Welcome to your CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

NH Hotel Group (NHHG in advance) is a consolidated multinational operator and one of the leading urban hotel chains in the world. At the end of 2022, the Group was present in 30 countries, operating 350 hotels and 54,820 rooms in four continents. The centralised business model allows NH Hotel Group to offer its guests an excellent service in hotels in the different regions where it does business. The corporate head office and regional offices offer the hotels a wide range of functions such as sales, revenue management, booking, marketing, human resources, financial management and systems development. This flexible operational and financial structure allowed the Group to overcome the significant challenges of 2021 and in the first few months of 2022. Overall, The Group's commercial strength and its flexible operational and financial structure have enabled it to overcome the major challenges of the past few years marked by the pandemic, managing to reinforce its viability, tighten its financial and commercial management, and drive the recovery in the activity in each of the markets where we operate. As a result, 2022 was a year of rapid growth and full recovery of our business, with the Group's total revenue breaking the past 2019 record for a total of over 1.75 billion euros.
Furthermore, to attain excellence in our activity the Group committed to sustainability in its hotel activity with the ambition of spearheading responsible behaviour, creating shared value at the economic, social and environmental level wherever it is present. With this philosophy, in 2022 the Company has re-designed its sustainability strategy under a new sustainable business model "UP FOR PLANET & PEOPLE", as a key pillar of the Company's global strategy.
The strategic vision of UP FOR PLANET & PEOPLE is based on 2 fundamental management levers: UP FOR PLANET and UP FOR PEOPLE, through which conveying human rights and ethical business principles in the way it works across its value chain: shareholders, customers, partners, suppliers and employees while promoting responsible alliances.
Convinced that it is going in the right direction to achieve its next goals regarding sustainability, the Company is aligned with the SDGs to which it can contribute and is therefore committed to continue creating long-term value globally, in the context of the 2030 Agenda.
The Company's environmental management is channeled through UP FOR PLANET, which defines the roadmap to fulfil the commitments undertaken in the battle against climate change and progress towards decarbonization, the efficient management and the responsible, circular consumption of resources and the development of more sustainable products.

NHHG is implementing programs to reduce carbon footprint since 2008. During 2019, in order to take its commitment a step further, NH HG decided to align its corporate voluntary greenhouse gas reduction targets with The Science Based targets initiative (SBTi) approving, in September 2019, absolute emissions target: to reduce absolute scope 1, 2, and 3 GHG emissions 20% by 2030 from a 2018 base year (2ºC aligned). NH became the first Spanish hotel company to establish emission reduction targets validated by the SBTi.
In 2023, NHHG has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy. Additionally, NH Hotel Group has also set a long term target in order to achieve the net zero on 2050. Both new targets are being reviewed by the Science Based Targets initiative.
To formalize the extension of these commitments to the entire operation and the decision-making process on 2023, the Board of Directors approved the New Environmental and Climate Change Policy on July.
Since 2013, NH Hotel Group has been included in the FTSE4GOOD index (Sustainability Stock Index created by the London Stock Exchange). Additionally, The Company has been included in the Sustainability Yearbook 2023, published by S&P Global every year, obtaining the TOP10% most sustainable recognition within the hotel sector. This recognition is a testament to our sustainability leadership in the industry and confirms the ambition shared with Minor International, a member of the Dow Jones Sustainability Index, which tracks the economic, social and environmental performance of leading sustainability companies worldwide. The commitments in this field and the improvement that NH has shown during this year have led the Company to form part of the Sustainability Yearbook 2023 published by S&P Global.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

January 1, 2022

End date

December 31, 2022

Indicate if you are providing emissions data for past reporting years

Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for

3 years

Select the number of past reporting years you will be providing Scope 2 emissions data for

3 years

Select the number of past reporting years you will be providing Scope 3 emissions data for

3 years

C0.3

(C0.3) Select the countries/areas in which you operate.

Argentina
Austria
Belgium
Chile
Colombia
Czechia
Denmark
Ecuador
France
Germany
Hungary
Ireland
Italy
Luxembourg
Mexico
Netherlands
Portugal
Romania
Spain
Switzerland
United States of America
Uruguay

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-CN0.7/C-RE0.7

(C-CN0.7/C-RE0.7) Which real estate and/or construction activities does your organization engage in?

New construction or major renovation of buildings
Buildings management

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
No	

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Chief Executive Officer (CEO)	NH Hotel Group's CEO is part of the Board but he is also the highest-ranking executive in a company, and his primary responsibilities include making major corporate decisions including climate related matters, managing the overall operations and resources of a company, and acting as the main point of communication between the Board of Directors and corporate operations
Chief Operating Officer (COO)	The Chief Operations Officer is responsible for environmental and climate aspects in the Management Committee and is the person who validates the Company's climate strategy in the UP FOR PLANET & PEOPLE Sustainable Business model. COO was appointed as an executive member of the Board of Directors. Since 2020, he is also an executive member of the Board of Directors.
Other, please specify Chief Assets & Development Officer	The Chief Assets & development Officer co-chairs the Executive Sustainability Committee and is the person who follows up on the climate strategy related to the sale and purchase of assets (hotels). She has the function of supporting the Board in its duty to supervise the Sustainable Business Strategy, providing the necessary resources to achieve the objectives and goals in this area, and promoting all the actions and

	initiative carried out in this field. Since 2022, he is also an Executive Member of the Board of Directors.
Board-level committee	The Board of Directors is the Company's highest control and representation body. It is empowered and conceived as a supervisory and control body, while the ordinary management of the Company's business is entrusted to the executive bodies and the management team. The Board of Directors will discharge its duties in line with the corporate interest, which is understood to be the Company's interest; and in this regard it will act to safeguard the Company's long-term viability and to maximize its value, also weighing the many legitimate public or private interests involved in relation to any business activity
Other, please specify Nominations, Remuneration and Corporate Governance Committee	The Nominating, Compensation and Corporate Governance Committee has the duty to oversee the Company's ESG issues. It is empowered to monitor the progress and achievements of NH Hotel Group's Sustainable Business Strategy, including climate-related issues. In addition, it analyses and prepares the Board of Directors' discussions on these issues. It also supervises and monitors compliance with corporate governance standards and Sustainable Business policies and plans. It is responsible for the evaluation and periodic review of the corporate governance system and the company's environmental and social policy. It also monitors the company's environmental and social practices in line with its strategy and policy.
Other, please specify Audit and Control Committee	The scope of the Board's Audit and Control Committee covers the supervision and evaluation of the preparation process and the integrity of financial and non-financial reporting, as well as the company's financial and non-financial risk management and control systems, including operational, technological, legal, social, environmental, political, reputational and corruption risks, reviewing compliance with regulatory requirements.
Other, please specify Sustainability Executive Committee	It is worth noting that in May 2022, the Sustainability Executive Committee was established as a result of its awareness of the high importance of sustainability and its role as a key market factor. Their responsibilities are: 1. Validate and implement the Sustainability Strategy. 2. Monitoring progress and achievement of Sustainable Business objectives and targets. 3. Presenting progress on the strategy to the Nominating, Compensation and Corporate Governance Committee (NRCGC). 4. Validate the ESG risk maps. 5. Validate the action plan defined to minimize ESG risk. 6. Present to the Audit and Control Committee the progress made in

	implementing the agreed action plans.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing the setting of corporate targets Monitoring progress towards corporate targets Reviewing and guiding the risk management process	NHHG's Board of Directors has a direct involvement in the supervision of the Company's Sustainable Business Strategy and its results (reported by the Executive Sustainability Committee at least semi-annually, although always that any issue requires the attention of the Board, the Executive Sustainability Committee elevates it). For example, during 2022 the constitution of the Executive Sustainability Committee and the approval of the TCFD report was elevated to the Board of Directors on its meetings held on May 11th and July 26th, also on September and November as a non-scheduled matter. On one side, it is involved through 2 of its Committees: - The Nominations, Remuneration and Corporate Governance Committee has the duty of overseeing the Company's ESG related matters. It has the power to supervise the progress and achievements of the Sustainable Business Strategy, including Climate related issues. It analyses and prepares discussions within the Board of Directors on these matters. - The Audit and Control Committee: the sphere of competence of it encompasses the overseeing and evaluation of the process to identity, assess and control systems for the management of both financial and non-financial risks, including climate related. In April 2022, NH Hotel Group created its Executive Sustainability Committee, including representants of those functions with a direct impact in the execution of the company's strategy. This committee is co-chaired by the Chief Assets and Development Officer and the Chief People and Sustainable Business Officer, and it has the function to support the Board in its duty of overseeing the Sustainable Business strategy, including climate related issues. On one hand, this Committee is responsible to validate

		and implement the Sustainable Business Strategy, providing the necessary resources for the achievement of the objectives. It is also in charge of following-up the progress and achievement of goals and targets. But also, it is the body which must report to the Nominations, Remuneration and Corporate Governance Committee the progress on Sustainable Business Strategic Pillar. In addition, and in coordination with the Risk Executive Committee, it must validate the ESG Risk maps identification and assessment process, including the Climate related Risk & opportunities maps. It is also responsible to validate the action plan defined to minimize those risks identified and maximize the value of the opportunities. Lastly, it is the body in change of presenting to the Audit and Control Committee the progress on implementation status of the agreed action plans. So, depending on the nature of the climate related issue to be reported to the Board, the Sustainability Committee reports it through one or the other Committee of the Board (Nominations, Remuneration and Corporate Governance Committee, or Audit and Control Committee). This Executive Sustainability Committee meets on a quarterly basis

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues
Row 1	Yes	Three Executive Directors have the needed competences on climate related issues. Firstly, the Chief People and Sustainable Business Officer who co-chairs the Executive Sustainability Committee has the function of supporting the Board in its duty to supervise the Sustainable Business Strategy, providing the necessary resources to achieve the objectives and goals in this area, and promoting all the actions and initiative carried out in this field. Secondly, Chief Assets and Development Officer is co-chairing the Executive Sustainability Committee, where sustainability issues included climate related are discussing at least four times a year. Finally, the Chief Operation Officer and Transformational leader is in charge of Operations,

		Projects, Construction and Engineering, Business Intelligence and Information Technology and Systems, all of them critical areas to achieve the Company's decarbonization commitment. Due to this, the three Chiefs are constantly updated on the reality of the impact of their areas on the company's climate commitments with the support of the Chief People and Sustainable Business Officer and the rest of the representants of the Executive Sustainability Committee.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Providing climate-related employee incentives
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Annually

Please explain

The Chief Executive Officer (CEO) as the top executive of an organization, in charge of designing and implementing strategies to achieve the objectives. In this line, NHHG has implemented its Sustainable Business Strategy which is directly linked to the SBT 2030

Plan and the Company's scope 1 and 2 GHG emissions reduction target. That is why, for the achievement and correct implementation of the Sustainable Business Strategy, the CEO of NHHG has responsibilities on all aspects related to it, among them: managing annual budgets for climate mitigation activities; Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D); Managing climate-related acquisitions, mergers and divestitures; Providing climate-related employee incentives; Developing a climate transition plan; Implementing a climate transition plan; Integrating a climate-related issues into the strategy; Conducting climate-related scenario analysis; Setting climate-related corporate targets; Monitoring progress against climate-related issues; Assessing climate-related risks and opportunities; Managing climate-related risks and opportunities

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Position or committee

Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Providing climate-related employee incentives
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The Chief Sustainability Officer (CSO) (in NHHG named as Chief People & Sustainable Business Officer) has established different roles and responsibilities. The most important related to climate change are:
• Co-chairs the Executive Sustainability Committee
• Managing annual budgets for climate mitigation activities
• Providing climate-related employee incentives
• Leading the Company's Sustainability Strategy(including the developing a climate

transition plan and its Implementation)
• Integrating a climate-related issues into the strategy
• Conducting climate-related scenario analysis
• Setting climate-related corporate targets
• Monitoring ESG objectives and the progress of the Sustainable Business action plan (including the progress against climate-related issues)
• Assessing and managing climate-related risks and opportunities

Position or committee

Sustainability committee

Climate-related responsibilities of this position

Managing annual budgets for climate mitigation activities
Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Providing climate-related employee incentives
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Other, please specify

This Committee reports information depending on the subject to different committees: 1) Audit and Control Committee 2) Nominating, Compensation and Corporate Governance Committee 3) Management Committee 4) Risk Committee and 5) Compliance Committee.

Frequency of reporting to the board on climate-related issues via this reporting line

As important matters arise

Please explain

The Executive Sustainability Committee has the function to support the Board in its duty of overseeing the Sustainable Business strategy, including climate related issues. On one hand, it is responsible to validate and implement the Sustainable Business Strategy,

providing the necessary resources for the achievement of the objectives, following-up the progress and achievement of goals and targets. But also, it is the body which must report to the Nominations, Remuneration and Corporate Governance Committee the progress on Sustainable Business Strategic Pillar.
The Executive Sustainability Committee meets at least quarterly.
NH Hotel Group's Board of Directors is directly involved in supervising the Company's Sustainable Business Strategy and its results which are reported by the Executive Sustainability Committee at least on a yearly basis. However, whenever any issue requires the attention of the Board, the Executive Sustainability Committee elevates it. For example, during 2022 the constitution of the Executive Sustainability Committee and the approval of the TCFD report was elevated to the Board of Directors on its meetings held on May 11th and July 26th, 2022, as a non-scheduled matter, the same happened on July 12nd of 2023.

During FY22 the information shared at the Board meetings, related to climate issues:
• Presentation of the Sustainable Business Strategy (UP FOR PLANET & PEOPLE) and the relevance of incorporating this pillar the Company's strategy.
• Preparing NH to operate in a decarbonized world.
• Functions of the Executive Sustainability Committee and relevance of climate information for the BoD to carry out its supervisory function, which will be channeled through its 2 committees (Appointments, Remuneration and Corporate Governance Committee and the Audit and Control Committee).
• Alignment of content with legislation and reporting standards, complying with current corporate regulations.
• Presentation of the maps of risks and opportunities arising from climate change that are being drawn up.
• Presentation of the draft report on the alignment of NHHG with the recommendations of the TCFD.
• Annual evolution of emissions from base year 2018 vs target 2030.

Position or committee

Chief Operating Officer (COO)

Climate-related responsibilities of this position

Providing climate-related employee incentives
Implementing a climate transition plan
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Annually

Please explain

The Chief Operations Officer&Global Transformation Leader in NHHG is also a member of the Board Of Directors. As COO has Climate-related responsibilities: Providing climate-related employee incentives; Implementing a climate transition plan; Setting climate-related corporate targets; Monitoring progress against climate-related issues; Assessing climate-related risks and opportunities; Managing climate-related risks and opportunities

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Position or committee

Other, please specify

Chief Assets and Development Officer

Climate-related responsibilities of this position

Managing major capital and/or operational expenditures related to low-carbon products or services (including R&D)
Managing climate-related acquisitions, mergers, and divestitures
Integrating climate-related issues into the strategy

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

Annually

Please explain

The Chief Assets & Development Officer in NHHG is also a member of the Board Of Directors. As CDO has Climate-related responsibilities: managing major capital and/or operational expenditures related to low-carbon products or services (including R&D); managing climate-related acquisitions, mergers and divestiture; integrating a climate-related issues into the strategy

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment

Row 1	Yes	Overall, all key functions responsible for activating the levers of the Group's "SBT Plan 2030" have targets included in this regard as part of their variable remuneration. To move towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world, the Company linked the annual variable remuneration for NH's Executive Officers to the implementation of objectives related to the reduction of net CO2 emissions and NH's position in the S&P Sustainability Index. Long-term incentive plans are in place to reward the achievement of NH's long-term strategic goals and the creation of sustainable value for the shareholder. The Non-Executive Officers' part of the annual variable remuneration depends on specific objectives related to the Company's progress in terms of sustainability, such as contributing to creating a business model that promotes balanced and sustainable development.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive

Chief Executive Officer (CEO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in absolute emissions

Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The Executive Officers' variable remuneration is structured as additional and supplementary to their fixed remuneration, and it consists of a short-term annual variable and a long-term variable. The short-term variable remuneration is linked to achieving the corporate goals determined by the ARCGC and approved by the Board of Directors at the beginning of each financial year. The period in which the Variable Payment will be accrued coincides with a calendar year, from the 1st of January till the

31st of December of the corresponding year.
It is determined based on the Management by Objectives Programme (MBO) that is weighted as follow:
a. 50% Corporate Goals:
b. 10% Performance assessment.
c. 40% of strategic indicators related to the position.
On one hand, to promote the Company's sustainability, their performance assessment is included in the annual variable remuneration by evaluating the system and procedures apart from the earnings obtained. On other hand, the individual objectives also include objectives related to the reduction of net CO2 emissions and NH's position in the S&P Sustainability Index.
The Long-Term Incentive Plan (2022-2026) is five years, divided into three cycles of three years each one and grants a cash amount to be paid out if the targets set in this respect are achieved.
The main features of the second cycle of the Plan (2023-2025) meant to reward the achievement of NH's long-term strategic goals and the creation of sustainable value for the shareholder. This target incentive is set at 65% of the CEO's fixed remuneration and 45% of the COO's and the CADO's fixed remuneration, providing 100% of the targets set by the Board of Directors are achieved. The maximum amount of the incentive can be up to 120% of the target amount.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The Executive Officers (CEO, COO, Chief Assets & Development Officer (CDO), CFO, CMO, CSO, CCO and General Counsel) are committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world: to achieve the 2023 carbon emissions target of reducing 3% net ton CO2 (scope 1 &2) and keep at least our last position equivalent either to a percentile over 90 in the S&P Global 2023 or at least the score of 70 points.

Measurement:
a) all figures below target would bring us to "zero" achievement,
b) Emission target achieved and one of the S&P reached brings us to 100% achievement;
c) Emission target achieved one of the S&P Index increase achieved (+3 points) would bring us to 125%.

Entitled to incentive

Chief Financial Officer (CFO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in absolute emissions
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The Executive Officers' variable remuneration is structured as additional and supplementary to their fixed remuneration, and it consists of a short-term annual variable and a long-term variable. The short-term variable remuneration is linked to achieving the corporate goals determined by the ARCGC and approved by the Board of Directors at the beginning of each financial year. The period in which the Variable Payment will be accrued coincides with a calendar year, from the 1st of January till the 31st of December of the corresponding year.
It is determined based on the Management by Objectives Programme (MBO) that is weighted as follow:
d. 50% Corporate Goals:
e. 10% Performance assessment.
f. 40% of strategic indicators related to the position.
On one hand, to promote the Company's sustainability, their performance assessment is included in the annual variable remuneration by evaluating the system and procedures apart from the earnings obtained. On other hand, the individual objectives also include objectives related to the reduction of net CO2 emissions and NH's position in the S&P Sustainability Index.
The Long-Term Incentive Plan (2022-2026) is five years, divided into three cycles of three years each one and grants a cash amount to be paid out if the targets set in this respect are achieved.
The main features of the second cycle of the Plan (2023-2025) meant to reward the achievement of NH's long-term strategic goals and the creation of sustainable value for the shareholder. This target incentive is set at 65% of the CEO's fixed remuneration and 45% of the COO's and the CADO's fixed remuneration, providing 100% of the targets set by the Board of Directors are achieved. The maximum amount of the incentive can be up to 120% of the target amount.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The Executive Officers (CEO, COO, Chief Assets & Development Officer (CDO), CFO, CMO, CSO, CCO and General Counsel) are committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world: to achieve the 2023 carbon emissions target of reducing 3% net ton CO2 (scope 1 &2) and keep at least our last position equivalent either to a percentile over 90 in the S&P Global 2023 or at least

the score of 70 points.

Measurement:
a) all figures below target would bring us to “zero” achievement,
b) Emission target achieved and one of the S&P reached brings us to 100% achievement;
c) Emission target achieved one of the S&P Index increase achieved (+3 points) would bring us to 125%.

