

## Environment & Sustainability\_Commercial

The NH Hotel Group, in its longstanding commitment to the environment and sustainable development, has integrated canyons of sustainability at all levels of the Organization over the years. Therefore, they are part of the daily tasks of all the employees in each of the departments.

The criteria governing the policy of sustainability in the group as well as the different products or services that relate to the environment and sustainable development must be known by the staff. This will provide the staff to clarify our clients in the case that any information of this type is requested.

At the same time, every Department in the hotel must be informed of the monitoring indicators regarding the environment and energy efficiency and to support the management in order to optimize them. All hotel Departments will be informed about the status of the achievement of ratios objective established by the hotel's General Management.

### 4.1 ENVIRONMENT AND SUSTAINABILITY AT NH HOTEL GROUP

#### RESPONSIBLE COMMITMENT PLAN 2017-2019:



NH Hotel Group carries out its hotel activity by creating shared value at the economic, social and environmental level wherever it is present. In 2017, with the aim of leading responsible commitment in the industry, it has drawn up the Corporate Responsibility Strategic Plan 2017-2019, establishing the main objectives and initiatives for the different responsible commitments defined by the Company.

The innovative "Room 4" concept encompasses these goals related to the business of NH Hotel Group and its key stakeholders. This transversal three-year plan has been approved by the Company's principal governing bodies and all the areas of the Company are committed to it. On one hand and as starting point for the creation of the Plan, the materiality analysis has been used to determine the key aspects for NH Hotel Group according to its strategy and stakeholders and, on the other hand, the Corporate Responsibility Policy. The United Nations Sustainable Development Goals (SDG) have also been used.

The Plan, a key part of the Company's global strategy, includes its main commitments regarding responsibility, as well as the development of the lines of action in priority areas for the Company: commercial, employee engagement, investment, brand purpose, corporate governance and supplier evaluation. It also provides for annual reporting of the Plan's progress, both consolidated and by Business Unit, to the Board and the Management Committee.

#### PURPOSE, PILLARS AND COMMITMENTS OF THE PLAN

NH Hotel Group has defined a clear purpose for its Responsible Commitment Plan which is that: *Wherever we are, we strive to have the most positive economic, social and environmental impact.* The Responsible Commitment Plan comprises three pillars of action: People, Planet and

Responsible Business. In this document ROOM 4 PLANET is explained. Further info can be found in the Annual Report.



In its commitment to the Planet, NH Hotel Group works to minimize its impact on climate change, increase efficiency of resources and develop more sustainable products. All this by reducing the Company's carbon footprint with responsible consumption of natural resources.

NH Hotel Group has its Sustainability Policy approved by the CEO of the company. It has to be known by all employees, who must be able to respond to questions from guests or stakeholders of their existence and the place where they can consult it.

### The Vision on Sustainability

For the NH Hotel Group, sustainability means taking care of the **PEOPLE** who that we host, care for the **DESTINATIONS** where our hotels are located and take care of the **PLANET** we all share. We innovate in order to develop eco-efficient solutions, in a way that the guests in the NH Hotels may feel the site, enjoy a healthy and a pleasant stay and to help take care of the planet.

**The Sustainability Policy** is available on the intranet and on the NH Hotel Group website:

<https://www.nh-hotels.com/corporate/responsible-and-sustainable-company/sustainability>

A hotel activity has an impact on the environment by the energy and water consumption and waste generation. Additionally, the consumption of water and energy is usually more than 7% of the fixed costs of the hotel. Working on environmental actions in the hotel has positive return for the planet and for the company. This is for the reason why the NH Hotel Group tries to improve every day including the sustainable criteria in the different services that we offer in order to reduce our environmental impact.

