark upholstered bench. In the background, a bar area is visible with various bottles on the counter. Large potted trees are scattered throughout the space, adding a natural touch. The ceiling features a grid pattern with recessed lighting. The overall atmosphere is sophisticated and contemporary.

SCANDIC HOTELS CAPITAL MARKETS DAY.

Scandic



SUSTAINABILITY

Scandic



SUSTAINABILITY

Vanessa Butani, Director of Sustainable Business

Scandic

A photograph of two chefs in a kitchen. The chef on the left is seen in profile, wearing a white chef's coat and a dark apron. The chef on the right is facing him, also in a white chef's coat and dark apron, smiling. The kitchen background is filled with stainless steel equipment, including a range hood with multiple heat lamps, shelves with various containers, and a counter with food preparation items. The lighting is warm and focused on the chefs.

**WE HAVE A LEGACY OF
INSPIRING CHANGE**



**WE HAVE THE POWER
TO DRIVE CHANGE**

WE PUSH OURSELVES

1993

Launched the “hang up your towel” initiative that today is the global industry standard

2003

Introduced what is now a 159-point standard for accessibility

1996

Began phasing out single-use plastic packaging

2008

Started serving local water in sustainable, refillable bottles designed specially for Scandic

AND THESE ARE JUST A FEW OF OUR MANY INITIATIVES...

**20 YEARS OF
NORDIC SWAN
CERTIFICATION**



Nordic Swan Ecolabelled Hotel

WE SUPPORT THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS





DIVERSITY & INCLUSION

Scandic will lead the hotel industry in giving all employees the same opportunities and reflect the society in which it operates.

HEALTH

Scandic will be the premier hotel choice for customers who prioritize a healthy lifestyle and an attractive employer when it comes to work-life balance.

CO₂ EMISSIONS

Scandic will be the hotel company with the lowest CO₂ emissions.

WE HAVE AMBITIOUS GOALS FOR 2020

WASTE

Scandic will continually work to reduce total waste and increase the share of recycled waste.



WE ARE RAISING THE BAR

A WORLD-CLASS NORDIC HOTEL COMPANY



MEET

EAT

SLEEP

Scandic

SUSTAINABLE HOTEL OPERATIONS





MEET

**BE THE MOST
INCLUSIVE
COMPANY FOR THE
MANY PEOPLE**



EAT

**LEAD THE WAY TO
BETTER FOOD AND
BEVERAGE WITH
LESS IMPACT**



SLEEP

**OFFER OUR GUESTS
THE MOST
SUSTAINABLE ROOM
EXPERIENCE**

A photograph of two young girls in a room. The girl on the left is wearing a yellow long-sleeved shirt and red overalls, making a 'shh' gesture with her right hand. The girl on the right is wearing a leopard print dress and has her hands covering her eyes. The background shows a bed with white linens and a wooden headboard.

**AT SCANDIC, WE DON'T RUN
SUSTAINABILITY PROJECTS.**

**WE RUN PROJECTS THAT
ARE SUSTAINABLE.**



Q&A

Scandic



A modern, brightly lit cafe interior. The space features a central pink bar with a menu board above it. The menu board lists items such as 'Drip Coffee', 'Capuccino', 'Macchiato', 'Latte', 'Tea', 'White Fod', 'Beer', 'Soft Drink', 'Juice', 'Quick Bite', and 'Sandwich'. The cafe has a mix of yellow and blue seating, including tables and chairs. A large potted plant is visible on the left side. The overall atmosphere is clean and contemporary.

SCANDIC GO

Svein Arild Steen-Mevold, Chief Portfolio Officer

Scandic

A modern cafe interior with a pink bar, blue seating, and a menu board. The menu board lists items like Drip Coffee, Cappuccino, Macchiato, Latte, Tea, White Foad, Beer, Soft Drink, Juice, and Sandwich. The cafe has a clean, minimalist design with a mix of colors and materials.

SCANDIC GO

Scandic

CONCEPTUAL TARGET GROUP: PEOPLE ON THE GO

- People "on-the go", digitally experienced, looking for a hotel that offers a great location, and a perfect place to sleep.
- They are happy to explore the city finding a good restaurant or gym outside the hotel.
- They are independent, curious, digital natives, young at heart and with an international mindset.