Entitled to incentive

Chief Operating Officer (COO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in absolute emissions
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The Executive Officers’ variable remuneration is structured as additional and supplementary to their fixed remuneration, and it consists of a short-term annual variable and a long-term variable. The short-term variable remuneration is linked to achieving the corporate goals determined by the ARCGC and approved by the Board of Directors at the beginning of each financial year. The period in which the Variable Payment will be accrued coincides with a calendar year, from the 1st of January till the 31st of December of the corresponding year.
It is determined based on the Management by Objectives Programme (MBO) that is weighted as follow:
g. 50% Corporate Goals:
h. 10% Performance assessment.
i. 40% of strategic indicators related to the position.
On one hand, to promote the Company’s sustainability, their performance assessment is included in the annual variable remuneration by evaluating the system and procedures apart from the earnings obtained. On other hand, the individual objectives also include objectives related to the reduction of net CO2 emissions and NH's position in the S&P Sustainability Index.
The Long-Term Incentive Plan (2022-2026) is five years, divided into three cycles of three years each one and grants a cash amount to be paid out if the targets set in this

respect are achieved.
The main features of the second cycle of the Plan (2023-2025) meant to reward the achievement of NH's long-term strategic goals and the creation of sustainable value for the shareholder. This target incentive is set at 65% of the CEO's fixed remuneration and 45% of the COO's and the CADO's fixed remuneration, providing 100% of the targets set by the Board of Directors are achieved. The maximum amount of the incentive can be up to 120% of the target amount.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The Executive Officers (CEO, COO, Chief Assets & Development Officer (CDO), CFO, CMO, CSO, CCO and General Counsel) are committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world: to achieve the 2023 carbon emissions target of reducing 3% net ton CO2 (scope 1 &2) and keep at least our last position equivalent either to a percentile over 90 in the S&P Global 2023 or at least the score of 70 points.

Measurement:
a) all figures below target would bring us to "zero" achievement,
b) Emission target achieved and one of the S&P reached brings us to 100% achievement;
c) Emission target achieved one of the S&P Index increase achieved (+3 points) would bring us to 125%.

Entitled to incentive

Chief Sustainability Officer (CSO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in absolute emissions
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The Executive Officers' variable remuneration is structured as additional and supplementary to their fixed remuneration, and it consists of a short-term annual

variable and a long-term variable. The short-term variable remuneration is linked to achieving the corporate goals determined by the ARCGC and approved by the Board of Directors at the beginning of each financial year. The period in which the Variable Payment will be accrued coincides with a calendar year, from the 1st of January till the 31st of December of the corresponding year.
It is determined based on the Management by Objectives Programme (MBO) that is weighted as follow:
j. 50% Corporate Goals:
k. 10% Performance assessment.
l. 40% of strategic indicators related to the position.
On one hand, to promote the Company's sustainability, their performance assessment is included in the annual variable remuneration by evaluating the system and procedures apart from the earnings obtained. On other hand, the individual objectives also include objectives related to the reduction of net CO2 emissions and NH's position in the S&P Sustainability Index.
The Long-Term Incentive Plan (2022-2026) is five years, divided into three cycles of three years each one and grants a cash amount to be paid out if the targets set in this respect are achieved.
The main features of the second cycle of the Plan (2023-2025) meant to reward the achievement of NH's long-term strategic goals and the creation of sustainable value for the shareholder. This target incentive is set at 65% of the CEO's fixed remuneration and 45% of the COO's and the CADO's fixed remuneration, providing 100% of the targets set by the Board of Directors are achieved. The maximum amount of the incentive can be up to 120% of the target amount.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The Executive Officers (CEO, COO, Chief Assets & Development Officer (CDO), CFO, CMO, CSO, CCO and General Counsel) are committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world: to achieve the 2023 carbon emissions target of reducing 3% net ton CO2 (scope 1 &2) and keep at least our last position equivalent either to a percentile over 90 in the S&P Global 2023 or at least the score of 70 points.

Measurement:
a) all figures below target would bring us to "zero" achievement,
b) Emission target achieved and one of the S&P reached brings us to 100% achievement;
c) Emission target achieved one of the S&P Index increase achieved (+3 points) would bring us to 125%.

Entitled to incentive

General Counsel

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in absolute emissions

Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The Executive Officers' variable remuneration is structured as additional and supplementary to their fixed remuneration, and it consists of a short-term annual variable and a long-term variable. The short-term variable remuneration is linked to achieving the corporate goals determined by the ARCGC and approved by the Board of Directors at the beginning of each financial year. The period in which the Variable Payment will be accrued coincides with a calendar year, from the 1st of January till the 31st of December of the corresponding year.
It is determined based on the Management by Objectives Programme (MBO) that is weighted as follow:
m. 50% Corporate Goals:
n. 10% Performance assessment.
o. 40% of strategic indicators related to the position.
On one hand, to promote the Company's sustainability, their performance assessment is included in the annual variable remuneration by evaluating the system and procedures apart from the earnings obtained. On other hand, the individual objectives also include objectives related to the reduction of net CO2 emissions and NH's position in the S&P Sustainability Index.
The Long-Term Incentive Plan (2022-2026) is five years, divided into three cycles of three years each one and grants a cash amount to be paid out if the targets set in this respect are achieved.
The main features of the second cycle of the Plan (2023-2025) meant to reward the achievement of NH's long-term strategic goals and the creation of sustainable value for the shareholder. This target incentive is set at 65% of the CEO's fixed remuneration and 45% of the COO's and the CADO's fixed remuneration, providing 100% of the targets set by the Board of Directors are achieved. The maximum amount of the incentive can be up to 120% of the target amount.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The Executive Officers (CEO, COO, Chief Assets & Development Officer (CDO), CFO, CMO, CSO, CCO and General Counsel) are committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a

company ready to operate in a decarbonized economy world: to achieve the 2023 carbon emissions target of reducing 3% net ton CO2 (scope 1 &2) and keep at least our last position equivalent either to a percentile over 90 in the S&P Global 2023 or at least the score of 70 points.

Measurement:
a) all figures below target would bring us to “zero” achievement,
b) Emission target achieved and one of the S&P reached brings us to 100% achievement;
c) Emission target achieved one of the S&P Index increase achieved (+3 points) would bring us to 125%.

Entitled to incentive

Other, please specify

The Chief Assets& Development Officer (CDO), Chief Strategy Office (CSO), Chief Marketing &Communication (CMO) and Chief Commercial Officer (CCO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in absolute emissions
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

The Executive Officers’ variable remuneration is structured as additional and supplementary to their fixed remuneration, and it consists of a short-term annual variable and a long-term variable. The short-term variable remuneration is linked to achieving the corporate goals determined by the ARCGC and approved by the Board of Directors at the beginning of each financial year. The period in which the Variable Payment will be accrued coincides with a calendar year, from the 1st of January till the 31st of December of the corresponding year.
It is determined based on the Management by Objectives Program (MBO) that is weighted as follow:
p. 50% Corporate Goals:
q. 10% Performance assessment.
r. 40% of strategic indicators related to the position.
On one hand, to promote the Company’s sustainability, their performance assessment is

included in the annual variable remuneration by evaluating the system and procedures apart from the earnings obtained. On other hand, the individual objectives also include objectives related to the reduction of net CO2 emissions and NH's position in the S&P Sustainability Index.
The Long-Term Incentive Plan (2022-2026) is five years, divided into three cycles of three years each one and grants a cash amount to be paid out if the targets set in this respect are achieved.
The main features of the second cycle of the Plan (2023-2025) meant to reward the achievement of NH's long-term strategic goals and the creation of sustainable value for the shareholder. This target incentive is set at 65% of the CEO's fixed remuneration and 45% of the COO's and the CADO's fixed remuneration, providing 100% of the targets set by the Board of Directors are achieved. The maximum amount of the incentive can be up to 120% of the target amount.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The Executive Officers (CEO, COO, Chief Assets & Development Officer (CDO), CFO, CMO, CSO, CCO and General Counsel) are committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world: to achieve the 2023 carbon emissions target of reducing 3% net ton CO2 (scope 1 &2) and keep at least our last position equivalent either to a percentile over 90 in the S&P Global 2023 or at least the score of 70 points.

Measurement:
a) all figures below target would bring us to "zero" achievement,
b) Emission target achieved and one of the S&P reached brings us to 100% achievement;
c) Emission target achieved one of the S&P Index increase achieved (+3 points) would bring us to 125%.

Entitled to incentive

Business unit manager

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Implementation of an emissions reduction initiative
Reduction in absolute emissions
Reduction in emissions intensity

Energy efficiency improvement
Increased share of low-carbon energy in total energy consumption
Increased share of renewable energy in total energy consumption
Reduction in total energy consumption

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Overall, all key functions responsible for activating the levers of the Group's "SBT Plan 2030" have targets included in this regard as part of their variable remuneration.
The Variable Retribution is additional and complementary to the fixed salary received by every NH Hotel Group permanent employee that participates in it. All employees included in the plan will have a Variable Payment of Reference (V.P.R.) expressed in Euros or in the local currency of the country where the work takes place or as a percentage of the fixed salary and it will be equivalent to the accomplishment of 100% of the defined objectives. The period in which the Variable Payment will be accrued coincides with a calendar year, from the 1st of January till the 31st of December of the corresponding year.
It is determined based on the Management by Objectives Programme (MBO) that is weighted based on three groups of objectives:
a. Corporate Objectives: EBITDA objectives defined by the Management Committee for those people of NH Hotel Group included in this Plan and based on the results of the Company/BU/Region/Hotel/Coperama and Net Profit After Tax objectives defined by the Management Committee for specific employees and based on the results of the Company.
b. Individual and/or Departmental Objectives: objectives defined individually and/or for the members of a department (aligned to the Company's Strategic Plan).
c. Time for You: results of the evaluation based on the annual performance assessment
The achieved level of accomplishment will be multiplied by the weight of each objective. The sum of the levels of accomplishment multiplied by the weight of each objective will result in the Percentage of Accomplishment of the Objectives (%. A.O.).
The gross amount of the Variable Retribution achieved is calculated by multiplying the Variable Payment Reference (V.P.R.) by the Percentage of Accomplishment of the Objectives (%. A.O.)., by the percentage of work time (%W.T.) and by the effective number of payroll days divided by 365.
The formula is as stated below: R.V.R. × %. A.O. × %. W.T. × (nr. days in the payroll ÷ 365) = Gross Variable Payment.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The NH Hotel Group' Business unit managers, namely as managing directors for all BU (BUSE; BUAM and BUNE) committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world: to achieve the 2023 carbon emissions target of reducing 2-3% net ton CO2 (scope 1 &2) in his Business Unit

Entitled to incentive

Energy manager

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary

Performance indicator(s)

Reduction in emissions intensity
Energy efficiency improvement
Reduction in total energy consumption

Incentive plan(s) this incentive is linked to

Short-Term Incentive Plan

Further details of incentive(s)

Overall, all key functions responsible for activating the levers of the Group's "SBT Plan 2030" have targets included in this regard as part of their variable remuneration.
The Variable Retribution is additional and complementary to the fixed salary received by every NH Hotel Group permanent employee that participates in it. All employees included in the plan will have a Variable Payment of Reference (V.P.R.) expressed in Euros or in the local currency of the country where the work takes place or as a percentage of the fixed salary and it will be equivalent to the accomplishment of 100% of the defined objectives. The period in which the Variable Payment will be accrued coincides with a calendar year, from the 1st of January till the 31st of December of the corresponding year.
It is determined based on the Management by Objectives Programme (MBO) that is weighted based on three groups of objectives:
a. Corporate Objectives: EBITDA objectives defined by the Management Committee for those people of NH Hotel Group included in this Plan and based on the results of the Company/BU/Region/Hotel/Coperama and Net Profit After Tax objectives defined by the Management Committee for specific employees and based on the results of the Company.
b. Individual and/or Departmental Objectives: objectives defined individually and/or for the members of a department (aligned to the Company's Strategic Plan).
c. Time for You: results of the evaluation based on the annual performance assessment
The achieved level of accomplishment will be multiplied by the weight of each objective. The sum of the levels of accomplishment multiplied by the weight of each objective will result in the Percentage of Accomplishment of the Objectives (%. A.O.).
The gross amount of the Variable Retribution achieved is calculated by multiplying the Variable Payment Reference (V.P.R.) by the Percentage of Accomplishment of the Objectives (%. A.O.)., by the percentage of work time (%W.T.) and by the effective number of payroll days divided by 365.
The formula is as stated below: R.V.R. × %. A.O. × %. W.T. × (nr. days in the payroll ÷

365) = Gross Variable Payment.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

The NH Hotel Group' Business unit managers, namely the Regional Managing Director, the Director of Operations, the Business Unit Directors/Managers, and the Regional Operations Director, committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world: to achieve the 2023 carbon emissions target of reducing net ton CO2 (scope 1 &2) in his Business Unit and to implement the Group's Energy Efficiency Plan 2023 improving the 2023 energy consumption per RN (kWh/RN) ratio under him/her control (regional level).

The NH Hotel Group' Purchasing Responsible, HSK Head of Department, F&B Head of Department
Kitchen Head of Department, the Hotel Director/ deputy/ ops manager and ops manager LUXURY Cluster committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world: to achieve the 2023 carbon emissions target of reducing net ton CO2 (scope 1 &2) in his Business Unit and to implement the Group's Energy Efficiency Plan 2023 improving the 2023 energy consumption per RN (kwh/RN) ratio under him/her control (at hotel level).

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	8	Short-term horizons are considered to define current and situations in the close future. This covers the period between 2022 and the next 8 years (2030).

Medium-term	9	28	Medium-term horizons cover the period from 2030 to 2050, which define situations that may be materialized in the near future and can jeorpardize the achievement of the company's commitments.
Long-term	29	100	Long-term horizons define potential effects that may materialize in the far future, (> 29 years: beyond 2050)

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

The NH Hotel Group's risk management model (based on the COSO ERM 2017 integrated framework of Enterprise Risk Management) allows it to identify, evaluate and prioritize the most significant risks that could affect achievement of the Company's strategic objectives. Key Risk Indicators have been defined based on the Company's tolerance to risk so that they can be monitored. These indicators are measured quarterly.
The Company's Risk Management Manual defines how the organization evaluates the risks identified from a dual perspective (probability of occurrence and impact). That impact is measured under a financial and reputational view, being the rating of the financial impact based on net profit and cash.
Substantive financial or strategic impact are those risks which would not allow the Company to achieve its strategic targets, and they are defined as very significant financial impact (> 20 M€).
For the main risks on the Risk Map, the Audit and Control Committee receives a half-yearly report that includes the measurement of the key indicators. This report states if the indicators remain within the set tolerances or if they exceed the acceptable tolerance level in which case the Risk Owners are asked to define mitigation measures to bring the risk level to the desired tolerance level.
Additionally, each Risk Owner periodically attends the Audit and Control Committee to present, amongst other information, the results from the measurement of their key indicators in accordance with the set tolerances.
The results from the measurements of the key indicators for the Company's main risks are also presented at all the meetings held throughout the year by the Executive Risk Committee, formed from members of the Management Committee and Senior Executives. This meeting analyses the measurements and tolerances of the indicators in detail, especially those deviating from an acceptable level of risk.
The NH Hotel Group's Risk Management and Control System seeks to ensure that the Company's defined objectives are aligned with its strategy and risk profile. In the same vein, the corporate Risk Map is aligned with the Strategic Plan, the process of setting objectives and, finally, the budgeting process. To guarantee this alignment, the tolerances defined to monitor the main risks to which the Company is exposed are periodically analysed by the Risk Owners and adjusted if required. In this way, the periodic monitoring of the Company's main risks, as well as the Strategic Plan set the risk tolerance levels

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Risk management process

A specific climate-related risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

To identify and evaluate the climate risks and opportunities that will affect NH Hotel Group, the following processes have been carried out:

1. Analysis of climate scenarios: through the choice of a climate scenario, to help the Company to assess the relevance of climate risks and opportunities through heat maps.
2. Value chain analysis: to identify and understand within its whole operation (supply chain, infrastructure management and services) where the business, its strategy and financial planning could be more impacted by climate risks and opportunities.
3. Definition of the universe of climate risks and opportunities: Based on the IPCC, the TCFD and the nature of NH Hotel Group, a universe of climate risks and opportunities has been defined, thus obtaining a preliminary vision of the risks that could affect the company.
4. Evaluation of climate risks and opportunities: Assessment of the universe of risks and opportunities defined through the regulatory and cartographic analysis of the climate variations expected to occur in the selected scenario in 2050. This valuation has assigned values of impact, probability of occurrence and time horizon for what it is estimated whether the impact of the risk or opportunity will be significant for NH or not. The scales of valuation are set in accordance with the Company's corporate risk analysis model.

The analysis of risks and opportunities carried out is based on the latest updates of the IPCC (6th Assessment Report (AR6)). Most of the evolution maps of climate variables (causing physical risks) analyzed for the physical risk assessment are based on CMIP6 (Coupled Model Intercomparison Project) projections. In addition, to assess the

regulatory transition risks, a regulatory study for each country included in the assessment has been carried out.

Although this is a specific process to assess climate related risks, the methodology followed is the aligned with the NH Hotel Group risk management model, based on the Enterprise Risk Management ("ERM") Methodology.

To determine the magnitude of the impact of the risks and opportunities identified, the impact (potential and inherent) and the probability of occurrence were also assessed, following the Corporate Risk Scale. During second semester of 2022, the residual impact has also been assessed taking into consideration the internal controls that have already put in place. This allows to integrate climate risk within the Corporate Risks Map. In addition, to prioritize climate risks, the control environment is assessed, to determine whether the company already has risk control elements.

Once the risks have been identified and evaluated, adequate responses and controls are being designed with the aim at achieving an acceptable Risk Level for the Company.

If the risk level after taking into account the controls and actions undertaken to mitigate it is not within comfort limits (the Organisation's willingness to accept), additional actions through an Action Plan will be required to lower the risk level even more to an acceptable level.

