

Gifts and donations

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1. Purpose

Decisions that set the way "Gift and donations" are made are governed by procedures to avoid corruption offences against the Public Administration and Corporate Offences - Corruption between private parties (Legislative Decree No. 231/2001, hereafter referred to as the "Decree") may be committed by such pay-outs.

2. Objective scope of application

This procedure defines the "Gifts" and "Donations" rules which are intended to support Corporate Social Responsibility (CSR) objectives. This term means:

- donations,
- the payment of money or the transfer of goods by way of donations (PCs, blankets, obsolete furnishings),
- the loan of Company assets or making assets (e.g. meeting rooms), available to third parties free of charge
- other benefits for charitable purposes.

3. Subjective scope of application

The procedure must be followed by the "**Compulsory Subjects**", defined by the NH Hotel Group Code of Conduct and the following subjects:

- NH Italia Employees, Trainees, and Executives,
- NH Italia governing and supervisory¹ body members.

The HR Department - Talent Learning & Development Office - handles documentation, delivery and donation control evaluations. Identification or maintenance of donation beneficiary are shared with the Marketing Department.

4. Regulatory reference

The applicable legislation for donations is the Civil Code: Title V - Donations (Articles 769-809).

5. Definitions and acronyms

Beneficiaries: Donation recipients

Corporate: NH Hotel Group, Parent Company.

CSR: Corporate Social Responsibility.

¹ Board of Directors and Board of Statutory Auditors.

Public bodies: entities that carry out "State or Public Bodies activities" are considered as being Public Administration.

Donation: in civil law, donations and charitable acts are those by which one party enriches the other without being obliged to do so and without constituting an obligation.

NH Hotel Group: The group of companies to which NH Italia Spa belongs.

NH Italia: NH Italia Spa.

NGO: Non-Governmental Organisation.

ONLUS: Non-Profit Social Utility Organisation.

PA: Public Administration.

Company: NH Italia Spa.

Recipients: NH Italia Employees, Trainees, Executives, NH Italia governing and supervisory body members, Customers, Suppliers, NH Italia Shareholders and any other interest group bound by the Code of Conduct.

Liable Subjects: NH Italia Employees, Trainees, Executives, NH Italia training and supervisory body members, excluding Customers, Suppliers, NH Italia Shareholders and any other interest groups

Third Parties: Suppliers, Professionals, Freelancers, Agencies and Partners operating for NH Italia or on its behalf.

Benefits: these are elements that are necessary or instrumental in the commission of a corruptive offence such as giving or promising money or other benefits. The term "benefit" means the offering or promise of gifts, presents, goods in kind, donations, employment, and commercial opportunities (hiring, purchasing and assignment of tasks) not due to Public Officials or those in charge of Public Services.

6. NH Italia reference procedure

The following procedures are related in several ways to this procedure:

- Public Administration Relations Management,

The "Talent Learning & Development" office receives the policy and instructions on how to make donations from the Corporate CSR Department.

7. Code of Conduct - General Rules of Conduct

NH Hotel Group's Code of Conduct provisions outlining the general rules of conduct for donations are set out below

"Integrity"

"... when acting on behalf of NH, liable Subjects shall do so with absolute political neutrality and shall refrain from taking any position, direct or indirect, that is in favour of or against legitimate political processes and actors. No donations or contributions, representing NH, or using Group resources, will be made to political parties, federations, coalitions, electorate groups, organisations, factions, movements or bodies, whether public or private, whose activity is clearly linked to political activity. They will not participate, directly or indirectly, in any structure or organisation which finances them."

8. Behaviour principles and control

Company personnel involved in the processes must follow the methods set out in this procedure, the legal provisions on the subject and the rules of conduct referred to in the Code of Conduct and the Organisation System under Legislative Decree no. 231/2001. 231/01.

Staff in charge: HR, Marketing departments and Hotel Managers should follow these principles of conduct and control:

- donations and gifts are tools of social responsibility, communication and image and must be in line with NH Italia institutional values, objectives and aims (internal policies).
- donation purposes and use must be verified, and they are made only to those whose moral integrity, reputation and good name have been verified.
- a HR representative keeps track of donation recipients on a dedicated register.
- it is forbidden for the gift or donation to take the form of a benefit to Italian or foreign public officials, or their families, which could influence the discretion or independence of judgement or induce them to ensure NH Italia any advantage.

9. Human Resources and Marketing Departments donations

Human Resources (Talent, Learning & Development and CSR), the Marketing Department and the Regional Director of the Operations Department can provide donations.

Those whom any donations are to be allocated are defined by the Group's Corporate Social Responsibility ("CSR") Policies. CSR policy does not provide cash donations but encourages giving free-of-charge spaces and rooms in NH Italia structures and the provision of training to disadvantaged people.

Following these guidelines, NH Italia may decide which initiatives and organisations to support. Those who coherently and synergistically bind themselves to the NH brand to establish a partnership must be sought. The gifts and donations policy must provide support to few organisations but with the aim of establishing a partnership and continuity over time.

Informed Donation decisions must be made by a team composed of Human Resources Department (Talent, Learning & Development and CSR) and the Marketing Department members. This shall start an internal discussion to assess which ONLUS or NGO support and upon which topics. If the initiatives see a significant involvement of local structures (hotels), the Regional Director responsible for the structures' availability will be consulted.

The choice of the subject and the evaluations that led to the beneficiary's identification and the donation's objectives and initiatives are recorded in minutes either during or immediately after the meetings between the heads of the above-mentioned Departments. During the evaluation, the managers will check that the beneficiaries are not on the black list. In addition, they will verify that the members of such organisations are not political subjects or belonging to mafia or terrorist organisations, or personalities contrary to the NH Hotel Group values expressed in the code of conduct. The Head of Talent Learning & Development will assess the financial soundness of the organisation with the support of the Finance and Administration Department.

Any department or hotel able or willing to donate must submit a proposal to the HR departments (Talent, Learning & Development and CSR) and to the Marketing Director for their evaluation and approval.

The Departments concerned must pursue a partnership with each beneficiary and sign a contract which defines the terms and contents of the partnership. It is advisable to report to NH Italia on the uses and objectives achieved using NH Italia's resources.

If they started the initiative, the NH Italia Departments and Hotel Managers must report and document all donations made to third parties: including the free transfer of obsolete goods (IT tools, furnishings, blankets, linen, etc.) or the transfer of any other free-of-charge goods to the Head of Talent, Learning & Development and CSR. It will be their responsibility to keep track of the recipients of donations and goods donated in a chronological register with the related documentation attached.

10. Donation Accountability

The Annual NH Hotel Group Corporate Responsibility Report shows the economic value of donations, free room donations, fundraising, and training for those in need.

11. Document control

| Version | Approved by | Document type | Date |
|---------|-------------------------------|---------------|---------------|
| 1 | Management Committee BU Italy | Procedure | December 2016 |
| | Internal Audit Director | | |