A COMPLEMENT TO THE SCANDIC BRAND

Young, vibrant, playful

Scandic GO

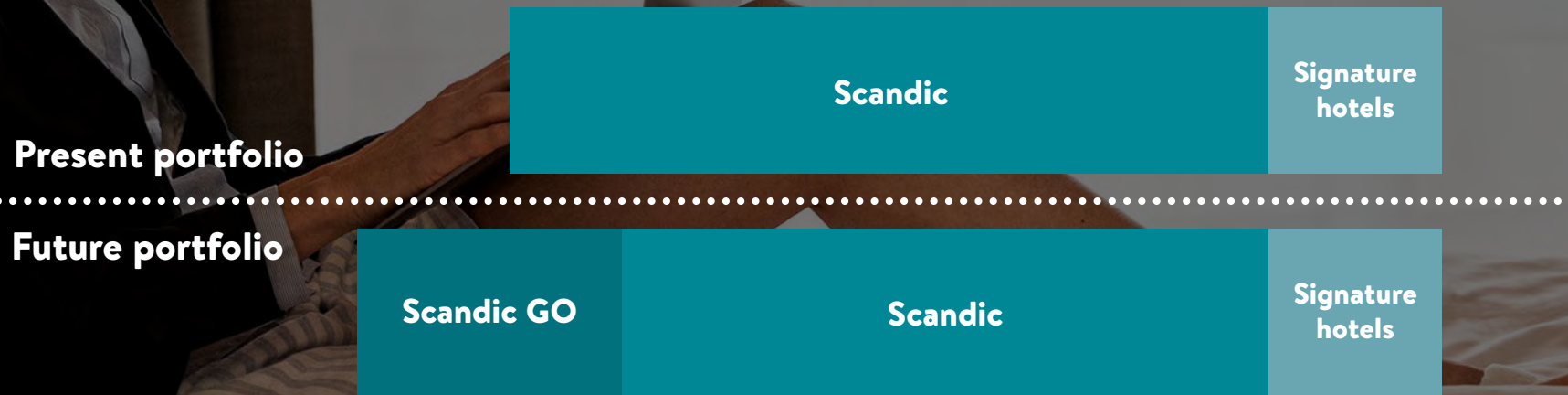
Scandic

Reliable (You know what you get)

SCANDIC GO ALLOWS SCANDIC TO ADDRESS A LARGER PART OF THE MARKET

Economy ←

→ Luxury



SCANDIC GO POSITIONING

FULL SERVICE

"Economy Design"

BASIC
LODGING

DESIGN &
LIFESTYLE

"Economy Easy"

Scandic GO

SELF SERVICE

Scandic

CLEAR DIFFERENTIATION BETWEEN SCANDIC GO AND SCANDIC

	Scandic GO	Scandic
Location	A-AAA city and city airport locations	B-AAA city, roadside and airport locations
Room size / main categories	15 (12-18) sqm / one	20 (17-23) sqm / many
Public areas	All-in-one lounge	Expanded
In room entertainment, casting / content	✓ / free	At selected hotels / premium
Breakfast	Excluded / cold selection	Included / breakfast for all buffet
Restaurant	✗	✓
Gym	✗	✓
Meeting facilities	✗	At selected hotels
Kids concept	✗	✓

**SCANDIC GO BUILDS ON
“PLAYFUL NORDIC” – A SMART
PLAYFUL AND URBAN FEELING.
A VIVID COLOR SCHEME
COMBINED WITH RICH TEXTURE
IN THE MATERIALS CREATES A
WARM AND FUN ATMOSPHERE
WHILE AT THE SAME TIME SIMPLE
TO WORK WITH FOR THE HOTELS.**



A of	A Cup	A Glass	A of	White Red Rose Bubbles Beer Soft Drink Juice	30 30 30 30 30 30 30
	Drip Coffee Cappuccino Macchiato Latte Tea	36 36 36 36 36		Snacks Sandwich	36 55
	Quick Bite				

Go
Explore

LARGE ECONOMIES OF SCALE BY LEVERAGING BRAND, COMMERCIAL AND OPERATING PLATFORM

SHARED SUPPORT ORGANIZATION

- **Marketing**
- **Sales**
- **Procurement**
- **Distribution**
- **HR**
- **Finance**
- **IT systems**

SHARED CULTURE & BRAND PLATFORM

- **Vision, Mission and Values**
- **Sustainability**

OUR FIRST SCANDIC GO HOTELS

Scandic Upplandsgatan – Stockholm



Scandic No. 53 – Stockholm



Scandic Grensen – Oslo



Scandic Karl Johan – Oslo



Scandic Webers – Copenhagen



GREAT POTENTIAL IN A GROWING MARKET

- Excellent complement to the Scandic offering
- Entering a growing segment of the market
- Expected higher margins and lower capex per room compared to a full-service Scandic

I need my space

Scandic



The image shows a modern cafe interior. In the center, there is a long pink bar with a menu board above it. The menu board lists items like 'Drip Coffee', 'Cappuccino', 'Macchiato', 'Latte', 'Tea', 'White Red', 'Beer', 'Soft Drink', and 'Juice'. To the left, there are tables with yellow chairs. To the right, there is a blue sofa and a coffee table. The background features a yellow wall with the text 'Go Explore' and a large plant. The overall atmosphere is bright and contemporary.

Q&A

Scandic



**SCANDIC HOTELS
CAPITAL MARKETS DAY.**

February 18, 2020

Scandic



JOIN US FOR LUNCH!

Scandic