This Action Plan is presented to Risk Management Team to be reviewed and validated. It will be also submitted to the Executive Risk Committee for validation and approval.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Last updated Environmental Risk Map has identify several climate-related risks associated to the current regulation under Political and Regulatory classification. As a result of the Risk assessment, the list of evaluated risks is shown below, ordered from the most critical to the least: 1. New legal requirements regarding energy efficiency 2. Restrictions on vehicle mobility 3. New requirements for reporting climate information

Emerging regulation	Relevant, always included	New climate related regulations and varying interpretations of regulations could have a significant impact and may affect the processes, financial conditions and results of operations, such as: New legal requirements relating to infrastructure security, New legal requirements related to GHG emission reduction and climate risk management or New legal requirements regarding environmental protection. NH Hotel Group is developing efficiency programs in its hotels and properties to cope with this risks.
Technology	Relevant, always included	We understand technological risks as those related to the substitution of existing products and services for new ones that do not provide lower carbon emissions. NH Hotel Group has identified the need to move towards the substitution of existing products and services with lower emissions options and the costs to transition to lower emissions technology. In this sense, one of our core values is to innovate and develop eco-efficient solutions meant to improve guest experience while offering lower carbon products. For example, integrating into our building and refurbishing projects the best technological options to achieve higher rates in efficiency. Last updated Environmental Risk Map has identified two transitional climate-related risks under Technological classification. As a result of the Risk assessment, the most critical risk for this category is shown below: 1. Transition to low-emission technologies
Legal	Relevant, always included	Last updated Environmental Risk Map has identify several climate-related risks associated to the regulation under Political and Regulatory classification. As a result of the Risk evaluation, the list of evaluated risks is shown below, ordered from the most critical to the least: 1. New legal requirements regarding energy efficiency 2. Restrictions on vehicle mobility 3. New requirements for reporting climate information New climate disclosures reporting requirements
Market	Relevant, always included	Last updated Environmental Risk Map has identify several transitional climate-related risks under Market classification. As a result of the Risk assessment, the list of evaluated risks is shown below, ordered from the most critical to the least (none of them have been assessed as the most relevant for our activity):

		1. Loss of assets value 2. Change in insurance conditions 3. Variation in the availability of resources 4. Changes in customer behaviour/preferences 5. Inadequate insurance coverage 6. Difficulties to access financing 7. Geopolitical and social instability In order to mitigate risks associated to Market, NH Hotel Group maintains a constant and fluid dialogue with its stakeholders, through multiple channels and formats, with the aim of having the most accurate information and updates on new trends, demands and needs, as well as responding better to the concerns and opinions of the interest groups and to be able to adapt plans and strategies accordingly. Result of this dialogue is the Company's materiality analysis which gives NH Hotel Group the capacity to anticipate many of these future risks and is a key factor when designing the UP FOR PLANET initiatives.
Reputation	Relevant, always included	These risks stem from a potentially inappropriate management of the issues regarding sustainability, the corporate image of the Group, including in social media, as well as any other potential regulatory noncompliance which might have an impact on its reputation. Climate-related reputation risks have been identified and they are showed below ordered from most critical to the least (none of them have been assessed as the most relevant for our activity): 1. Failure in achieving climate targets 2. Degradation of the tourism industry's image 3. Changes in customer perception of the company To follow-up the Customer satisfaction with sustainability, NHHG includes it within its Review Pro tool. Also, the employee engagement survey monitors their perception. Additionally, environmental team and employees has an open inbox and there are connexons and sectorial working groups to move forward. The Environment & Climate Change Policy is the framework to establish and revise the environmental objectives. It is based on the principles of: - Incorporating environmental issues in decision making process including to carry out the assessment of the environmental risks that may affect the activity of NHHG. - Complying with the environmental legislation and to additional commitments accepted voluntarily. - Implementing the tools necessary to prevent pollution and make rational use of resources, minimizing water, energy use, reducing the

		generation of waste and emissions, increasing recycling and searching for eco-friendly solutions. - Involving all the subjects bound by the Code in reaching the environmental objectives proposed through training and awareness-raising programs. - Promoting good environmental practices between suppliers and clients. - Collaborating with public administrations and entities for sustainable touristic development. Other tool to mitigate reputation risks is the Code of Conduct which summarizes the professional conduct that is expected of employees , who are committed to acting with integrity, honesty, respect and professionalism in performing their activity. In this code, NHHG is committed to caring for and respecting the environment in the daily performance of its operations among other key areas. To this end, it requires the subjects bound by the Code to be fully involved in the application of efficient solutions and the search for sustainable and innovative alternatives when servicing the Group's corporate offices, hotels, services and products
Acute physical	Relevant, always included	Last updated Environmental Risk Map has identify several Physical climate-related risks under Acute classification. As a result of the Risk assessment, the list of evaluated risks is shown below, ordered from the most critical to the least: Included in these risks are: 1. Pluvial and fluvial floods 2. Extreme weather events: Cyclones, hurricanes, typhoons, tornadoes, etc. 3. Extreme precipitation: Torrential rains, hailstorms, snowfall, etc For example, with regards our hotel operations, severe shortages of personnel or workplace disruptions could take place due to extreme weather events, making difficult sustaining operations and services at the usual quality level for guests already on site. Moreover, interruptions in the supply chain due to transport difficulties could also occur with those services provided by external suppliers. With regards to physical damage to our portfolio, events such as intense storms or very high-speed winds could lead to changes in rooftop adaptations of already present installations.
Chronic physical	Relevant, always included	Last updated Environmental Risk Map has identify several Physical climate-related risks under Acute classification. As a result of the Risk assessment, the most critical evaluated risk is shown below: 1. Reduction in the availability of water resources

		Problems in the water supply (limitations, water cuts, increased cost, etc.) due to the scarcity of the resource could appear as well as problems in obtaining/quality of local food products, increase in food and electricity costs. It could cause an increased spending and investment associated with obtaining own water resources, as well as the maintenance of green infrastructures (gardens, golf course, etc.), cleaning, correct maintenance or use of water-dependent infrastructures (swimming pool, SPA , hot tub, etc.) Change in environmental conditions that causes problems in obtaining/quality of local food products, which may lead to food shortages. Increase in the cost of certain supplies (electricity, etc.) due to increased demand. Increase in air conditioning costs (energy consumption, equipment sizing, etc.) and maintenance of infrastructures and green areas. Need to adapt facilities to environmental conditions. Decrease in the demand for tourist services due to the considerable increase in the average temperature and heat waves Increase in spending and investment associated with the maintenance, repair, reinforcement, renovation and construction of infrastructures located on the coast with the aim of correcting or adapting to the chronic effects of climate change. For example, investment in the construction of reinforcement walls, displacement of infrastructure, etc. Decrease in the demand for tourist services in coastal areas due to the effects of rising sea levels such as the disappearance of beaches, the impact on the natural coastal environment and the perception of customers of staying in facilities too exposed to the sea level

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical

Water scarcity

Primary potential financial impact

Increased capital expenditures

Company-specific description

Due to the scarcity of the resources, problems in the water supply (limitations, water cuts, increased cost, etc.) and in the procurement and quality of local food products may occur as well as an increase in food and electricity costs.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial impact of the risk has been calculated using variables such as:

- The average consumption of customers in the event of a cut due to drought.
- Average number of rooms.
- Average occupancy rate.
- Average cost of installing a water tank to guarantee the water supply in the hotel.
- Cost of living in the affected country.
- Number of hotels by country.
- Probability of materializing risks based on the location of the hotels and climate projections.

The overall financial impact is non-public data for internal use only used for the

development of the NHHG response plan

Cost of response to risk

60,000

Description of response and explanation of cost calculation

From the last years, NH Hotel Group is working in a project focused both on obtaining savings in the Company's operating costs, as well as in energy efficiency, to ensure savings in resources: water, energy and other expenses.
To keep exhaustive and rigorous control of the energy consumption, carbon footprint and water consumption measures, NH Hotel Group uses the Sustain Focus platform, from which the sustainability strategy indicators are monitored. This is an online system to which almost all the Company's hotels have access that permits reporting, control, monitoring and traceability of the indicators and of water and energy consumption and costs.
Since the first Sustainability Plan was defined in 2007, water consumption saving measures have been implemented, such as the installation of aerators and consumption reduction devices in cisterns, the installation of novel water recovery and reutilization systems, the efficient procurement of devices such as dishwasher equipment in kitchens, as well as training and awareness raising in employees and the redesign of operational guidelines and actions in kitchen and housekeeping. In 2014, progressive implantation started of showers that reduce the volume of water used by 40% thanks to their savings technology. In order to reduce this risk impact, Energy and Water saving activities under the Energy Efficiency Plan were implemented.
Once again, we have worked with the Aqueduct tool provided by the World Resources Institute (WRI), which allows us to identify the areas with the highest water-stress risk at world level and to monitor our portfolio located in these areas, so that we can take preventive measures if necessary. The result of the analysis is that 28% of the hotels in NH Hotel Group's portfolio are in areas with a high water-stress level. With the aim of increasing the water efficiency of the hotels, actions have been carried out to improve the facilities directly related to water consumption. The cost of these projects in 2022 was 60K€.

Comment

Response to resilience: Develop a response and prevention plan for water scarcity with efficient installations that contribute to the optimal use of water in the hotel locations according to the climatic maps and the Financial Plan

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Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation

Other, please specify

New legal requirements for energy efficiency

Primary potential financial impact

Increased direct costs

Company-specific description

New regulations like the European Green Deal will impact on our refurbishment and new hotels. To overcome the Climate Change and environmental degradation, the European Union Member States Europe needs a new growth strategy that transforms the Union into a modern, resource-efficient and competitive economy where there will not be net emissions of greenhouse gases by 2050, and economic growth will be decoupled from resource use. New legal requirements related to energy efficiency that require actions to be carried out on buildings, on equipment or on their operations (renewal, change, replacement, limitation, etc.). It could mean the need for new investments associated with improving the energy efficiency of infrastructures such as change of air conditioning equipment, renovation of boilers, implementation of new measurement systems, change of windows and cladding, etc. As well as the appearance of new restrictions/prohibitions on the intensity of use of certain equipment limiting its operation for reasons of energy efficiency that could also have an impact on customer comfort.
Looking at NH Hotel Group supply chain, need for investments by suppliers to offer sustainable and energy-efficient supply and distribution networks could affect the cost of the goods and services acquired by the company.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial impact of the risk has been calculated using the following variables:

- Number of hotels by country that have energy certification.
- Categories of investment in energy efficiency facilities based on the established level of residual potential impact.
- Cost in euros/m2 of going from a C to a B certification.
- Cost in euros/m2 of going from a D to a B certification.
- Cost in euros/m2 of going from an E to a B certification.
- Cost in euros/m2 of going from a C to an A certification.
- Cost in euros/m2 of going from a D to an A certification.
- Cost in euros/m2 of going from an E to an A certification.
- Cost in euros/m2 of going from a B to an A certification.
- average area in m2 of the hotels by country.
- Probability of materializing risks based on the location of the hotels and climate projections.

Through a study of the price per m2 that it would mean to go from an energy rating and knowing the energy ratings of the NHHG, it has been possible to estimate the price per m2 that each country would have to go from all the hotels that have a highest energy certificate

In this sense, the formula for calculating the financial impact has been the following:

((Average price per m2 to increase the hotel's energy rating to highest energy category) x (Average area of the hotel by country)) x (probability of occurrence).

The financial impact represented has been analyzed based on the climate risk projections estimated for the SSP1 –RCP2.6 scenario.

The overall financial impact is non-public data for internal use only used for the development of the NHHG response plan

Cost of response to risk

49,000

Description of response and explanation of cost calculation

With the aim of optimizing the energy consumption of hotels and complying with applicable legal requirements, NH Hotel Group carries out the corresponding procedures to obtain the energy performance certificates of the hotels it owns. The average cost of the audit to obtain the certificate is 6,000 euros and additionally, studies of improvement measures were carried out with the aim of implementing them in the future and improving the energy rating of the hotels. The average cost of both services is estimated at 7,000 euros/hotel. In 2022 NH Hotel Group has achieve the certificates for 7 owned hotels and the cost has been 49K€. The improvement measures would be developed as part of the Energy Efficiency Plan in the coming years.

Comment

NH Hotel Group has an Energy Efficiency Plan that together with “energy efficiency” projects, and considers all those that can improve energy consumption in the hotels, as

well as the associated costs:
• Changes in equipment, where the replacement involves greater efficiency: light bulbs, minibars, washing equipment, heating and air-conditioning, boilers, coolers…
• Investments related to control of installations: building energy management systems, update of meters, improvements in lighting…
• Actions on building façades that represent improvements in the envelope and in insulation.
• Additionally, since 2019, the Company has a CapEx line aimed at projects that not only seek economic but also environmental returns. Some of these projects are: the elimination of fossil fuels and the increase of renewable energy. During 2022, projects that improve energy efficiency have been implemented, worth 4.3 million euros.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Changes in customer behavior due to greater sensitivity to the impact of their activities and preferences on the environment, thus opting for the consumption of more sustainable products and services.

Time horizon

Medium-term

Likelihood

Unlikely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial impact of the risk has been calculated using the following variables:

- % increase in uptake of sustainable tourism demand in 2050
- Average GOP of the hotel by country
- Number of hotels by country.
- Probability of materializing risks based on the location of the hotels and climate projections.

The trend of sustainable tourism has been increasing for years, which means an increase in access to demand. Through the difference between the percentages of expected sustainable demand in 2050 and the current sustainable demand, the different levels of access to demand are estimated through a linear progression.

In this sense, the formula for calculating the financial impact has been the following:

(% GAP of access to sustainable demand estimated to 2050) x (average annual GOP per country).

The financial impact represented has been analyzed based on the climate risk projections estimated for the SSP1 –RCP2.6 scenario.

Cost to realize opportunity

104,000

Strategy to realize opportunity and explanation of cost calculation

Environmental certification program: NH Hotel Group's hotels are certified under the ISO 14001 environmental management system and ISO 50001 energy efficiency system for accommodation services, restaurants, meetings and events. In addition to the ISO certification, some of the group's hotels also have other environmental certifications such as: BREEAM, LEED, Green Key, Hoteles+Verdes Biosphere, DGNB and Bioscore. The goal is to have an increasingly significant volume of hotels with globally recognized

environmental certification, specific to the tourist sector, and approved by the Global Sustainable Tourism Council, the leading body.
Also, in its commitment to combat climate change, NH Hotel Group uses the offset of emissions as an exceptional alternative in order to meet its annual emissions targets and to give visibility to the Company's climate commitment by involving guests in it. With the new events proposition launched in the last quarter of 2022, the Company calculates and offsets the carbon footprint attributed to the most relevant events held at the hotels. In 2022 NH Hotel Group purchased tons of CO2 of projects that will contribute to the conservation of nature in the surroundings where it operates. The cost in 2022 regarding certifications and the Carbon Neutral Meetings and Events service was 104K€.

Comment

The overall financial impact is a non-public data

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

Yes, we have a climate transition plan which aligns with a 1.5°C world

Publicly available climate transition plan

Yes

Mechanism by which feedback is collected from shareholders on your climate transition plan

We have a different feedback mechanism in place

Description of feedback mechanism

The Sustainable Business pillar included in the Company's Five-Year Strategic Plan has been defined as "Company Decarbonization" and it is approved by the Board and the Management Committee of MINOR International (majority shareholder of NH Hotel Group with 96% of the Group's shares). The Board, the Management Committee and MINOR International are responsible for overseeing the implementation of the plan.

Frequency of feedback collection

Annually

Attach any relevant documents which detail your climate transition plan (optional)

Consolidated statement of non-financial information Sustainability Report.pdf

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy
Row 1	Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios Customized publicly available transition scenario	Country/area	1.6ºC – 2ºC	To choose climate scenarios, both the TCFD report recommendations and relevant information from the IPCC have been taking into account. For the choice of scenarios, as recommended by the TCFD, 4 different scenarios have been observed (SSP1 – 2.6, SSP2 – 4.5, SSP3 – 7.0, SSP5 – 8.5). These scenarios are a combination of physical and socioeconomic trajectories: • RCP: Scenarios that include time series of emissions and concentrations of the full set of greenhouse gases (GHGs), aerosols and chemically active gases, as well as land use/cover. Four trajectories were used for climate modeling and research for the IPCC Fifth Assessment Report in 2014. The trajectories describe different climate's futures, all of which are considered possible based on the volume of greenhouse gases (GHGs) emitted in the next few years. • SSPs: Developed to complement RCPs with various socio-economic challenges for climate change adaptation and mitigation. The SSPs describe alternative socio-economic futures in the absence of climate policy intervention, comprising sustainable development (SSP1), regional rivalry (SSP3), inequality (SSP4), fossil fuel-based development (SSP5), and half of the developed path (SSP2). Through an overview of the four scenarios

			analyzed, the SSP1 – 2.6 scenario has been chosen on which the identification and evaluation of climate risks and opportunities is based. The characteristics of this scenario are: • Plausible scenario: both the socioeconomic and physical narratives fit development expectations. • Distinctive: Each scenario analyzed is different from each other and is made up of a combination of physical and socioeconomic factors. • Consistent: the scenario is logical against the indications of the IPCC and the scientific community. • Applicable: This scenario helps the analysis provide financially quantifiable results. • Challenging: The chosen scenario will entail structural changes at a company and global level. The rest of the scenarios analyzed in the first place have not been used when carrying out the analysis of climate risks and opportunities because they are not plausible according to global expectations regarding the reduction of emissions and the increase in temperature. Thanks to the choice of the SSP1 – 2.6 scenario, NH Hotel Group meets the climate objectives of: NH Hotel Group to achieve a 20% reduction in emissions in 2030 (2ºaligned), new retarget (1.5º aligned) and net zero target by 2050 under review by the SBTi
Physical climate scenarios RCP 2.6	Country/area		To choose climate scenarios, both the TCFD report recommendations and relevant information from the IPCC have been taking into account. For the choice of scenarios, as recommended by the TCFD, 4 different scenarios have been observed (SSP1 – 2.6, SSP2 – 4.5, SSP3 – 7.0, SSP5 – 8.5). These scenarios are a combination of physical and socioeconomic trajectories:

			• RCP: Scenarios that include time series of emissions and concentrations of the full set of greenhouse gases (GHGs), aerosols and chemically active gases, as well as land use/cover. Four trajectories were used for climate modeling and research for the IPCC Fifth Assessment Report in 2014. The trajectories describe different climate's futures, all of which are considered possible based on the volume of greenhouse gases (GHGs) emitted in the next few years. • SSPs: Developed to complement RCPs with various socio-economic challenges for climate change adaptation and mitigation. The SSPs describe alternative socio-economic futures in the absence of climate policy intervention, comprising sustainable development (SSP1), regional rivalry (SSP3), inequality (SSP4), fossil fuel-based development (SSP5), and half of the developed path (SSP2). Through an overview of the four scenarios analyzed, the SSP1 – 2.6 scenario has been chosen on which the identification and evaluation of climate risks and opportunities is based. The characteristics of this scenario are: • Plausible scenario: both the socioeconomic and physical narratives fit development expectations. • Distinctive: Each scenario analyzed is different from each other and is made up of a combination of physical and socioeconomic factors. • Consistent: the scenario is logical against the indications of the IPCC and the scientific community. • Applicable: This scenario helps the analysis provide financially quantifiable results. • Challenging: The chosen scenario will entail structural changes at a company and global level. The rest of the scenarios analyzed in the first place have not been used when carrying out the analysis of climate risks and opportunities because they are not plausible according to global expectations regarding the reduction of emissions and the increase in temperature.

			Thanks to the choice of the SSP1 – 2.6 scenario, NH Hotel Group meets the climate objectives of: NH Hotel Group to achieve a 20% reduction in emissions in 2030 (2ºaligned), new retarget (1.5º aligned) and net zero target by 2050 under review by the SBTi

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

What is the expected socioeconomic projection?
What physical changes are going to happen in the future?
What will be the most relevant climate risks?
Is the choice of scenarios aligned with our commitments?

Results of the climate-related scenario analysis with respect to the focal questions

What is the expected socioeconomic projection?
Current social, economic and technological trends are followed. Fossil fuel use is being phased out at different rates by region.
Development and growth proceed unevenly, with some countries making relatively good progress while others fall behind below expectations.
National and international institutions strive to achieve the SDGs, but progress is being slow.
Environmental systems are degraded, but improvements are achieved in some of them. On the other hand, resources, intensity and energy are decreasing.
In terms of population, demographic growth is moderate and stabilizes in the second half of the century.
There is income inequality and problems persist in reducing vulnerability to social and environmental changes.
What physical changes are going to happen in the future?
An average increase in surface temperature of 1ºC is expected for the period 2046 – 2100.
An average sea level rise of 0.24 m is expected for the period 2046 – 2064 and 0.4 m for the period 2081 – 2100
Changes in precipitation will be diverse around the world. Extreme precipitation events in tropical and mid-latitude regions are likely to become more intense and frequent as a

result, surface temperature increases.
The areas affected by the monsoon systems will increase and the rains will intensify. At the regional level, El Niño climate-related rainfall variability is likely to phenomenon will intensify.
The area covered by spring-snow in the northern hemisphere area is likely to decrease by 7% by the end of the 21st century. The surface permafrost area is likely to be reduced by 37% by the end of the century.

What will be the most relevant climate risks?
Risk of serious health problems and livelihood disruption as a result of storm surges, sea level rise and coastline flood; interior flooding in some urban regions; and periods of extreme heat.
Systemic risks due to extreme weather events that cause the interruption of infrastructure networks and services.
Risk of flooding and water insecurity and loss of livelihoods and rural income, particularly for the poorest populations.
Risk of loss of ecosystems, biodiversity and goods, functions and services of ecosystems.