At the NH Hotel Group Hotels, in general terms, at least the following environmental initiatives have been implemented:

- Monthly report on the variables:
  - Water consumption.
  - Energy consumption.
  - Carbon footprint.
- A specific program focused to reduce the frequency of linen and towels washings. This program provides to our guests the chance to choose if they want their towels to be changed during their stay.
- Control of set point temperatures in rooms and meeting rooms.
- Program on waste recycling.
- The paper used is FSC.
- LED lighting over 75%.
- External Environment Certification (for instance, ISO 14001, Green Key or GreenLeader by TripAdvisor).
- External annual Auditing in order to certify that all the Sustainable Requirements at the NH Hotel Group are observed.

- Green energy consumption.

For each one of the NH Hotel Group Hotels there are annual objectives, the ratios of energy, water and carbon footprint, with the ultimate goal that every one of the hotels can meet the ratio that is optimal for the hotel in question and that is calculated according to their technical specifications, architectural and geographical.

The upending of the individual objectives of each hotel is determined by the fulfillment of the overall objectives of sustainability of NH Hotel Group. Therefore, all actions and initiatives developed at each hotel are relevant to the fulfillment of the objectives at the company level.

## 4.2 GOOD ENVIRONMENTAL PRACTICES

In addition to the commitment to environmental values of the NH Hotel Group, the Commercial Department shall apply to its day-to-day activity, good environmental practices in order to minimize the impact associated with the water consumption and waste production.

### Waste management

All waste is separated properly at the disposal points available. This way it avoids mixtures of them.

It is an internal requirement by the NH Hotel Group, that all hotels should separate, at least 4 types of non-hazardous waste:

- Glass: this refers to glass containers.
- Paper and cardboard: This refers to containers of paper and cardboard and office paper.
- The used cooking oil: in reference to the oil generated in kitchens.
- Organic: food leftovers
- Containers: they may be plastic containers, bricks and cans.
- Furniture removed in reforms can be handed over to employees or donated to NGOs.

It is necessary to note that waste such as batteries, electronic devices and toner are managed as hazardous waste and must be deposited in the containers provided for that purpose or by notifying the Maintenance Department to proceed with its disposal in the correct deposit in case that containers are not available in the offices areas.

*Note: For further information on how to manage Waste, please consult the Operative Guideline on OI\_02\_GP\_03, which is available on the intranet.*

### Water

The staff must use this resource efficiently and avoid an unsustainable practice that squanders it, as for example, leave faucets open when not in use or flush the toilet more than necessary.

In the case of possible water leaks the Maintenance Department must be immediately notified for the appropriate repair. This repair must be done following the internal procedure of NH Hotel Group.

### Energy

The use of lighting and electronic equipment must be done in an efficient manner in order not to leave anything lit when it is not necessary, or at the end of the workday, configure machines into "energy saving", etc.

### Materials

The main material that is used in the Commercial Department is the paper, so one must reuse it whenever possible in the case of documents for internal use. In the case it is not possible; one should proceed to deposit it in the specific container for subsequent recycling. The double-sided printing must prevail whenever possible as well as to adjust font sizes to optimize the use of paper, set the printer in eco-mode and inform the guest about the possibility of electronic billing. In addition, if invoices are issued on paper it will be in A5 format.

*Note: For further information on good practices in the offices, Please refer to the Good Practices Guideline by Departments, which is available on the intranet.*

## Sustainable Mobility

The Commercial Department staff must be knowledgeable on the Sustainable Mobility services that are available in the hotel. In that manner the staff will be able to communicate the guest the possibility of making use of them. These services include: rental of electric bicycles, rental of electric vehicles by the hour, the availability of charging points for electric cars in the hotel parking lot and car-sharing services. The staff of the Commercial Department must also know the options for the public transport that are available at nearby points to inform the guest in the case of any request.

*Note: Refer to the Operative Guideline OI\_03\_GP\_12 for more information on Sustainable Mobility, which is available on the intranet.*

## MICE Procedure

At the NH Hotel Group, we believe that our activities can create a direct and indirect impact on the environment in the communities where our hotels are located. And because of this, a MICE procedure has been developed and implemented in order to explain sustainable criteria for Eco-Friendly meetings and events.