Is the choice of scenarios aligned with our commitments?
Thanks to the choice of the SSP1 – 2.6 scenario, NH Hotel Group meets the climate objectives of:
• NH Hotel Group to achieve a 20% reduction in emissions in 2030 (2ºaligned), new retarget (1.5º aligned) and net zero target by 2050 under review by the SBTi
• Minor (parent company of NH Hotel Group) to reach Net Zero in 2050
• The United Nations commitment to reach Net Zero by 2050

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Customer shift in behavior was predicted on previous Strategic Plan. We detected in few years an increase in environmental and sustainability demands by consumers and B2B clients. Corporate clients, which are the core of our business, are consolidating their environmental demands. Even OTAs started to request sustainability criteria to be considered as part of the hotel's features. NHHG anticipated this trend and included Environmental certification program

		:NHHG's hotels are certified under the ISO 14001 and ISO 50001 standards. In addition some hotels are certified by: BREEAM, LEED, Green Key, Hoteles Más Verdes Biosphere, DGNB and Bioscore. The goal is to have an increasingly significant volume of hotels with globally recognized environmental certification, specific to the tourist sector, and approved by the Global Sustainable Tourism Council, the leading body. Thanks to this initiative, NH Group has improved its positioning in the market. During the first half 2022, NHHG has carried out an analysis to identify its exposure to physical and transitional risks and opportunities associated to Climate Change. As a result, one of the opportunities identified and assesses is "Changes in customer behavior/preferences" NHHG runs a Plan which's objective is to improve the Company's buildings Energy Efficiency. Under this plan, in 2022 specific energy efficiency and sustainability investment projects have been executed, such as photovoltaic installations and the replacement of boilers or the elimination of fossil fuels or increase of renewable energy. To achieve this objective, in 2022 the group invested 0.5M€ in projects for sustainability reasons and in 2023 the Sustainability CAPEX is 2.5M€. Also it has designed a new line where environmental returns play a major role, as of elimination of fossil fuels or increase of renewable energy. In addition, NHHG uses the offset of emissions as an exceptional alternative in order to meet its annual emissions targets and to give visibility to the Company's climate commitment by involving guests in it. With the new events proposition launched in the last quarter of 2022, the Company calculates and offsets the carbon footprint attributed to the most relevant events held at the hotels as a standard with the aim of offering a carbon neutral services to clients.
Supply chain and/or value chain	Yes	Climate change causes rising of average temperatures and increase water stress regions that may affect the quality, quantity and price of water resources. This may become a risk in the supply availability or in the final price of raw materials. Also, by main cities creating low emission areas suppliers may encounter challenges on their transformation, this may increase in the cost of their services. Nevertheless, our company is successfully implementing efficiency resources programs, therefore will be better suited to cope with this risk. So, this may become an opportunity by achieving better sustainable positioning, obtaining a more sustainable recognition. Thanks to the flexibility of the

		business model which is constantly adapting to external conditions and opportunities, we should consider the impact neutral to NH Hotel Group's business model. In September 2019, NH Hotel Group approved and announced that by 2030 it will reduce its carbon emissions by 20% (2ºaligned) (avoiding the emission of more than 70,000 metric tons of CO2 into the atmosphere). To achieve this goal, it will have to work hand to hand with the chain in its whole (suppliers, shareholders and clients). As a result, suppliers with the largest carbon footprint were identified and from now on work will be done to improve reporting channels and to seek alignment in order to reduce emissions. In 2023, NH Hotel Group has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy. NH Hotel Group is committed to achieve a 20% reduction in emissions in 2030 (2ºaligned), new retarget (1.5º aligned) and net zero target by 2050 are under review by the SBTi
Investment in R&D	Evaluation in progress	This risk is included on the Climate-related Risks Management System. Although, this might be a risk to many sectors, our core value is to innovate to develop eco-efficiency solutions to improve guest experience and increase efficiency to offer lower carbon products. We see it as an opportunity to reinvent ourselves, invest in eco-efficiency and improve the technologies of our hotel portfolio. Research new and alternative technologies are evaluated actively together with suppliers and tested on frequent basis analysis at our hotels with pilot projects. In 2022 the Company has re-designed its sustainability strategy under a new sustainable business model "UP FOR PLANET & PEOPLE", as a key pillar of the Company's global strategy. The UP FOR PLANET pillar relies on three fundamental pillars: Sustainable Products and Assets, which aimed at combatting climate change and advancing towards decarbonization, minimizing the carbon footprint derived from the activity by refitting hotels to make them more sustainable, Processes and Operational Standards, that focuses on efficient management and responsible consumption of resources, prioritizing the "4R" rules": Reduce, Reuse,

		Recycle and Replace, while residual emissions are offset and favoring evolution towards a circular economy and the development of more sustainable products, but also the involvement of employees, suppliers, partners and guests as key players to achieve these goals, and, lastly, Sustainable Purchasing. The Company collaborates with universities, technological institutes and suppliers on a wide variety of projects with the aim of promoting innovation, entrepreneurial initiative and education in the field of sustainable energy. In addition, NH Hotel Group runs a Plan where Company's buildings Energy Efficiency is a priority, as part of UP FOR PLANET first pillar. To achieve this objective, in 2022 NH Hotel Group runs a Plan which's objective is to improve the Company's buildings Energy Efficiency. the group invested in projects for sustainability reasons and following through a new line where promoting as environmental returns played a major role. Under this plan, in 2022 specific energy efficiency and sustainability investment projects have been executed, such as photovoltaic installations and the replacement of boilers or the elimination of fossil fuels or increase of renewable energy.
Operations	Yes	For the sake of clarity, NH Hotel Group's operations are the same as its product: hotels. Customer shift in behavior was predicted on previous Strategic Plan by NH Hotel Group. We detected in few years an increase in environmental demands by consumers when organizing their meetings and events and business travels. Especially corporate clients, which are the core of our business, are consolidating their environmental demands. More responsible companies that aims to reduce their negative impact on the environment through its activities looks for responsible partners at their supply chain. NH Hotel Group anticipated this trend and included the Environmental Certification for hotels as one of the KPIs since the first Strategic Plan. The objective set is to increase the number of certified hotels with environmental worldwide recognized standards. In 2022 and first semester of 2023, 173 hotels achieved certifications as: BREEAM, LEED, DGNB, Green Key, Hoteles Más Verdes, ISO 14001, ISO 50001 or Biosphere. NH Hotel Group is also offering carbon neutral events and meetings thanks to the offsetting through reforestation, plastic clean-up on the coast and coral reefs conservation projects which also helps to engage customers with the reduction emissions commitment of the company. Thanks to this initiative, NH Group has improved its

		positioning in the market. Thanks to the flexibility of the business model which is constantly adapting to external conditions and opportunities we should consider the impact of this identified risk, neutral to NH Hotel Group's business model. NH Hotel Group runs a Plan which's objective is to improve the Company's buildings Energy Efficiency. To achieve this objective, in 2022 the group invested 0.5M€ in projects for sustainability reasons and designed a new line where environmental returns play a major role, as of elimination of fossil fuels or increase of renewable energy. Under this plan, in 2022 specific energy efficiency and sustainability investment projects have been executed, such as photovoltaic installations and the replacement of boilers or the elimination of fossil fuels or increase of renewable energy. In 2023 the Sustainability CAPEX is 2.5M€.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Capital allocation Acquisitions and divestments Assets	Revenues Changes in customer behavior due to greater sensitivity to the impact of their activities and preferences on the environment, thus opting for the consumption of more sustainable products and services. The customer behaviour is shifting in looking for a more sustainable and innovative offer. Corporate clients, which are the core of our business, are consolidating their environmental demands. More responsible companies that aims to reduce their negative impact on the environment through its activities looks for responsible partners at their supply chain. Even OTAs have started to request sustainability criteria to be considered as part of the hotel's features. Operating costs Transition risks and changes in weather patterns cause significant impacts in the entire hotel sector. The recent waves of cold and heat that have occurred in recent years have left an increase in energy consumption during periods when consumption was below average. In this way, from NH Hotel Group we have estimated that the increase the trend of higher energy prices even with the most efficient consumption at our hotels, the derived from cold and heat waves could affect on higher

		30% consumption, with the consequent financial impact on the company's operational costs. Capital expenditures/Capital allocation Risks derived from global warming have a high impact on natural raw materials such as water, increasing their price. In response to these risks, from the design phase, we are committed to incorporating the most sustainable technologies to reduce water consumption and, consequently, reduce our exposure to this risk. In this sense, NH Hotel Group has invested more than 4.3 million euros in the modernization and acquisition of our technologies, more efficient during the year 2022. Acquisitions and divestments New acquisitions and divestments could compromise the NH's 20% reduction target (SBT) if the hotels to be added to our portfolio do not face our plan to achieve our commitment (for example, the new facilities have not invest to improve their efficiency in terms of energy and emissions). In this line, NH is working to assure that the growth projections can achieve the climate change commitment. Climate change can produce more and more extreme weather events, among which are natural disasters. This impact has a great magnitude for our company due to the large hotel portfolio that we have throughout 30 countries. Extreme weather events may have a high potential to physically impact our hotels, our greatest asset, and therefore, affect our customers directly. From NH Hotel Group we mitigate this risk through the use of the most advanced technologies when selecting the geographies and grounds where we acquire or build our hotels and applying safety and training measures to all our employees. An exhaustive analysis of the financial impact that these risks and opportunities could cause to NH Hotel Group and the effect that they could have on its business, strategy and financial planning have been carried out as a second phase of the works developed to define the alignment with the TCFD recommendations. The company is aligned on 2023.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	Yes, we identify alignment with both our climate transition plan and a sustainable finance taxonomy	At both the company and activity level

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric

CAPEX

Type of alignment being reported for this financial metric

Alignment with a sustainable finance taxonomy

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Objective under which alignment is being reported

Climate change mitigation

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

4,247,296

Percentage share of selected financial metric aligned in the reporting year (%)

1.9

Percentage share of selected financial metric planned to align in 2025 (%)

Percentage share of selected financial metric planned to align in 2030 (%)

Describe the methodology used to identify spending/revenue that is aligned

This indicator is defined as the ratio of Taxonomy-adjusted CapEx (numerator) to total CapEx (denominator).

For its calculation, the investment items associated with the activities that comply with the Taxonomy -eligible with respect to activities 7.2, 7.3 and 7.5- have been selected.

With this selection, the hotels in the portfolio have been ordered according to their brand, year of last renovation, geography and number of rooms. From this database, and thanks to a cluster analysis -a statistical procedure supported by a computerised data processing tool- the Company's hotels have been classified into a small number of groups with similar characteristics for sampling purposes.

For each of these groups, a specific number of hotels have been selected, which are representative of the rest of the hotels in the same cluster and which, therefore, allow the results on eligibility to be extrapolated to the whole group of hotels with similar conditions. This extrapolation has been carried out proportionally to the weight that each group represents over the total of the Company's hotel portfolio, in order to obtain NH

Hotel Group's eligible CapEx.

Based on the selected hotels, the eligible CapEx items that comply with the technical selection criteria associated with the taxonomic activities, as well as the principle of "Do not cause significant harm" and the minimum social safeguards, have been studied and contrasted internally.

This analysis has made it possible to obtain the alignment percentage of the selected hotels and, as before, to extrapolate the percentage proportionally to all the Company's hotels as a whole, in order to obtain NH Hotel Group's aligned CapEx.

It is worth mentioning that the CapEx items dedicated to activities aligned with the Taxonomy have been computed by one area of the Company, which ensures that they have only been accounted for once in the analysis and that, therefore, in no case has double-counting of investments been incurred.

CapEx calculations are based on the definition reported by the EU in section 1.1.2 (1.1.2.1 denominator and 1.1.2.2 Numerator) of Annex I of COMMISSION DELEGATED REGULATION (EU) 2021/2178.

In the case of the denominator, additions to tangible and intangible assets, before amortisation and possible new valuations, including those resulting from revaluations and impairments, have been included for the financial year 2022, excluding changes in fair value. Additions totangible and intangible assets resulting from business combinations, if any, would also have been included, covering costs that are accounted for in accordance with IAS 16 Property, plant and equipment and IFRS 16 Leases. In accordance with NH Hotel Group's consolidated financial statements, the total CapEx is shown in Note 6, Note 7 and Note 9 of the Consolidated Financial Statements 2022.

Result: CapEx:
- aligned (1.901%);
- eligible (4.05% including % aligned).

Financial Metric

OPEX

Type of alignment being reported for this financial metric

Alignment with a sustainable finance taxonomy

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Objective under which alignment is being reported

Climate change mitigation

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

855,199

Percentage share of selected financial metric aligned in the reporting year (%)

1.97

Percentage share of selected financial metric planned to align in 2025 (%)

Percentage share of selected financial metric planned to align in 2030 (%)

Describe the methodology used to identify spending/revenue that is aligned

This indicator is defined as the ratio of Taxonomy-adjusted OpEx (numerator) to total OpEx (denominator).

Taxonomy-adjusted OpEx has also been obtained from the control and monitoring records of OpEx 2022 items. In this case, to carry out the sampling, the hotels have been sorted into three groups according to their OpEx expenditure associated with the Taxonomy. For each of these groups, a sample of two hotels -the most representative in terms of maintenance and repair tasks- was selected, taking into account aspects such as the age of the hotels, the year of renovation, the type of equipment, as well as the geographical location within the Company's area of operation.

Based on the selection of the eligible OpEx items with respect to the Taxonomy in these representative hotels, the percentage of eligible OpEx of the sample has been calculated and extrapolated to all NH
Hotel Group hotels.

To obtain the aligned OpEx, it has been estimated that the acquisition of equipment that meets the alignment criteria of the Taxonomy has occurred in a linear fashion over the last ten years (average depreciation period for the type of equipment in question), and therefore, that the maintenance and repair work on these has also occurred in a linear fashion over the last few years. This assumption has been applied when estimating the part of the eligible OpEx that is aligned with the Taxonomy.

OpEx calculations are based on the definition reported by the EU in section 1.1.3 (1.1.3.1 denominator and 1.1.3.2 Numerator)of Annex I of COMMISSION DELEGATED REGULATION (EU) 2021/2178.

The denominator reduces total operating expenses to non-capitalised direct costs that relate to research and development, building renovation measures, short-term leases, maintenance and repairs, as well as other direct expenses related to the day-to-day maintenance of property, plant and equipment assets by NH Hotel Group or a third party to whom activities are outsourced and that are necessary to ensure the continued efficient operation of these assets.

On the other hand, the numerator of this indicator would include the operating expenses included in the denominator that are allocated to eligible activities. This key indicator is included in Note 25.4 in the maintenance and cleaning expenses line of NH Hotel Group's Consolidated Financial Statements 2022.

Result: OpEx:
- aligned (1.973%);
- eligible (11.225% including % aligned).

Financial Metric

CAPEX

Type of alignment being reported for this financial metric

Alignment with our climate transition plan

Taxonomy under which information is being reported

Objective under which alignment is being reported

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

4,338,252

Percentage share of selected financial metric aligned in the reporting year (%)

1.94

Percentage share of selected financial metric planned to align in 2025 (%)

Percentage share of selected financial metric planned to align in 2030 (%)

Describe the methodology used to identify spending/revenue that is aligned

For this analysis, NNHG obtains a list with all the Ordinary and Extraordinary CapEx initiatives during the year (in this case for the year 2022) and includes those that are Carry Forward, amounting to a total of more than 2,300 items.

In the first place, it is established to filter and eliminate those initiatives that do not correspond to the reporting perimeter, that is, they do not consolidate in the consolidated perimeter. Next, a manual classification is established by project category and, within the selectable categories (air conditioning, electricity, insulation...), a second classification marking those projects that can be applied as EE projects. In this way, the more than 2,300 items are reduced to 681 initiatives.

A final classification is made on these items within the different types of EE project categories. Each category is associated with a different saving and reduction in cost and estimated consumption (also variable depending on the BU in which it is located). Finally, the amounts executed in each project and the cost in Energy & Utilities of each hotel are analyzed, only giving as valid initiatives for real cost and consumption reduction those whose amount represents a significant % of the total cost in annual E&U of the center. The sum of the executed amounts of the accepted initiatives correspond to the value contributed as executed EE projects in 2022 amounting to a total of 4,338,252 euros.

Regarding the %, this is calculated as the division between the 4,338,252 over the total Capex of NHHG. In accordance with NH Hotel Group's consolidated financial statements, the total CapEx is shown in Note 6, Note 7 and Note 9 of the Consolidated Financial Statements 2022 (which amounted to a total of 223M).

However, if we took into account as a denominator the company's CapEx allocated to hotel renovations and works, the denominator would amount to a total of 12.3 million euros, in such a way that the % of CapEx aligned with the SBT plan would be more than 35.27%.

C3.5b

(C3.5b) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Economic activity

Renovation of existing buildings

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

CAPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

2,184,763

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

0.98

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

0.98

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Transitional activity

Calculation methodology and supporting information

ACTIVITY IDENTIFICATION: Building renovation --> Renovation of hotels, including civil construction works for the adaptation of hotels, as well as envelope improvement works or refurbishment and remodeling of rooms.

CONTENT AND METHODOLOGY OF KEY PERFORMANCE INDICATORS: For its calculation, the investment items associated with the activities that comply with the Taxonomy -eligible with respect to activities 7.2, 7.3 and 7.5- have been selected. With this selection, the hotels in the portfolio have been ordered according to their brand, year of last renovation, geography and number of rooms. From this database, and thanks to a cluster analysis -a statistical procedure supported by a computerised data processing tool- the Company's hotels have been classified into a small number of groups with similar characteristics for sampling purposes. For each of these groups, a specific number of hotels have been selected, which are representative of the rest of the hotels in the same cluster and which, therefore, allow the results on eligibility to be extrapolated to the whole group of hotels with similar conditions. This extrapolation has been carried out proportionally to the weight that each group represents over the total of the Company's hotel portfolio, in order to obtain NH Hotel Group's eligible CapEx. Based on the selected hotels, the eligible CapEx items that comply with the technical selection criteria associated with the taxonomic activities, as well as the principle of "Do not cause significant harm" and the minimum social safeguards, have been studied and contrasted internally. This analysis has made it possible to obtain the alignment percentage of the selected hotels and, as before, to extrapolate the percentage proportionally to all the Company's hotels as a whole, in order to obtain NH Hotel Group's aligned CapEx. It is worth mentioning that the CapEx items dedicated to activities aligned with the Taxonomy have been computed by one area of the Company, which ensures that they have only been accounted for once in the analysis and that, therefore, in no case has double-counting of investments been incurred.

Technical screening criteria met

Yes

Details of technical screening criteria analysis

The technical criteria of substantial contribution to climate change mitigation as set out in Annex I of the Delegated Regulation of 4 June. In that case, the company review that CapEx relative to Renovation existing buildings complies with "the applicable requirements for major renovations. Alternatively, it leads to a reduction of primary energy demand (PED) of at least 30 %"

Do no significant harm requirements met

Yes

Details of do no significant harm analysis

Not to cause significant detriment to the rest of the environmental objectives based on compliance with the application appendices required for activity 7.2 (annex I Mitigation EU Taxonomy). In this regard, it should be noted that the company complies with the requirements of Appendix A by having a physical climate risk analysis and an adaptation plan for the risks that have been identified as material. For further details, see chapter "NH Hotel Group's response to the risks and opportunities associated with climate change based on the Task Force on Climate-Related Financial Disclosure") - https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf . Furthermore, the Company review to be aligned with the rest of do not significant harm relative to Sustainable use and protection of water and marine resources, Transition to a circular economy and Pollution prevention and control

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

_ Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter "Protection of Human Rights". Pages 48-52
https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

_ Corruption: the Group is committed to zero tolerance of corruption and therefore has various internal controls in place to comply with the Anti-Fraud and Corruption Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Gifts Policy. For further details see section "Zero tolerance for corruption". Pages 35-41
https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

Taxation: NH Hotel Group ensures compliance with its tax requirements as well as

the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter “Tax Transparency: Profits and Taxes”. Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

Fair competition: NH Hotel Group is committed to long-term success through fair competition in its Code of Conduct. https://www.nh-hotels.com/corporate/assets/uploads/2023/03/01152013/Code-of-conduct_ENGLISH-web-2022.pdf

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Economic activity

Installation, maintenance and repair of energy efficiency equipment

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

CAPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

1,338,061

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

0.6

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

0.6

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Activity enabling mitigation

Calculation methodology and supporting information

- ACTIVITY IDENTIFICATION: Installation, maintenance and repair of energy-efficient equipment❑ Maintenance and renovation of enclosure elements (doors and windows) and lighting, HVAC systems (boilers and refrigeration and ventilation equipment), piping, kitchen equipment (ovens), batteries and other electrical appliances (washing machines, refrigerators, dryers...).