Thanks to this initiative, at the NH Hotel Group we integrate our guests in our Sustainability Plan by giving them the opportunity to reduce the environmental impact of their activities without any extra cost.

In addition, we offer those companies and organizations with high environmental awareness the opportunity to make carbon neutral event at a small extra charge to the client.

Working in a sustainable way can be objective of organizations with a high environmental commitment and in the NH Hotel Group we help them meet this requirement:

- We help small companies with few resources allocated to environmental projects to contribute to the development of environmental projects as part of its Sustainability Policy.
- Large companies, governmental organizations and non-governmental ones contract the services of external consultants to determine the carbon footprint of their events. The NH Hotel Group offers this service free of charge to its clients.
- The client can use the Neutral Carbon Certificate along with the logo and the company's name as well as post it in press release.
- The international projects in which we participate help improve in an exceptional way the ecosystems and the way of life of the most deprived communities.

The main clients who are interested in Eco-Friendly meetings are:

- International Organizations.
- Small and medium-sized enterprises with environmental or Sustainability Policies.
- Non-governmental Associations and Organizations.
- Governmental Associations.

The elements of the room, according to the MICE procedure, must be prepared for meetings and business events.

The reasons why the meetings and events of NH Hotel Group are Eco-Friendly are the following:

- FSC certified paper.
- Materials without paper: we do not use paper flipcharts.
- Notebooks optimized for not producing more waste paper.
- Oxo-biodegradable pens.
- Access to sustainable mobility services.
- Eco-friendly alternative to conventional bottled water.
- LED lighting and low power consumption.
- Option for organic food in the menus.
- Option to offset the carbon footprint at the event through environmental projects.

The Commercial Department must know this product and be able to transmit to the client its existence and operation thus highlighting the commitment in terms of sustainability, which the company has acquired.

*Note: For more information about MICE and Eco-Friendly Meetings Events consult the MICE procedure available on the intranet or <http://www.nh-hoteles.es/meetings/eco-friendly-meetings>*

### Environmental certifications of the hotel

The Environmental Certifications of the hotel provide the value in terms of sustainable brand. They also help to ensure the full compliance with the legal requirements and verify that the hotel complies with environmental prerequisites which, in many cases, are required to close business deals. Currently, the NH Hotel Group is certifying hotels under the following standards:

- ISO 14001.
- ISO 50001.
- Green Key.
- Hoteles+Verdes

Also, recognizing our hotels by GreenLeader scheme by TripAdvisor.

The Commercial Department staff must be aware of its existence and type of certificate that each and every hotel holds and in this way be able to inform the interested party by providing added value to the client and reinforcing the brand image of commitment to the sustainability of the NH Hotel Group.

Likewise, the Commercial Department staff must be an active part in internal and external audits involving this type of certificates, thus providing the auditors with any requested information.

### Environmental objectives of the hotel

The Commercial Department staff working in different hotels, must know the goals for their hotel and the level of achievement of these targets throughout the year, so that they can participate in the initiatives and plans of action against possible deviations. The information will be provided by the General Management.

### We can say that the Commercial Department contributes to the objectives of sustainability of the company because:

- Comply with the temperature established by the NH Hotel Group (24 °C at least in summer and 21 °C maximum in winter).
- Reuse and recycle the paper generated.

- Use office equipment in an efficient manner.
- Inform the guest on the possibilities of sustainable mobility, public transportation and green areas in the hotel and its surroundings.
- Inform the guest on the "Eco-friendly Meetings" service.

### Queries, questions or suggestions

Whenever the Commercial Department needs any clarification relating to Sustainability issues, it may contact the Environment and Sustainability Department via the following email: [environment@nh-hotels.com](mailto:environment@nh-hotels.com)

### Procedure validation

Version	Corporate Area	Approved by	Document type	Date
3	Environmental & Sustainability Corporate Manager <b>(Process Owner)</b>		Procedure	Nov 2018
2				Feb 2017
1	Environmental & Sustainability Corporate Manager <b>(Process Owner)</b>		Procedure	June 2015
	Operations & Quality			