- CONTENT AND METHODOLOGY OF KEY PERFORMANCE INDICATORS: For its calculation, the investment items associated with the activities that comply with the Taxonomy -eligible with respect to activities 7.2, 7.3 and 7.5- have been selected. With this selection, the hotels in the portfolio have been ordered according to their brand, year of last renovation, geography and number of rooms. From this database, and thanks to a cluster analysis -a statistical procedure supported by a computerised data processing tool- the Company's hotels have been classified into a small number of groups with similar characteristics for sampling purposes. For each of these groups, a specific number of hotels have been selected, which are representative of the rest of the hotels in the same cluster and which, therefore, allow the results on eligibility to be extrapolated to the whole group of hotels with similar conditions. This extrapolation has been carried out proportionally to the weight that each group represents over the total of the Company's hotel portfolio, in order to obtain NH Hotel Group's eligible CapEx. Based on the selected hotels, the eligible CapEx items that comply with the technical selection criteria associated with the taxonomic activities, as well as the principle of "Do not cause significant harm" and the minimum social safeguards, have been studied and contrasted internally. This analysis has made it possible to obtain the alignment percentage of the selected hotels and, as before, to extrapolate the percentage proportionally to all the Company's hotels as a whole, in order to obtain NH Hotel Group's aligned CapEx. It is worth mentioning that the CapEx items dedicated to activities aligned with the Taxonomy have been computed by one area of the Company, which ensures that they have only been accounted for once in the analysis and that, therefore, in no case has double-counting of investments been incurred.

Technical screening criteria met

Yes

Details of technical screening criteria analysis

The technical criteria of substantial contribution to climate change mitigation as set out in Annex I of the Delegated Regulation of 4 June. In that case, the company review that CapEx relative to Installation, maintenance and repair of energy efficiency equipment comply with minimum requirements set for individual components and systems in the applicable national measures implementing Directive 2010/31/EU and, where applicable, are rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that Regulation (such as led lights windows, door, HVAC, Air conditioning, heating, water and energy kitchen and sanitary fitting, etc.) making use mainly of the technical sheets of the different items.

Do no significant harm requirements met

Yes

Details of do no significant harm analysis

Not to cause significant detriment to the rest of the environmental objectives based on compliance with the application appendices required for activity 7.2 (annex I Mitigation EU Taxonomy). In this regard, it should be noted that the company complies with the requirements of Appendix A by having a physical climate risk analysis and an adaptation plan for the risks that have been identified as material. For further details, see chapter "NH Hotel Group's response to the risks and opportunities associated with climate change based on the Task Force on Climate-Related Financial Disclosure") - https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf. Furthermore, the Company review to be aligned with the rest of do not significant harm relative to Pollution prevention and control.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter "Protection of Human Rights". Pages 48-52
https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

_ Corruption: the Group is committed to zero tolerance of corruption and therefore has various internal controls in place to comply with the Anti-Fraud and Corruption Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Gifts Policy. For further details see section "Zero tolerance for corruption". Pages 35-41
https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

¯ Taxation: NH Hotel Group ensures compliance with its tax requirements as well as the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter "Tax Transparency: Profits and Taxes". Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

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Economic activity

Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

CAPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

724,472

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

0.32

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

0.32

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Activity enabling mitigation

Calculation methodology and supporting information

- ACTIVITY IDENTIFICATION: Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy efficiency of buildings.--> Commissioning, overhaul, repair or replacement of building energy consumption monitoring and control systems; probes, meters, thermostats, automation and control systems, among others.

- CONTENT AND METHODOLOGY OF KEY PERFORMANCE INDICATORS: For its calculation, the investment items associated with the activities that comply with the Taxonomy -eligible with respect to activities 7.2, 7.3 and 7.5- have been selected. With

this selection, the hotels in the portfolio have been ordered according to their brand, year of last renovation, geography and number of rooms. From this database, and thanks to a cluster analysis -a statistical procedure supported by a computerised data processing tool- the Company's hotels have been classified into a small number of groups with similar characteristics for sampling purposes. For each of these groups, a specific number of hotels have been selected, which are representative of the rest of the hotels in the same cluster and which, therefore, allow the results on eligibility to be extrapolated to the whole group of hotels with similar conditions. This extrapolation has been carried out proportionally to the weight that each group represents over the total of the Company's hotel portfolio, in order to obtain NH Hotel Group's eligible CapEx. Based on the selected hotels, the eligible CapEx items that comply with the technical selection criteria associated with the taxonomic activities, as well as the principle of "Do not cause significant harm" and the minimum social safeguards, have been studied and contrasted internally. This analysis has made it possible to obtain the alignment percentage of the selected hotels and, as before, to extrapolate the percentage proportionally to all the Company's hotels as a whole, in order to obtain NH Hotel Group's aligned CapEx. It is worth mentioning that the CapEx items dedicated to activities aligned with the Taxonomy have been computed by one area of the Company, which ensures that they have only been accounted for once in the analysis and that, therefore, in no case has double-counting of investments been incurred.

Technical screening criteria met

Yes

Details of technical screening criteria analysis

The technical criteria of substantial contribution to climate change mitigation as set out in Annex I of the Delegated Regulation of 4 June. In that case, the company review that CapEx relative to Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings comply with one of the individual measures such as (thermostat, smart meters, building automation and control systems, etc.).

Do no significant harm requirements met

Yes

Details of do no significant harm analysis

Not to cause significant detriment to the rest of the environmental objectives based on compliance with the application appendices required for activity 7.2 (annex I Mitigation EU Taxonomy). In this regard, it should be noted that the company complies with the requirements of Appendix A by having a physical climate risk analysis and an adaptation plan for the risks that have been identified as material. For further details, see chapter "NH Hotel Group's response to the risks and opportunities associated with climate change based on the Task Force on Climate-Related Financial Disclosure") - https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf. Furthermore, the Company review to be aligned with the rest of do not significant harm relative to Pollution prevention and control.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

o Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

⁻ Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter "Protection of Human Rights". Pages 48-52 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

_ Corruption: the Group is committed to zero tolerance of corruption and therefore has various internal controls in place to comply with the Anti-Fraud and Corruption Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Gifts Policy. For further details see section "Zero tolerance for corruption". Pages 35-41 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

¯ Taxation: NH Hotel Group ensures compliance with its tax requirements as well as the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter "Tax Transparency: Profits and Taxes". Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

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Economic activity

Renovation of existing buildings

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-eligible but not aligned

Financial metric(s)

CAPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

829,572

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

0.37

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Calculation methodology and supporting information

CONTENT AND METHODOLOGY OF KEY PERFORMANCE INDICATORS: For its calculation, the investment items associated with the activities that comply with the Taxonomy -eligible with respect to activities 7.2, 7.3 and 7.5- have been selected. With this selection, the hotels in the portfolio have been ordered according to their brand, year of last renovation, geography and number of rooms. From this database, and thanks to a cluster analysis -a statistical procedure supported by a computerised data processing tool- the Company's hotels have been classified into a small number of groups with similar characteristics for sampling purposes. For each of these groups, a specific number of hotels have been selected, which are representative of the rest of the hotels in the same cluster and which, therefore, allow the results on eligibility to be extrapolated to the whole group of hotels with similar conditions. This extrapolation has been carried out proportionally to the weight that each group represents over the total of the Company's hotel portfolio, in order to obtain NH Hotel Group's eligible CapEx. Based on the selected hotels, the eligible CapEx items that comply with the technical selection criteria associated with the taxonomic activities, as well as the principle of "Do not cause significant harm" and the minimum social safeguards, have been studied and contrasted internally. This analysis has made it possible to obtain the alignment percentage of the selected hotels and, as before, to extrapolate the percentage proportionally to all the Company's hotels as a whole, in order to obtain NH Hotel Group's aligned CapEx. It is worth mentioning that the CapEx items dedicated to activities aligned with the Taxonomy have been computed by one area of the Company, which ensures that they have only been accounted for once in the analysis and that, therefore, in no case has double-counting of investments been incurred.

In this sense, those eligible executed CapEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. . In this regard, and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Technical screening criteria met

No

Details of technical screening criteria analysis

Please review the previous box⌜ In this sense, those eligible executed CapEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Do no significant harm requirements met

Details of do no significant harm analysis

Please review the previous box⌞ In this sense, those eligible executed CapEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

o Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter “Protection of Human Rights”. Pages 48-52
https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

_ Corruption: the Group is committed to zero tolerance of corruption and therefore has various internal controls in place to comply with the Anti-Fraud and Corruption Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Gifts Policy. For further details see section “Zero tolerance for corruption”. Pages 35-41
https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

_ Taxation: NH Hotel Group ensures compliance with its tax requirements as well as the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter “Tax Transparency: Profits and Taxes”. Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

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Economic activity

Installation, maintenance and repair of energy efficiency equipment

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-eligible but not aligned

Financial metric(s)

CAPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

3,291,740

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

1.47

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Calculation methodology and supporting information

Content and methodology of key performance indicators: For its calculation, the investment items associated with the activities that comply with the Taxonomy -eligible with respect to activities 7.2, 7.3 and 7.5- have been selected. With this selection, the hotels in the portfolio have been ordered according to their brand, year of last renovation, geography and number of rooms. From this database, and thanks to a cluster analysis -a statistical procedure supported by a computerised data processing tool- the Company's hotels have been classified into a small number of groups with similar characteristics for sampling purposes. For each of these groups, a specific number of hotels have been selected, which are representative of the rest of the hotels in the same cluster and which, therefore, allow the results on eligibility to be extrapolated to the whole group of hotels with similar conditions. This extrapolation has been carried out proportionally to the weight that each group represents over the total of the Company's hotel portfolio, in order to obtain NH Hotel Group's eligible CapEx. Based on the selected hotels, the eligible CapEx items that comply with the technical selection criteria associated with the taxonomic activities, as well as the principle of "Do not cause significant harm" and the minimum social safeguards, have been studied and contrasted internally. This analysis has made it possible to obtain the alignment percentage of the selected hotels and, as before, to extrapolate the percentage proportionally to all the Company's hotels as a whole, in order to obtain NH Hotel Group's aligned CapEx. It is worth mentioning that the CapEx items dedicated to activities aligned with the Taxonomy have been computed by one area of the Company, which ensures that they have only been accounted for once in the analysis and that, therefore, in no case has double-counting of investments been incurred.

In this sense, those eligible executed CapEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. . In this regard, and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Technical screening criteria met

No

Details of technical screening criteria analysis

Please review the previous box∟ In this sense, those eligible executed CapEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Do no significant harm requirements met

Details of do no significant harm analysis

Please review the previous box∟ In this sense, those eligible executed CapEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

o Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter “Protection of Human Rights”. Pages 48-52 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

_ Corruption: the Group is committed to zero tolerance of corruption and therefore has various internal controls in place to comply with the Anti-Fraud and Corruption Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Gifts Policy. For further details see section “Zero tolerance for corruption”. Pages 35-41 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

¯ Taxation: NH Hotel Group ensures compliance with its tax requirements as well as the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter “Tax Transparency: Profits and Taxes”. Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

_ Fair competition: NH Hotel Group is committed to long-term success through fair competition in its Code of Conduct. https://www.nh-hotels.com/corporate/assets/uploads/2023/03/01152013/Code-of-conduct_ENGLISH-web-2022.pdf

Economic activity

Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-eligible but not aligned

Financial metric(s)

CAPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

689,905

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

0.31

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Calculation methodology and supporting information

Content and methodology of key performance indicators: For its calculation, the investment items associated with the activities that comply with the Taxonomy -eligible with respect to activities 7.2, 7.3 and 7.5- have been selected. With this selection, the hotels in the portfolio have been ordered according to their brand, year of last renovation, geography and number of rooms. From this database, and thanks to a cluster analysis -a statistical procedure supported by a computerised data processing tool- the Company's hotels have been classified into a small number of groups with similar characteristics for sampling purposes. For each of these groups, a specific number of hotels have been selected, which are representative of the rest of the hotels in the same cluster and which, therefore, allow the results on eligibility to be extrapolated to the whole group of hotels with similar conditions. This extrapolation has been carried out proportionally to the weight that each group represents over the total of the Company's hotel portfolio, in order to obtain NH Hotel Group's eligible CapEx. Based on the selected hotels, the eligible CapEx items that comply with the technical selection criteria associated with the taxonomic activities, as well as the principle of "Do not cause significant harm" and the minimum social safeguards, have been studied and contrasted internally. This analysis has made it possible to obtain the alignment

percentage of the selected hotels and, as before, to extrapolate the percentage proportionally to all the Company's hotels as a whole, in order to obtain NH Hotel Group's aligned CapEx. It is worth mentioning that the CapEx items dedicated to activities aligned with the Taxonomy have been computed by one area of the Company, which ensures that they have only been accounted for once in the analysis and that, therefore, in no case has double-counting of investments been incurred.

In this sense, those eligible executed CapEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. . In this regard, and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Technical screening criteria met

No

Details of technical screening criteria analysis

Please review the previous box--> In this sense, those eligible executed CapEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Do no significant harm requirements met

Details of do no significant harm analysis

Please review the previous box--> In this sense, those eligible executed CapEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

o Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

⁻ Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter "Protection of Human Rights". Pages 48-52
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_ Taxation: NH Hotel Group ensures compliance with its tax requirements as well as the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter “Tax Transparency: Profits and Taxes”. Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

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Economic activity

Renovation of existing buildings

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

7,899

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

0.02

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

0.02

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Transitional activity

Calculation methodology and supporting information

ACTIVITY IDENTIFICATION: Building renovation ⌟ Renovation of hotels, including civil construction works for the adaptation of hotels, as well as envelope improvement works or refurbishment and remodeling of rooms.
CONTENT AND METHODOLOGY OF KEY PERFORMANCE INDICATORS:
Taxonomy-adjusted OpEx has also been obtained from the control and monitoring records of OpEx 2022 items. In this case, in order to carry out the sampling, the hotels have been sorted into three groups according to their OpEx expenditure associated with the Taxonomy. For each of these groups, a sample of two hotels -the most representative in terms of maintenance and repair tasks- was selected, taking into account aspects such as the age of the hotels, the year of renovation, the type of equipment, as well as the geographical location within the Company's area of operation. Based on the selection of the eligible OpEx items with respect to the Taxonomy in these representative hotels, the percentage of eligible OpEx of the sample has been calculated and extrapolated to all NH Hotel Group hotels. To obtain the aligned OpEx, it has been estimated that the acquisition of equipment that meets the alignment criteria of the Taxonomy has occurred in a linear fashion over the last ten years (average depreciation period for the type of equipment in question), and therefore, that the maintenance and repair work on these has also occurred in a linear fashion over the last few years. This assumption has been applied when estimating the part of the eligible OpEx that is aligned with the Taxonomy.

Technical screening criteria met

Yes

Details of technical screening criteria analysis

The technical criteria of substantial contribution to climate change mitigation as set out in Annex I of the Delegated Regulation of 4 June. In that case, the company review that CapEx relative to Renovation existing buildings complies with "the applicable requirements for major renovations. Alternatively, it leads to a reduction of primary energy demand (PED) of at least 30 %"

Do no significant harm requirements met

Yes

Details of do no significant harm analysis

Not to cause significant detriment to the rest of the environmental objectives based on compliance with the application appendices required for activity 7.2 (annex I Mitigation EU Taxonomy). In this regard, it should be noted that the company complies with the requirements of Appendix A by having a physical climate risk analysis and an adaptation plan for the risks that have been identified as material. For further details, see chapter

"NH Hotel Group's response to the risks and opportunities associated with climate change based on the Task Force on Climate-Related Financial Disclosure") - https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf. Furthermore, the Company review to be aligned with the rest of do not significant harm relative to Sustainable use and protection of water and marine resources, Transition to a circular economy and Pollution prevention and control

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

o Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

⁻ Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter "Protection of Human Rights". Pages 48-52 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

Corruption: the Group is committed to zero tolerance of corruption and therefore has various internal controls in place to comply with the Anti-Fraud and Corruption Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Gifts Policy. For further details see section "Zero tolerance for corruption". Pages 35-41 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

⁼ Taxation: NH Hotel Group ensures compliance with its tax requirements as well as the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter "Tax Transparency: Profits and Taxes". Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

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Economic activity

Installation, maintenance and repair of energy efficiency equipment

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

803,396

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

1.85

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

1.85

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Activity enabling mitigation

Calculation methodology and supporting information

ACTIVITY IDENTIFICATION: Installation, maintenance and repair of energy-efficient equipment | Maintenance and renovation of enclosure elements (doors and windows) and lighting, HVAC systems (boilers and refrigeration and ventilation equipment), piping, kitchen equipment (ovens), batteries and other electrical appliances (washing machines, refrigerators, dryers...).

CONTENT AND METHODOLOGY OF KEY PERFORMANCE INDICATORS: Taxonomy-adjusted OpEx has also been obtained from the control and monitoring records of OpEx 2022 items. In this case, in order to carry out the sampling, the hotels have been sorted into three groups according to their OpEx expenditure associated with the Taxonomy. For each of these groups, a sample of two hotels -the most representative in terms of maintenance and repair tasks- was selected, taking into account aspects such as the age of the hotels, the year of renovation, the type of equipment, as well as the geographical location within the Company's area of operation. Based on the selection of the eligible OpEx items with respect to the Taxonomy in these representative hotels, the percentage of eligible OpEx of the sample has been calculated and extrapolated to all NH Hotel Group hotels. To obtain the aligned OpEx, it

has been estimated that the acquisition of equipment that meets the alignment criteria of the Taxonomy has occurred in a linear fashion over the last ten years (average depreciation period for the type of equipment in question), and therefore, that the maintenance and repair work on these has also occurred in a linear fashion over the last few years. This assumption has been applied when estimating the part of the eligible OpEx that is aligned with the Taxonomy.

Technical screening criteria met

Yes

Details of technical screening criteria analysis

The technical criteria of substantial contribution to climate change mitigation as set out in Annex I of the Delegated Regulation of 4 June. In that case, the company review that CapEx relative to Installation, maintenance and repair of energy efficiency equipment comply with minimum requirements set for individual components and systems in the applicable national measures implementing Directive 2010/31/EU and, where applicable, are rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that Regulation (such as led lights windows, door, HVAC, Air conditioning, heating, water and energy kitchen and sanitary fitting, etc.) making use mainly of the technical sheets of the different items.

Do no significant harm requirements met

Yes

Details of do no significant harm analysis

Not to cause significant detriment to the rest of the environmental objectives based on compliance with the application appendices required for activity 7.2 (annex I Mitigation EU Taxonomy). In this regard, it should be noted that the company complies with the requirements of Appendix A by having a physical climate risk analysis and an adaptation plan for the risks that have been identified as material. For further details, see chapter "NH Hotel Group's response to the risks and opportunities associated with climate change based on the Task Force on Climate-Related Financial Disclosure") - https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf. Furthermore, the Company review to be aligned with the rest of do not significant harm relative to Pollution prevention and control.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

o Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

⁻ Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter

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https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

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Taxation: NH Hotel Group ensures compliance with its tax requirements as well as the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter "Tax Transparency: Profits and Taxes". Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

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Economic activity

Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-aligned

Financial metric(s)

OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

43,824

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

0.1

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

0.1

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

Type(s) of substantial contribution

Activity enabling mitigation

Calculation methodology and supporting information

- ACTIVITY IDENTIFICATION: Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy efficiency of buildings.-->Commissioning, overhaul, repair or replacement of building energy consumption monitoring and control systems; probes, meters, thermostats, automation and control systems, among others.

- CONTENT AND METHODOLOGY OF KEY PERFORMANCE INDICATORS: Taxonomy-adjusted OpEx has also been obtained from the control and monitoring records of OpEx 2022 items. In this case, in order to carry out the sampling, the hotels have been sorted into three groups according to their OpEx expenditure associated with the Taxonomy. For each of these groups, a sample of two hotels -the most representative in terms of maintenance and repair tasks- was selected, taking into account aspects such as the age of the hotels, the year of renovation, the type of equipment, as well as the geographical location within the Company's area of operation. Based on the selection of the eligible OpEx items with respect to the Taxonomy in these representative hotels, the percentage of eligible OpEx of the sample has been calculated and extrapolated to all NH Hotel Group hotels. To obtain the aligned OpEx, it has been estimated that the acquisition of equipment that meets the alignment criteria of the Taxonomy has occurred in a linear fashion over the last ten years (average depreciation period for the type of equipment in question), and therefore, that the maintenance and repair work on these has also occurred in a linear fashion over the last few years. This assumption has been applied when estimating the part of the eligible OpEx that is aligned with the Taxonomy.

Technical screening criteria met

Yes

Details of technical screening criteria analysis

The technical criteria of substantial contribution to climate change mitigation as set out in Annex I of the Delegated Regulation of 4 June. In that case, the company review that CapEx relative to Installation, maintenance and repair of instruments and devices for

measuring, regulation and controlling energy performance of buildings comply with one of the individual measures such as (thermostat, smart meters, building automation and control systems, etc.).

Do no significant harm requirements met

Yes

Details of do no significant harm analysis

Not to cause significant detriment to the rest of the environmental objectives based on compliance with the application appendices required for activity 7.2 (annex I Mitigation EU Taxonomy). In this regard, it should be noted that the company complies with the requirements of Appendix A by having a physical climate risk analysis and an adaptation plan for the risks that have been identified as material. For further details, see chapter "NH Hotel Group's response to the risks and opportunities associated with climate change based on the Task Force on Climate-Related Financial Disclosure") - https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf. Furthermore, the Company review to be aligned with the rest of do not significant harm relative to Pollution prevention and control.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

o Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter "Protection of Human Rights". Pages 48-52
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⁻ Corruption: the Group is committed to zero tolerance of corruption and therefore has various internal controls in place to comply with the Anti-Fraud and Corruption Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Gifts Policy. For further details see section "Zero tolerance for corruption". Pages 35-41
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⁻ Fair competition: NH Hotel Group is committed to long-term success through fair competition in its Code of Conduct. https://www.nh-hotels.com/corporate/assets/uploads/2023/03/01152013/Code-of-conduct_ENGLISH-

web-2022.pdf

Economic activity

Renovation of existing buildings

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-eligible but not aligned

Financial metric(s)

OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

37,043

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

0.08

Type(s) of substantial contribution

Calculation methodology and supporting information

CONTENT AND METHODOLOGY OF KEY PERFORMANCE INDICATORS:
Taxonomy-adjusted OpEx has also been obtained from the control and monitoring records of OpEx 2022 items. In this case, in order to carry out the sampling, the hotels have been sorted into three groups according to their OpEx expenditure associated with the Taxonomy. For each of these groups, a sample of two hotels -the most representative in terms of maintenance and repair tasks- was selected, taking into account aspects such as the age of the hotels, the year of renovation, the type of equipment, as well as the geographical location within the Company's area of operation.

Based on the selection of the eligible OpEx items with respect to the Taxonomy in these representative hotels, the percentage of eligible OpEx of the sample has been calculated and extrapolated to all NH Hotel Group hotels. To obtain the aligned OpEx, it has been estimated that the acquisition of equipment that meets the alignment criteria of the Taxonomy has occurred in a linear fashion over the last ten years (average depreciation period for the type of equipment in question), and therefore, that the maintenance and repair work on these has also occurred in a linear fashion over the last few years. This assumption has been applied when estimating the part of the eligible OpEx that is aligned with the Taxonomy.

In this sense, those eligible executed OpEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Technical screening criteria met

No

Details of technical screening criteria analysis

Please, pay attention to the previous box. In this sense, those eligible executed OpEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Do no significant harm requirements met

Details of do no significant harm analysis

Please, pay attention to the previous box. In this sense, those eligible executed OpEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

o Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

⁻ Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a

Due Diligence process implemented in different phases. For further details, see chapter "Protection of Human Rights". Pages 48-52
https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

_ Corruption: the Group is committed to zero tolerance of corruption and therefore has various internal controls in place to comply with the Anti-Fraud and Corruption Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Gifts Policy. For further details see section "Zero tolerance for corruption". Pages 35-41
https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

_ Taxation: NH Hotel Group ensures compliance with its tax requirements as well as the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter "Tax Transparency: Profits and Taxes". Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

_ Fair competition: NH Hotel Group is committed to long-term success through fair competition in its Code of Conduct. https://www.nh-hotels.com/corporate/assets/uploads/2023/03/01152013/Code-of-conduct_ENGLISH-web-2022.pdf

Economic activity

Installation, maintenance and repair of energy efficiency equipment

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-eligible but not aligned

Financial metric(s)

OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

3,767,505

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

8.7

Type(s) of substantial contribution

Calculation methodology and supporting information

Taxonomy-adjusted OpEx has also been obtained from the control and monitoring records of OpEx 2022 items. In this case, in order to carry out the sampling, the hotels have been sorted into three groups according to their OpEx expenditure associated with the Taxonomy. For each of these groups, a sample of two hotels -the most representative in terms of maintenance and repair tasks- was selected, taking into account aspects such as the age of the hotels, the year of renovation, the type of equipment, as well as the geographical location within the Company's area of operation. Based on the selection of the eligible OpEx items with respect to the Taxonomy in these representative hotels, the percentage of eligible OpEx of the sample has been calculated and extrapolated to all NH Hotel Group hotels. To obtain the aligned OpEx, it has been estimated that the acquisition of equipment that meets the alignment criteria of the Taxonomy has occurred in a linear fashion over the last ten years (average depreciation period for the type of equipment in question), and therefore, that the maintenance and repair work on these has also occurred in a linear fashion over the last few years. This assumption has been applied when estimating the part of the eligible OpEx that is aligned with the Taxonomy.

In this sense, those eligible executed OpEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Technical screening criteria met

No

Details of technical screening criteria analysis

Please, pay attention to the previous box. In this sense, those eligible executed OpEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the

requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements

Do no significant harm requirements met

Details of do no significant harm analysis

Please, pay attention to the previous box. In this sense, those eligible executed OpEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

o Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

 Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter “Protection of Human Rights”. Pages 48-52 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

 Corruption: the Group is committed to zero tolerance of corruption and therefore has various internal controls in place to comply with the Anti-Fraud and Corruption Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Gifts Policy. For further details see section “Zero tolerance for corruption”. Pages 35-41 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

 Taxation: NH Hotel Group ensures compliance with its tax requirements as well as the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter “Tax Transparency: Profits and Taxes”. Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

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Economic activity

Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings

Taxonomy under which information is being reported

EU Taxonomy for Sustainable Activities

Taxonomy Alignment

Taxonomy-eligible but not aligned

Financial metric(s)

OPEX

Taxonomy-aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change mitigation as a % of total turnover in the reporting year

Taxonomy-aligned turnover from this activity that substantially contributed to climate change adaptation as a % of total turnover in the reporting year

Taxonomy-eligible but not aligned turnover from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned turnover from this activity as % of total turnover in the reporting year

Taxonomy-aligned CAPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned CAPEX from this activity as % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change mitigation as a % of total CAPEX in the reporting year

Taxonomy-aligned CAPEX from this activity that substantially contributed to climate change adaptation as a % of total CAPEX in the reporting year

Taxonomy-eligible but not aligned CAPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-eligible but not aligned CAPEX associated with this activity as % of total CAPEX in the reporting year

Taxonomy-aligned OPEX from this activity in the reporting year (unit currency as selected in C0.4)

Taxonomy-aligned OPEX from this activity as % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change mitigation as a % of total OPEX in the reporting year

Taxonomy-aligned OPEX from this activity that substantially contributed to climate change adaptation as a % of total OPEX in the reporting year

Taxonomy-eligible but not aligned OPEX associated with this activity in the reporting year (unit currency as selected in C0.4)

205,511

Taxonomy-eligible but not aligned OPEX associated with this activity as % total OPEX in the reporting year

0.47

Type(s) of substantial contribution

Calculation methodology and supporting information

CONTENT AND METHODOLOGY OF KEY PERFORMANCE INDICATORS:
Taxonomy-adjusted OpEx has also been obtained from the control and monitoring records of OpEx 2022 items. In this case, in order to carry out the sampling, the hotels have been sorted into three groups according to their OpEx expenditure associated with the Taxonomy. For each of these groups, a sample of two hotels -the most representative in terms of maintenance and repair tasks- was selected, taking into account aspects such as the age of the hotels, the year of renovation, the type of equipment, as well as the geographical location within the Company's area of operation. Based on the selection of the eligible OpEx items with respect to the Taxonomy in these representative hotels, the percentage of eligible OpEx of the sample has been calculated and extrapolated to all NH Hotel Group hotels. To obtain the aligned OpEx, it

has been estimated that the acquisition of equipment that meets the alignment criteria of the Taxonomy has occurred in a linear fashion over the last ten years (average depreciation period for the type of equipment in question), and therefore, that the maintenance and repair work on these has also occurred in a linear fashion over the last few years. This assumption has been applied when estimating the part of the eligible OpEx that is aligned with the Taxonomy.

In this sense, those eligible executed OpEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Technical screening criteria met

No

Details of technical screening criteria analysis

Please, pay attention to the previous box. In this sense, those eligible executed OpEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Do no significant harm requirements met

Details of do no significant harm analysis

Please, pay attention to the previous box. In this sense, those eligible executed OpEx items of the Group that do not meet the technical selection criteria of the activity that applies to it (7.2, 7.3 or 7.5) are not aligned, and therefore are considered Taxonomy-eligible but not aligned. In this regard and given that they do not meet one of the requirements (technical criteria), it was not necessary to proceed with the review of the Do no significant harm requirements.

Minimum safeguards compliance requirements met

Yes

Details of minimum safeguards compliance analysis

o Minimum social safeguards set out in Art. 18 of Delegated Regulation 2020/852 which identifies four broad areas:

_ Human Rights: NH Hotel Group is committed to compliance with Human Rights and works to prevent and manage the Risks associated with their violation; it therefore has various measures in place, such as the corporate Human Rights policy, as well as a Due Diligence process implemented in different phases. For further details, see chapter “Protection of Human Rights”. Pages 48-52
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- Corruption: the Group is committed to zero tolerance of corruption and therefore has various internal controls in place to comply with the Anti-Fraud and Corruption Policy, the Policy for the Prevention of Money Laundering and Terrorist Financing and the Gifts Policy. For further details see section “Zero tolerance for corruption”. Pages 35-41 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

- Taxation: NH Hotel Group ensures compliance with its tax requirements as well as the application of best tax practices. Therefore, among other measures, the Group adheres to the Code of Best Tax Practices and has a tax policy that will be updated in 2022. For further details, see chapter “Tax Transparency: Profits and Taxes”. Pages 40-43 https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

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C3.5c

(C3.5c) Provide any additional contextual and/or verification/assurance information relevant to your organization’s taxonomy alignment.

All the information relative to the EU Taxonomy Information has been v**erified by a Third Independent part (PricewaterhouseCoopers Auditores S.L.)** Please, view pages 213-215 of our Consolidated of Non-Financial Statement Information - Sustainability Report 2022 in the following link https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

Emphasis of matter

The Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 relating to the establishment of a framework to facilitate sustainable investments establishes the obligation to disclose information on the manner and extent to which the company's activities are associated with economic activities aligned in relation to the objectives of climate change mitigation and adaptation to climate change for the first time for the year 2022, in addition to the information referring to eligible activities required in the year 2021. Consequently, comparative alignment information has not been included in the accompanying SNFI. On the other hand, to the extent that the information referring to eligible activities in the year 2021 was not required with the same level of detail as in the year 2022, detailed information regarding eligibility is not strictly comparable either in the accompanying SNFI. Additionally, it should be noted that NH Hotel Group's directors have incorporated information on the criteria that, in their opinion, best allow compliance with the aforementioned obligations and that are defined in note "European Union Taxonomy of sustainable activities" of the accompanying SNFI. Our conclusion has not been modified in relation to this matter.

The EU Taxonomy Information verified is in pages:

- *13-18 (European Union Taxonomy Of Sustainable Activities)*
- *198-199 (Appendix II: European Taxonomy)*

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

49,267

Base year Scope 2 emissions covered by target (metric tons CO2e)

32,769

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

82,036

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

20.51

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

65,210.4164

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

44,329

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

44,487

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

88,816

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

-40.2957791015

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

NH Hotel Group (NH HG) is implementing programs to reduce carbon footprint since 2008. During 2019, in order to take its commitment a step further, NH HG decided to align its corporate voluntary greenhouse gas reduction targets with The Science Based targets initiative (SBTi) approving, in September 2019, long-term absolute emissions target: to reduce absolute scope 1, 2, and 3 GHG emissions 20% by 2030 from a 2018 base year (2ºC aligned). NH became the first Spanish hotel company to establish emission reduction targets validated by the SBTi.
In 2023, NH Hotel Group has worked on the re-target to align with 1.5ºC. This target marks NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set in the Paris Agreement to limit the global temperature increase to less than 1.5ºC, and to join the efforts being made globally towards the transition to a low-carbon economy.

During this process of updating targets, NH HG has addressed the quantification of emissions from land use in its value chain, as Natural Capital; ENCORE; SBTI land use

frameworks recommend. The methodology carried out follows the indications of the still draft GHG Protocol developed together with SBTi. NH HG has quantified the potential impact that the company's value chain and their activities could be causing on the land while it is managed or used. In particular, the analysis refers to: the occupation of the surface of its hotels corresponding to scope 1; the purchases of products, services and energy supply corresponding to scope 3 (categories 1, 2 and 3). The conclusions of the analysis denote a low impact on the land environment in this aspect since the sum of its emissions was much lower than 20%. (Boundary designated by SBTi for considering an intensive activity on the land).

NH Hotel Group is committed to reducing its carbon emissions across its value chain by 2030. In addition, NH Hotel Group has also set a long-term target to reach net zero by 2050. Both targets are being reviewed by the Science Based Targets initiative and this is why the reduction percentage is not published yet.

Plan for achieving target, and progress made to the end of the reporting year

To achieve our carbon climate commitment, we are working along 5 lines:

• Control and monitoring – the level on which work is being done to improve data capture and analysis, both from the activities of the hotels and of their suppliers, and seek an alignment of commitments to reduce emissions in the value chain.

• Energy efficiency – considers all actions that can improve efficiency in the hotel's energy consumption.
• Green energy considering both the installation of renewable energy for own consumption and the purchase of green electricity.

• Emission offset strategy, with a twofold objective. On one hand, offsetting as an exceptional alternative to comply with the annual targets set and, on the other hand to give visibility to the Company's climate commitment by involving guests in it.

• Carbon analysis in development projects to anticipate the needs of adaptation of new properties to the climate goal so that it is not compromised.

List the emissions reduction initiatives which contributed most to achieving this target

---

Target reference number

Abs 2

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 1: Purchased goods and services
Category 2: Capital goods
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 6: Business travel
Category 7: Employee commuting
Category 8: Upstream leased assets
Category 14: Franchises

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

Base year Scope 2 emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

237,613

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

58,802

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

9,025

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

3,042

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

606

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

17,322

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

9,455

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

26,946

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

1,905

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

364,717

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

364,717

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

65.2

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

16.1

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

2.5

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

0.8

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

0.2

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

4.7

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

2.6

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

7.4

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

0.5

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2030

Targeted reduction from base year (%)

19

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

295,420.77

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

169,386

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

18,679

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

2,711

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

3,200

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

345

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

1,320

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

9,253

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

10,613

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

277

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

215,784

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

215,784

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

214.9222259277

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

In September 2019, NH Hotel Group approved and announced that it will reduce its carbon emissions by 20% by 2030 (avoiding the emission of more than 70,000 metric tons of CO2 into the atmosphere). With it the Company became the first Spanish hotel company to establish emission reduction targets that have been scientifically validated by the Science Based Targets initiative (SBTi). In 2023, NH Hotel Group has worked on the re-target to align with 1.5ºC. This target marks NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set in the Paris Agreement to limit the global temperature increase to less than 1.5ºC, and to join the efforts being made globally towards the transition to a low-carbon economy.

During this process of updating targets, NH HG has addressed the quantification of emissions from land use in its value chain, as Natural Capital; ENCORE; SBTI land use frameworks recommend. The methodology carried out follows the indications of the still draft GHG Protocol developed together with SBTi. NH HG has quantified the potential impact that the company's value chain and their activities could be causing on the land while it is managed or used. In particular, the analysis refers to: the occupation of the surface of its hotels corresponding to scope 1; the purchases of products, services and energy supply corresponding to scope 3 (categories 1, 2 and 3). The conclusions of the analysis denote a low impact on the land environment in this aspect since the sum of its emissions was much lower than 20%. (Boundary designated by SBTi for considering an intensive activity on the land).

NH Hotel Group is committed to reducing its carbon emissions across its value chain by 2030. In addition, NH Hotel Group has also set a long-term target to reach net zero by 2050. Both targets are being reviewed by the Science Based Targets initiative and this

is why the reduction percentage is not published yet.

Plan for achieving target, and progress made to the end of the reporting year

NH Hotel Group has undergone an analysis of its emissions, which has allowed them to know that the Category Purchase of Goods and Services of Scope 3 is the one that generates the most volume of emissions, that is why it is in this category where the most actions are wanted to be carried out. In spite of "Purchased goods and services" is the main contributor to NH scope 3 emissions, the following scopes are also included in the calculation:

- Scope 3: Capital goods
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)
- Scope 3: Upstream transportation and distribution
- Scope 3: Waste generated in operations
- Scope 3: Business travel
- Scope 3: Employee commuting
- Scope 3: Upstream leased assets
- Scope 3: Franchises

Achieving these goals involves, among many other measures:
- An exhaustive analysis of the opportunities to continue working with suppliers and together reduce the carbon footprint. In 2019, 2020, 2021 and 2022, the suppliers with the largest carbon footprint have been identified and we are working with them to improve reporting channels and to seek alignment to reduce emissions in the value chain.
- Continuing to contract green energy and reinforcing energy efficiency in the hotels.

List the emissions reduction initiatives which contributed most to achieving this target

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Target reference number

Abs 3

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Year target was set

2022

Target coverage

Company-wide

Scope(s)

Scope 1
Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Base year

2021

Base year Scope 1 emissions covered by target (metric tons CO2e)

41,673

Base year Scope 2 emissions covered by target (metric tons CO2e)

88,545

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)

Base year total Scope 3 emissions covered by target (metric tons CO2e)

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

88,545

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

Target year

2022

Targeted reduction from base year (%)

3.5

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

85,445.925

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

44,329

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

44,487

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

85,408

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]

101.2237522487

Target status in reporting year

Achieved

Please explain target coverage and identify any exclusions

NH Hotel Group (NH HG) is implementing programs to reduce carbon footprint since 2008. During 2019, in order to take its commitment a step further, NH HG decided to align its corporate voluntary greenhouse gas reduction targets with The Science Based targets initiative (SBTi) approving, in September 2019, long-term absolute emissions target: to reduce absolute scope 1, 2, and 3 GHG emissions 20% by 2030 from a 2018 base year (2ºC aligned). NH became the first Spanish hotel company to establish emission reduction targets validated by the SBTi. NH Hotel Group worked on the annualization of this objective so that, by 2022, it set a target of a -3.5% reduction in emissions with respect to the actual emissions in 2021. At the end of this financial year, this target had been achieved by acting on four of the levers of action of the SBT 2030 Plan (control and monitoring, energy efficiency, purchase of green energy and compensation strategy). https://memorianh.com/2022/en page 101.
In 2023, NH Hotel Group has worked on the re-target to align with 1.5ºC. This target marks NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set in the Paris Agreement to limit the global temperature increase to less than 1.5ºC, and to join the efforts being made globally towards the transition to a low-carbon economy.

During this process of updating targets, NH HG has addressed the quantification of emissions from land use in its value chain, as Natural Capital; ENCORE; SBTI land use frameworks recommend. The methodology carried out follows the indications of the still draft GHG Protocol developed together with SBTi. NH HG has quantified the potential impact that the company's value chain and their activities could be causing on the land while it is managed or used. In particular, the analysis refers to: the occupation of the surface of its hotels corresponding to scope 1; the purchases of products, services and energy supply corresponding to scope 3 (categories 1, 2 and 3). The conclusions of the analysis denote a low impact on the land environment in this aspect since the sum of its emissions was much lower than 20%. (Boundary designated by SBTi for considering an intensive activity on the land).

NH Hotel Group is committed to reducing its carbon emissions across its value chain by 2030. In addition, NH Hotel Group has also set a long-term target to reach net zero by 2050. Both targets are being reviewed by the Science Based Targets initiative and this is why the reduction percentage is not published yet.

Plan for achieving target, and progress made to the end of the reporting year

List the emissions reduction initiatives which contributed most to achieving this target

To achieve our carbon climate commitment, we are working along 5 lines:

• Control and monitoring – the level on which work is being done to improve data capture and analysis, both from the activities of the hotels and of their suppliers, and seek an alignment of commitments to reduce emissions in the value chain.

• Energy efficiency – considers all actions that can improve efficiency in the hotel's energy consumption.
• Green energy considering both the installation of renewable energy for own consumption and the purchase of green electricity.

• Emission offset strategy, with a twofold objective. On one hand, offsetting as an exceptional alternative to comply with the annual targets set and, on the other hand to give visibility to the Company's climate commitment by involving guests in it.

• Carbon analysis in development projects to anticipate the needs of adaptation of new properties to the climate goal so that it is not compromised.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency
kWh

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

581,426,608

Target year

2022

Figure or percentage in target year

539,111,757

Figure or percentage in reporting year

539,111,757

% of target achieved relative to base year [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

Yes

Is this target part of an overarching initiative?

Science Based targets initiative - other

Please explain target coverage and identify any exclusions

The company's Strategic Plan has set targets for reducing energy, water, carbon footprint consumption or Guest satisfaction on environmental strategy at hotel. In 2019, the Company set carbon emission reduction targets that have been scientifically validated by SBTi

NHHG formalized its commitment to reduce carbon emissions throughout its value chain by 20% by 2030. In 2023, NHHG has worked on the re-target to align with 1.5ºC. This target marks NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set in the Paris Agreement to limit the global temperature increase to less than 1.5ºC. NHHG is committed to reducing its carbon emissions across its value chain by 2030. In addition, NH Hotel Group has also set a long-term target to reach net zero by 2050. Both targets are being reviewed by the Science Based Targets initiative and this is why the reduction percentage is not published yet.

In 2020 NH hotel Group worked to annualize the commitment of the reduction of emissions by 2030 to each year and also to convert them to kWh in order to track both emissions target data and consumption target data. We have set a methodology based on emission factor to get the most realistic data about the conversion from SBTi target of emissions on tCO2 to kWh.

The achievement of this targets is directly linked to the energy efficiency plan execution. Due to the instability of the business in 2020, 2021 and 2022 years and, therefore, the difficulty in establishing objectives based on historically behavior of the company, as an extraordinary decision the objective set for 2022 is not to exceed the consumption of 2019 (last year with comparable activity)

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

NH Hotel Group has an Energy Efficiency Plan, which groups together “energy efficiency” projects, considering all those that can improve energy consumption in the hotels, as well as the associated costs:

• Changes in equipment, where the replacement involves greater efficiency: pumps, minibars, washing equipment, heating and air-conditioning, boilers, coolers…

• Investments related to control of installations: building energy management systems, update of meters, improvements in lighting…

• Actions on building façades that represent improvements in the envelope and in insulation.

• Additionally, the Company has a CapEx line for projects that not only seeks an economic but also an environmental return. Some of these projects are: the elimination of fossil fuels and an increase in renewable energies, for example, those implemented in NH Málaga, NH Alicante, NH Ciudad de Valencia, NH Luz de Huelva, NH Collection Pódium, NH Mechelen and NH Brussels Airport that involved an investment of 200K€ and an estimated production of 350MWh/year of photovoltaic energy and an installed capacity of 275kWp.

• Under this plan, in 2022 specific energy efficiency and sustainability investment projects have been executed, such as photovoltaic installations and the replacement of boilers, that improve energy efficiency. The Company has implemented several projects, such as the BREEAM certification with the prospect of extending the number of these certifications next year.

Target reference number

Oth 2

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with customers

Other, please specify

Guest satisfaction on environmental strategy at hotel

Target denominator (intensity targets only)

Base year

2018

Figure or percentage in base year

8.25

Target year

2022

Figure or percentage in target year

8.4

Figure or percentage in reporting year

8.46

% of target achieved relative to base year [auto-calculated]

140

Target status in reporting year

Achieved

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

The company's NH UP for Planet Strategic Pillar has set targets for reducing energy, water, carbon footprint consumption or Guest satisfaction on environmental strategy at hotel.

NH Hotel Group measures customer satisfaction in terms of its sustainability management. This satisfaction is calculated on the basis of the annual number of opinions and the score of these opinions collected by the internal Review Pro tool.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

NH Hotel Group has been included in the Sustainability Yearbook 2023, published by S&P Global every year, obtaining the TOP10% most sustainable recognition within the hotel sector. This recognition is a testament to our sustainability leadership in the industry and confirms the ambition shared with Minor International, a member of the Dow Jones Sustainability Index, which tracks the economic, social and environmental performance of leading sustainability companies worldwide. To involve our customers, we use communication tools via social media, campaigns, press releases, website, emails, ... that help us to keep customers informed. We are also collaborating with OTAs to provide them with specific information on the behavior of each hotel in terms of ESG criteria, so that they can display the information in their purchase channels.

Target reference number

Oth 3

Year target was set

2021

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify

Other, please specify

Water consumption reduction (m3)

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

3,989,542

Target year

2022

Figure or percentage in target year

3,505,320

Figure or percentage in reporting year

3,505,320

% of target achieved relative to base year [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions

The company's NH UP for Planet Strategic Pillar has set targets for reducing energy, water, carbon footprint consumption or Guest satisfaction on environmental strategy at hotel.

NH Hotel Group measures customer satisfaction in terms of its sustainability management. This satisfaction is calculated on the basis of the annual number of opinions and the score of these opinions collected by the internal Quality Focus tool.

Plan for achieving target, and progress made to the end of the reporting year

List the actions which contributed most to achieving this target

Since the first Sustainability Plan was defined in 2007, water consumption saving measures have been implemented, such as the installation of aerators and consumption reduction devices in cisterns, the installation of novel water recovery and reutilization systems, the efficient procurement of devices such as dishwasher equipment in kitchens, as well as training and awareness raising in employees and the redesign of operational guidelines and actions in kitchen and housekeeping. In 2014, progressive implantation started of showers that reduce the volume of water used by 40% thanks to their savings technology. Once again, we have worked with the Aqueduct tool provided by the World Resources Institute (WRI), which allows us to identify the areas with the highest water-stress risk at world level and to monitor our portfolio located in these areas, so that we can take preventive measures if necessary. The result of the analysis is that 28% of the hotels in NH Hotel Group's portfolio are located in areas with a high water-stress level. Increased activity is directly related to increased water use. The increase is more pronounced in Southern Europe, due to the entry into operation of the New York hotel, which belongs to this business unit despite its geographical location, and has a very significant consumption. However, also in the same way, this increased activity helps to distribute the "base" consumption of the hotel activity (cleaning, filling of circuits, cooling towers, kitchen, etc.) among a larger number of RNs, which helps to reduce the ratio. The water that enters hotels for use in kitchens, cleaning, bathrooms, filling pools, etc. is disposed of through municipal sewer networks. Water consumption attributable to losses caused by evaporation of pools or fountains, irrigation or rainwater tanks and fire water is not significant.
Due to the instability of the business in 2020 and 2021 years and, therefore, the difficulty in establishing objectives based on historically behavior of the company, as an extraordinary decision the objective set for 2022 is not to exceed the consumption of 2019 (last year with comparable activity)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	
To be implemented*	4	92.3
Implementation commenced*	25	2,669.7
Implemented*	116	15,504
Not to be implemented	0	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption

Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)

37,082

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

25,241,662

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

NHHG wants to advance towards a business model that is compatible with a low-carbon economy. Attainment of this will imply accelerated and large-scale transformation. The

Company is taking a fresh step up in its ongoing efforts to spearhead climate strategy in the hotel sector. During 2019, in order to take its commitment a step further, NH HG decided to align its corporate voluntary greenhouse gas reduction targets with SBTi approving, in 2019, long-term absolute emissions target: to reduce absolute scope 1, 2, and 3 GHG emissions 20% by 2030 from a 2018 base year. In 2023, NH Hotel Group has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy. Additionally, NH Hotel Group has also set a long term target in order to achieve the net zero on 2050. Both new targets are being reviewed by the Science Based Targets initiative.

We are committed since 2013, with the Green energy purchased. In 2022 this green energy purchase avoided the emissions of 37,082 tones CO2e .

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Initiatives related with installations are approved at CAPEX Committee level. Its members are: Management Committee, CEO, CFO, COO. Also, the Sustainable Executive Committee, co-chaired by the Chief Assets and Development Officer and the Chief People and Sustainable Business Officer, is responsible for providing strategic direction for the management of ESG issues, including climate related. NH Hotel Group have an Energy Efficiency Plan, that considers all of projects that can improve energy consumption ratios in the hotels, as well as the associated costs: • Changes in equipment, where the replacement involves greater efficiency: light bulbs, minibars, washing equipment, heating and air-conditioning, boilers, coolers… • Investments related to control of installations: building energy management systems, update of meters, improvements in lighting… • Actions on building façades that represent improvements in the envelope and in insulation. • Additionally, in 2019 the Company created a new CapEx line aimed at projects where not only the economic return is sought, but also the environmental return. Some of these projects are the elimination of fossil fuels and the increase of renewable energy. During 2022, projects that improve energy efficiency have been implemented, worth 4.3 million euros.

	These energy improvements are communicated internally. This communicative action increases employee engagement. Projects related with regulatory/mandatory requirements are completed with an annual budget specially dedicated to this entry. The investments of the energy lower carbon activities are included on a different and exclusive energy efficiency budget. On top of these investments, together with the suppliers, NH Hotel Group collaborates to implement different pilots without investments for NH. Innovation is key element for Sustainability at NH Hotel Group
Dedicated budget for energy efficiency	Initiatives related with installations are approved at CAPEX Committee level. Its members are: Management Committee, CEO, CFO, COO. NH Hotel Group have an Energy Efficiency Plan, that considers all of projects that can improve energy consumption ratios in the hotels, as well as the associated costs: • Changes in equipment, where the replacement involves greater efficiency: light bulbs, minibars, washing equipment, heating and air-conditioning, boilers, coolers… • Investments related to control of installations: building energy management systems, update of meters, improvements in lighting… • Actions on building façades that represent improvements in the envelope and in insulation. • Additionally, in 2019 the Company created a new CapEx line aimed at projects where not only the economic return is sought, but also the environmental return. Some of these projects are the elimination of fossil fuels and the increase of renewable energy. During 2022, projects that improve energy efficiency have been implemented, worth 4.3 million euros. These energy improvements are communicated internally. This communicative action increases employee engagement. Projects related with regulatory/mandatory requirements are completed with an annual budget specially dedicated to this entry. The investments of the energy lower carbon activities are included on a different and exclusive energy efficiency budget. On top of these investments, together with the suppliers, NH Hotel Group collaborates to implement different pilots without investments for NH. Innovation is key element for Sustainability at NH Hotel Group
Employee engagement	NHHG knows that to achieve its sustainable commitments is crucial to involve the whole company and materialize it through the Sustainable Business Mindset. The Company has identified those key areas which have to work together and join efforts to face its ambition of being ready to operate in a decarbonized world. And whose Directives are

	also the members of the Sustainable Executive Committee. DECARBONIZATION GROUP The “SBT 2030" working group is a response to the commitment to achieve carbon neutrality by 2050. As a 1st step, NHHG will reduce its CO2 emissions by 2030 in its whole value chain. The success of the "Net zero " ambition is based on these 2030 targets validated by the SBTi and on several action levers. This working group coordination is led by the Sustainable Business Department. SUSTAINABLE EXPERIENCE GROUP Take advantage of the sustainable solutions to adapt and reinforce the NH’s value proposition. This group focuses on identifying proposals for solutions that combine sustainability and performance and to measure the benefits for guest, clients and team-members. This working group is co-led by the Human Resources and Marketing Department. RISK MANAGEMENT: The working group is responsible for identifying, assessing and mitigating potential ESG risks (including climate change) that could impact the Group’s strategy. COMMUNICATION PLAN We believe that the mindset change and awareness of social and environmental issues starts with ourselves, so we seek to motivate and encourage our team members to apply best practices in their daily work and to feel involved in the initiatives carried out by the company. We have developed a Sustainability Communication Plan, both on an internal and external level, to meet the needs of our stakeholders. To achieve the established goals, we have added a person to the team who will be responsible for maintaining the following communication channels: social networks, a specific space for news in the monthly newsletter, an internal sustainability channel, on-site talks, campaigns in the offices to raise awareness among employees and coordinate the training of hotel staff so that they can answer any questions that customers may have about the strategy.
Financial optimization calculations	Initiatives related with installations are approved at CAPEX Committee level. Its members are: Management Committee, CEO, CFO, COO. NH Hotel Group have an Energy Efficiency Plan, that considers all of projects that can improve energy consumption ratios in the hotels, as well as the associated costs: • Changes in equipment, where the replacement involves greater efficiency: light bulbs, minibars, washing equipment, heating and air-conditioning, boilers, coolers… • Investments related to control of installations: building energy management systems, update of meters, improvements in lighting… • Actions on building façades that represent improvements in the envelope and in insulation. • Additionally, in 2019 the Company created a new CapEx line aimed at projects where not only the economic return is sought, but also the

	environmental return. Some of these projects are the elimination of fossil fuels and the increase of renewable energy. During 2022, projects that improve energy efficiency have been implemented, worth 4.3 million euros. Projects related with regulatory/mandatory requirements are completed with an annual budget specially dedicated to this entry. The investments of the energy lower carbon activities are included on a different and exclusive energy efficiency budget. On top of these investments, together with the suppliers, NH Hotel Group collaborates to implement different pilots without investments for NH. Innovation is key element for Sustainability at NH Hotel Group In 2022, NH Hotel Group carried out an analysis to identify its exposure to physical and transitional risks and opportunities associated to Climate Change. For each of the climate related risks and opportunities considered in this analysis, the time frame impacts associated with each of them, which are expected to materialize in a significant way, has been assessed. The financial impact that these risks and opportunities could cause to NH Hotel Group and the effect that they could have on its business, strategy and financial planning has carried out during 2023.
Lower return on investment (ROI) specification	Initiatives related with installations are approved at CAPEX Committee level. Its members are: Management Committee, CEO, CFO, COO. NH Hotel Group have an Energy Efficiency Plan, that considers all of projects that can improve energy consumption ratios in the hotels, as well as the associated costs: • Changes in equipment, where the replacement involves greater efficiency: light bulbs, minibars, washing equipment, heating and air-conditioning, boilers, coolers… • Investments related to control of installations: building energy management systems, update of meters, improvements in lighting… • Actions on building façades that represent improvements in the envelope and in insulation. • Additionally, in 2019 the Company created a new CapEx line aimed at projects where not only the economic return is sought, but also the environmental return. Some of these projects are the elimination of fossil fuels and the increase of renewable energy.

	During 2022, projects that improve energy efficiency have been implemented, worth 4.3 million euros. These energy improvements are communicated internally. This communicative action increases employee engagement. Projects related with regulatory/mandatory requirements are completed with an annual budget specially dedicated to this entry. The investments of the energy lower carbon activities are included on a different and exclusive energy efficiency budget. On top of these investments, together with the suppliers, NH Hotel Group collaborates to implement different pilots without investments for NH. Innovation is key element for Sustainability at NH Hotel Group

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify

Hotels with green electricity purchase

Type of product(s) or service(s)

Power

Other, please specify

Green electricity purchased

Description of product(s) or service(s)

Hotels with green electricity purchase.
NH Hotel Group is highly committed to reduce its CO2 emissions in each hotel. In 2022, the consumption of renewable or green energy is available in 100% of the hotels in Spain, Italy, the Netherlands, Austria, France, Belgium, Portugal and Luxembourg, covering 64% of the total electricity consumed by hotels.

Coming years NH Hotel Group is planned to add new countries in order to boost the purchase of green electricity as a pillar to comply with the SBTi targets.
NH Hotel Group works with an Environmental and Energy Management System that favours the reduction of energy consumption and the reduction of CO2 emissions in each of the Group's certified hotels. The company has ISO 14.001 environmental management certification and ISO 50.001 energy efficiency certification for hotels with the scope of accommodation services, catering, meetings and events. In addition to these certifications, the sustainability certifications of other seals recognized by the Global Sustainable Tourism Council and BREEAM, LEED or DGNB certifications are also added.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify

Estimation emissions avoided considering scope 2 emissions location based versus scope 2 emissions market based for hotels that are not ready consuming green electricity

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Gate-to-gate

Functional unit used

tones CO2 eq

Reference product/service or baseline scenario used

Location based emissions

Life cycle stage(s) covered for the reference product/service or baseline scenario

Gate-to-gate

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

37,082

Explain your calculation of avoided emissions, including any assumptions

Estimation emissions avoided considering scope 2 emissions location based versus scope 2 emissions market based for hotels that are not ready consuming green electricity. In 2022, 187 hotels from the portfolio have consumed certified green electricity from renewable resources. These 187 hotels have not emissions for scope 2 (regarding electricity consumption), and they represent 65% of revenues and 37,082 tons of CO2eq avoided.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify

Hotels with carbon neutral Meetings and Events

Type of product(s) or service(s)

Other

Other, please specify

Carbon neutral Meetings and Events service

Description of product(s) or service(s)

With the new events proposition, NHHG calculates and offsets the carbon footprint attributed to the most relevant events held at hotels. The most relevant events are considered to be those in which, due to the number of people in attendance, the commitment could have a greater impact both among guests and society as a whole. The event's carbon footprint is calculated following the HCMI methodology, supported by the Sustainable Hospitality Alliance. As for carbon footprint offset, NHHG has worked on identifying projects that will contribute to the conservation of nature in the surroundings where it operates. This action materialized with the signing of a contract with Retree to reforest the area known as the "Valley of the Dreams" in Madrid, classed as a Biosphere Reserve since 2005. This valley, located in a highly depopulated area that has suffered serious soil degradation, had an exceptional forest ecosystem. The priority goal of creation the "NH Forest" is to contribute to the revitalization of the area, recover the ecosystem, and to create rural employment and combat climate change. The project was launched the 4Q of 2022 and the carbon footprint of 30 large events was offset, which means the neutralization of 316 tons of CO2 emitted into the atmosphere. From January 2023 to May 2023 2,807 tons have been already offset thru different projects so we estimate in 2023 whole year we will offset 6,737 tons related to Carbon Neutral Meetings and Events Project

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify

The reduction in emissions has been calculated by calculating the Scope 1 and 2 of the emission associated to Meetings and Events activity

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Gate-to-gate

Functional unit used

Tons of CO2 eq

Reference product/service or baseline scenario used

To calculate and offset the carbon footprint attributed to the most relevant events held at the hotels. The most relevant events are considered to be those in which, due to the number of people in attendance, the commitment could have a greater impact both among guests and society as a whole. From January to May 2023 2,807 tons have been already offset so we estimate that in 2023 whole year we will offset 6,737 tons

Life cycle stage(s) covered for the reference product/service or baseline scenario

Gate-to-gate

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

6,737

Explain your calculation of avoided emissions, including any assumptions

The Group's hotels strive to involve customers during their events, offering the "Ecofriendly Meetings and Events" service. This project seeks to offer value to customers through sustainable actions, focusing on the innovative attributes that improve brand perception.

As the most noteworthy examples of the project, NH Hotel Group offers EcoFriendly Meeting and Events and Sustainable Mobility services in its In its commitment to combat climate change, NH Hotel Group uses the offset of emissions as an exceptional alternative in order to meet its annual emissions targets and to give visibility to the Company's climate commitment by involving guests in it. With the new events proposition launched in the last quarter of 2022, the Company calculates and offsets the carbon footprint attributed to the most relevant events held at the hotels. The most relevant events are considered to be those in which, due to the number of people in attendance, the commitment could have a greater impact both among guests and society as a whole. The event's carbon footprint is calculated following the HCMI (Hotel Carbon Measurement Initiative) methodology, supported by the Sustainable Hospitality Alliance. From January to May 2023 2,807 tons have been already offset so we estimate that in 2023 whole year we will offset 6,737 tons

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

5

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
Row 1	No

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

49,267

Comment

NH Hotel Group's carbon footprint calculation methodology started on when the Company launched its first Environmental Plan achieving reductions of 70% in energy and 60% in Carbon emissions.
In 2019, in order to take its commitment a step further, NH HG decided to align its corporate voluntary greenhouse gas reduction targets with The Science Based targets initiative (SBTi) approving, in September 2019: to reduce absolute scope 1, 2, and 3 GHG emissions 20% by 2030 from a 2018 base year (2ºC aligned). In 2023, NH Hotel

Group has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy.
Additionally, NH Hotel Group has also set a long term target in order to achieve the net zero on 2050. Both new targets are being reviewed by the Science Based Targets initiative.

Scope 2 (location-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

96,476

Comment

NH Hotel Group's carbon footprint calculation methodology started on when the Company launched its first Environmental Plan achieving reductions of 70% in energy and 60% in Carbon emissions.
In 2019, in order to take its commitment a step further, NH HG decided to align its corporate voluntary greenhouse gas reduction targets with The Science Based targets initiative (SBTi) approving, in September 2019: to reduce absolute scope 1, 2, and 3 GHG emissions 20% by 2030 from a 2018 base year (2ºC aligned). In 2023, NH Hotel Group has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy.
Additionally, NH Hotel Group has also set a long term target in order to achieve the net zero on 2050. Both new targets are being reviewed by the Science Based Targets initiative.

Scope 2 (market-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

32,769

Comment

NH Hotel Group's carbon footprint calculation methodology started on when the Company launched its first Environmental Plan achieving reductions of 70% in energy and 60% in Carbon emissions.
In 2019, in order to take its commitment a step further, NH HG decided to align its corporate voluntary greenhouse gas reduction targets with The Science Based targets initiative (SBTi) approving, in September 2019: to reduce absolute scope 1, 2, and 3 GHG emissions 20% by 2030 from a 2018 base year (2ºC aligned). In 2023, NH Hotel Group has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy.
Additionally, NH Hotel Group has also set a long term target in order to achieve the net zero on 2050. Both new targets are being reviewed by the Science Based Targets initiative.

Scope 3 category 1: Purchased goods and services

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

237,613

Comment

NH HG decided to align its corporate voluntary greenhouse gas reduction targets with The Science Based targets initiative (SBTi) approving, in September 2019: to reduce absolute scope 1, 2, and 3 GHG emissions 20% by 2030 from a 2018 base year (2ºC aligned). In 2023, NH Hotel Group has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy.
Additionally, NH Hotel Group has also set a long term target in order to achieve the net zero on 2050. Both new targets are being reviewed by the Science Based Targets initiative.

Scope 3 category 2: Capital goods

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

58,802

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

9,025

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

3,042

Comment

Scope 3 category 5: Waste generated in operations

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

606

Comment

Scope 3 category 6: Business travel

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

17,322

Comment

Scope 3 category 7: Employee commuting

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

9,455

Comment

Scope 3 category 8: Upstream leased assets

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

26,946

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

0

Comment

NH does not offer tangible products, so this category is not relevant

Scope 3 category 10: Processing of sold products

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

0

Comment

NH does not offer tangible products, so this category is not relevant

Scope 3 category 11: Use of sold products

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

0

Comment

NH does not offer products, so this category is not relevant

Scope 3 category 12: End of life treatment of sold products

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

0

Comment

NH does not offer tangible products, so this category is not relevant

Scope 3 category 13: Downstream leased assets

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

0

Comment

There are no company-owned assets leased to other entities in the year of the report not included in Scope 1 and 2

Scope 3 category 14: Franchises

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

1,905

Comment

Emissions due to the operation of franchised hotels.

Scope 3 category 15: Investments

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO2e)

0

Comment

Since NH does not have holdings of less than 50%, this category is not relevant.

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

44,329

Start date

January 1, 2022

End date

December 31, 2022

Comment

In 2019 NHHG establishes emission reduction targets scientifically validated by SBTi. formalizing its commitment to reduce its emissions throughout its value chain by 20% by 2030 (2º aligned). In 2023, NH Hotel Group has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy. Additionally, NH Hotel Group has also set a long term target in order to achieve the net zero on 2050. Both new targets are being reviewed by the Science Based Targets initiative.

The Company's efforts to combat climate change are part of the "2030 SBT Commitment Plan" which sets out the levers of action to comply with the SBTi goal .
- Control and monitoring
- Energy efficiency
- Emission offset strategy
- Carbon analysis in development projects

In accordance with the commitment carbon footprint reductions have been analyzed and NHHG worked on the annualization of this objective so that, by 2022, it set a target of a -3.5% reduction in emissions with respect to the actual emissions in 2021. At the end of this financial year, this target had been achieved by acting on four of the levers of action of the SBT 2030 Plan (control and monitoring, energy efficiency, purchase of green energy and compensation strategy).
The scopes selected may change slightly annually as the hotel portfolio changes with new hotels that are included/excluded of the portfolio, therefore the scope Consolidation criteria does not mean like for like.
Consolidation hotel number Dec. 2019: 306 Available rooms: 47,174
Consolidation hotel number Dec. 2020: 306 Available rooms: 47,827
Consolidation hotel number Dec. 2021: 300 Available rooms: 48,786
Consolidation hotel number Dec. 2022: 298 Available rooms: 47,744

NHHG's emissions are calculated according to the Greenhouse Gas Protocol "A Corporate Accounting and Reporting Standard (Revised Edition)", using the operational control approach, and its supplement Corporate Value Chain (Scope 3) Standard.
Direct GHG Scope 1 emissions come from sources owned by the Company or under its control (natural gas, LPG, propane, diesel and biomass).

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

41,673

Start date

January 1, 2021

End date

December 31, 2021

Comment

Respect to what reported last year, the figures for 2021 has been recalculated due to adjustments in the calculation of emissions from a hotel that left the portfolio in 2022.

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

33,650

Start date

January 1, 2020

End date

December 31, 2020

Comment

The exceptional and irregular operating conditions of the hotels since March 2020 and throughout the rest of the year are reflected in NH Hotel Group's carbon footprint data. Absolute emissions decrease in all scopes due to the decrease in activity, an consequently in consumption, however the emissions ratio increases due to the drastic decrease in occupancy (RN).

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

50,301

Start date

January 1, 2019

End date

December 31, 2019

Comment

C6.2

(C6.2) Describe your organization’s approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

As commented the previous year response, NH Hotel Group is measuring both Scope 2 emissions: market-based and location-based method.

C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

81,569

Scope 2, market-based (if applicable)

44,487

Start date

January 1, 2022

End date

December 31, 2022

Comment

In 2019 NHHG establishes emission reduction targets scientifically validated by SBTi. formalizing its commitment to reduce its emissions throughout its value chain by 20% by 2030 (2º aligned). In 2023, NH Hotel Group has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy. Additionally, NH Hotel Group has also set a long term target in order to achieve the net zero on 2050. Both new targets are being reviewed by the Science Based Targets initiative.
The Company's efforts to combat climate change are part of the "2030 SBT Commitment Plan" which sets out the levers of action to comply with the SBTi goal .
- Control and monitoring
- Energy efficiency
- Emission offset strategy
- Carbon analysis in development projects
In accordance with the commitment carbon footprint reductions have been analyzed and NHHG worked on the annualization of this objective so that, by 2022, it set a target of a -3.5% reduction in emissions with respect to the actual emissions in 2021. At the end of this financial year, this target had been achieved by acting on four of the levers of action of the SBT 2030 Plan (control and monitoring, energy efficiency, purchase of green energy and compensation strategy).
The scopes selected may change slightly annually as the hotel portfolio changes with new hotels that are included/excluded of the portfolio, therefore the scope Consolidation criteria does not mean like for like.
Consolidation hotel number Dec. 2019: 306 Available rooms: 47,174
Consolidation hotel number Dec. 2020: 306 Available rooms: 47,827
Consolidation hotel number Dec. 2021: 300 Available rooms: 48,786
Consolidation hotel number Dec. 2022: 298 Available rooms: 47,744

NHHG's emissions are calculated according to the Greenhouse Gas Protocol "A Corporate Accounting and Reporting Standard (Revised Edition)", using the operational control approach, and its supplement Corporate Value Chain (Scope 3) Standard.
Direct GHG Scope 1 emissions come from sources owned by the Company or under its control (natural gas, LPG, propane, diesel and biomass).

Past year 1

Scope 2, location-based

89,015

Scope 2, market-based (if applicable)

46,872

Start date

January 1, 2021

End date

December 31, 2021

Comment

Past year 2

Scope 2, location-based

58,002

Scope 2, market-based (if applicable)

30,034

Start date

January 1, 2020

End date

December 31, 2020

Comment

The exceptional and irregular operating conditions of the hotels since March 2020 and throughout the rest of the year are reflected in NH Hotel Group's carbon footprint data. Absolute emissions decrease in all scopes due to the decrease in activity, an consequently in consumption, however the emissions ratio increases due to the drastic decrease in occupancy (RN).
In 2019 NH Hotel Group became the first Spanish hotel company to establish emission reduction targets that have been scientifically validated by the Science Based Targets initiative (SBTi) – the leading alliance and driving force in the business sector against climate change with the participation of CDP, the UN Global Compact, World Resources Institute and Worldwide Fund for Nature. In doing so, NH Hotel Group formalises its commitment to reduce its carbon emissions throughout its value chain by 20% by 2030, thus avoiding the emission of more than 70,000 metric tons of CO2 into the atmosphere. Setting this target marks out NH Hotel Group’s roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 2ºC, and join the efforts being made globally towards the transition to a lowcarbon economy. In 2023, NH Hotel Group has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG’s roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy. NH Hotel Group is committed

to reducing its carbon emissions across its value chain by 2030. In addition, NH Hotel Group has also set a long-term target to reach net zero by 2050. Both targets are being reviewed by the Science Based Targets initiative and this is why the reduction percentage is not published yet.

Past year 3

Scope 2, location-based

99,172

Scope 2, market-based (if applicable)

50,940

Start date

January 1, 2019

End date

December 31, 2019

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

169,386

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Indirect emissions from products and services purchased by NH have been calculated through an economic input/output analysis using , on the one hand, the financial data from NH for the reference period (calendar year 2022) and, on the other hand, the emission factors obtained from the division between the annual production of the Spanish input output tables and their annual sectoral emissions, from which the amount of emissions produced for each euro of NH spent on suppliers is extracted.
The annual volume of purchases of the Group in 2022 amounted to more than 554.5 M€, with more than 12,532 suppliers. This represents 78.5 % share of total emissions

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

18,679

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Indirect emissions from capital goods investments by NH have been calculated through an economic input/output analysis using, on the one hand, the financial data from NH for the reference period (calendar year 2022) and, on the other hand, the emission factors obtained from the division between the annual production of the Spanish input output tables and their annual sectoral emissions, from which the amount of emissions produced for each euro of NH investment on suppliers is extracted.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2,711

Emissions calculation methodology

Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The energy activity data used are stationary combustion, mobile combustion and electricity consumption separated into three activities, following the GHG Protocol standard calculation guidelines:
1) "Well to Tank" emissions from fossil fuels
(2) "Well to Tank" emissions from purchased electricity
(3) Emissions due to generation and transmission distribution of purchased electricity
For the calculation of (1) we have used the relevant emission factors from DEFRA 2022.
For (2), since it is 100% renewable energy, only its biomass component will have associated emissions in this category, and we have used the appropriate emission factor from DEFRA 2022. Point (3) is not relevant since the energy is 100% renewable and there are no emissions in the generation of electricity or in its transmission and distribution. The emissions derived from the production of fuels and energy purchased and consumed by the company are the third most relevant source of emission for the Group's activity.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

3,200

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Indirect emissions from Upstream transportation and distribution in 2022 have been calculated through an economic input/output analysis using, on the one hand, the NH spent on the NACE sector associated to truck transportation and, on the other hand, the emission factors obtained from the division between the annual production of the Spanish input output tables and their annual sectoral emissions for that sector, from which the amount of emissions produced for each euro of NH investment on suppliers is extracted.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

345

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

7

Please explain

Includes emissions from the deposit and treatment of waste generated by NH in its operations in the reporting year. This category includes both solid waste and wastewater. For the calculation, we used the relevant emission factors from the DEFRA 2022 database. Waste generated in operations should include emissions from third-party disposal and treatment of waste generated in the reporting company's owned or controlled operations in the reporting year.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,320

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

For the calculation, we used the relevant emission factors from the DEFRA 2022 database. (DEFRA (2022) Business Travel - Air, Short-Haul, Average Passenger and DEFRA 2022, Passenger vehicles, average car unknown fuel).

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

9,253

Emissions calculation methodology

Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Non-public transport emissions factor is estimated assuming that 60% of them use an Unknown car with an unknown fuel, 5% use a motorbike with an unknown sized engine and 35% use non-emission transport (based on sourced graph) (DEFRA 2022). Public

transport emissions factor is estimated assuming that Assumes 70% use a bus, 30% use National rail. (DEFRA 2022).

Upstream leased assets

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

10,613

Emissions calculation methodology

Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Upstream leased assets include emissions from the operation of assets that are leased by the reporting company in the reporting year and not already included in the reporting company's scope 1 or scope 2 inventories.
This value is calculated with primary data same methodology than hotels included in Scope 1 and 2. For those few where information is not available then, calculation is done, based on average results from emissions (Scope 1 and 2) per m2 according to each region.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

Downstream transportation and distribution include emissions that occur in the reporting year from transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting company.
NH Hotel Group provides services within the hotel: hotel management, accommodation and restoration services, events and conventions. Therefore, this category does not apply.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Processing of sold products includes emissions from processing of sold intermediate products by third parties (e.g., manufacturers) subsequent to sale by the reporting

company. Intermediate products are products that require further processing, transformation, or inclusion in another product before use, and therefore result in emissions from processing subsequent to sale by the reporting company and before use by the end consumer. Emissions from processing should be allocated to the intermediate product. (ii) NH Hotel Group provides hospitality services: hotel management, accommodation and restoration services, events and conventions. Therefore, NH Hotel Group does not consider processing of sold products as relevant.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

(i) Processing of sold products includes emissions from processing of sold intermediate products by third parties (e.g., manufacturers) subsequent to sale by the reporting company. Intermediate products are products that require further processing, transformation, or inclusion in another product before use, and therefore result in emissions from processing subsequent to sale by the reporting company and before use by the end consumer. Emissions from processing should be allocated to the intermediate product. (ii) NH Hotel Group provides hospitality services: hotel management, accommodation and restoration services, events and conventions. Therefore, NH Hotel Group does not consider processing of sold products as relevant.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

(i) End of life treatment of sold products include emissions from the use of goods and services sold by the reporting company in the reporting year. (i) A reporting company's scope 3 emissions from use of sold products include the scope 1 and scope 2 emissions of end users. End users include both consumers and business customers that use final products. (ii) NH Hotel Group does not consider any sold products as part of its operations, neither the end of life of sold products.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

(i) Downstream leased assets includes emissions from the operation of assets that are owned by the reporting company (acting as lessor) and leased to other entities in the reporting year that are not already included in scope 1 or scope 2. (ii) NH Hotel Group does not consider downstream leased assets as relevant.

Franchises

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

277

Emissions calculation methodology

Franchise-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

i) Franchises include emissions from the operation of franchises not included in scope 1 or scope 2. A franchise is a business operating under a license to sell or distribute another company's goods or services within a certain location. (ii) NH Hotel Group operates its hotels under different agreements, most franchised hotels are included in Scope 1 & 2. Out of these calculations franchised hotels out of Scopes 1&2 represents only 2.17% form the portfolio. We consider this amount not relevant

Investments

Evaluation status

Not relevant, explanation provided

Please explain

(i) This category includes scope 3 emissions associated with the reporting company's investments in the reporting year, not already included in scope 1 or scope 2. This category is applicable to investors (i.e., companies that make an investment with the objective of making a profit) and companies that provide financial services. (ii) This category does not apply for NH Hotel Group as we include emissions form its investments as its own emissions, added in the Scopes 1 & 2.

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date

January 1, 2021

End date

December 31, 2021

Scope 3: Purchased goods and services (metric tons CO2e)

57,274

Scope 3: Capital goods (metric tons CO2e)

38,665

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

11,853

Scope 3: Upstream transportation and distribution (metric tons CO2e)

809

Scope 3: Waste generated in operations (metric tons CO2e)

265

Scope 3: Business travel (metric tons CO2e)

4,109

Scope 3: Employee commuting (metric tons CO2e)

9,607

Scope 3: Upstream leased assets (metric tons CO2e)

14,947

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

277

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

In 2023, NH Hotel Group has worked on the re-target to align with 1.5ºC. This target marks NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set in the Paris Agreement to limit the global temperature increase to less than 1.5ºC, and to join the efforts being made globally towards the transition to a low-carbon economy. During the re-target process we recalculated the Scope 3 emissions data for the years 2022, 2021, 2020 and 2019 due to an update in emissions factors that apply to the NH Hotel Group's scope 3 categories. Due to this change the data was updated for all the previous years in the current questionnaire and differs from what reported previously in the NH Hotel Group Consolidated Non Financial Information Statements of 2019, 2020, 2021 and 2022

Past year 2

Start date

January 1, 2020

End date

December 31, 2020

Scope 3: Purchased goods and services (metric tons CO2e)

61,241

Scope 3: Capital goods (metric tons CO2e)

19,731

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

18,361

Scope 3: Upstream transportation and distribution (metric tons CO2e)

647

Scope 3: Waste generated in operations (metric tons CO2e)

288

Scope 3: Business travel (metric tons CO2e)

1,129

Scope 3: Employee commuting (metric tons CO2e)

9,455

Scope 3: Upstream leased assets (metric tons CO2e)

8,292

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

377

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

In 2023, NH Hotel Group has worked on the re-target to align with 1.5ºC. This target marks NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set in the Paris Agreement to limit the global temperature increase to less than 1.5ºC, and to join the efforts being made globally towards the transition to a low-carbon economy. During the re-target process we recalculated the Scope 3 emissions data for the years 2022, 2021, 2020 and 2019 due to an update in emissions factors that apply to the NH Hotel Group's scope 3 categories. Due to this change the data was updated for all the previous years in the current questionnaire and differs from what reported previously in the NH Hotel Group Consolidated Non Financial Information Statements of 2019, 2020, 2021 and 2022

Past year 3

Start date

January 1, 2019

End date

December 31, 2019

Scope 3: Purchased goods and services (metric tons CO2e)

198,011

Scope 3: Capital goods (metric tons CO2e)

51,621

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

12,453

Scope 3: Upstream transportation and distribution (metric tons CO2e)

2,920

Scope 3: Waste generated in operations (metric tons CO2e)

710

Scope 3: Business travel (metric tons CO2e)

3,430

Scope 3: Employee commuting (metric tons CO2e)

9,924

Scope 3: Upstream leased assets (metric tons CO2e)

23,531

Scope 3: Downstream transportation and distribution (metric tons CO2e)

Scope 3: Processing of sold products (metric tons CO2e)

Scope 3: Use of sold products (metric tons CO2e)

Scope 3: End of life treatment of sold products (metric tons CO2e)

Scope 3: Downstream leased assets (metric tons CO2e)

Scope 3: Franchises (metric tons CO2e)

1,615

Scope 3: Investments (metric tons CO2e)

Scope 3: Other (upstream) (metric tons CO2e)

Scope 3: Other (downstream) (metric tons CO2e)

Comment

In 2023, NH Hotel Group has worked on the re-target to align with 1.5ºC. This target marks NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set in the Paris Agreement to limit the global temperature increase to less than 1.5ºC, and to join the efforts being made globally towards the transition to a low-carbon economy. During the re-target process we recalculated the Scope 3 emissions data for the years 2022, 2021, 2020 and 2019 due to an update in emissions factors that apply to the NH Hotel Group's scope 3 categories. Due to this change the data was updated for all the previous years in the current questionnaire and differs from what reported previously in the NH Hotel Group Consolidated Non Financial Information Statements of 2019, 2020, 2021 and 2022

C-CN6.6/C-RE6.6

(C-CN6.6/C-RE6.6) Does your organization assess the life cycle emissions of new construction or major renovation projects?

	Assessment of life cycle emissions	Comment
Row 1	No, but we plan to for upcoming projects	NH, in line with the new Environmental and Climate Change (https://www.nh-hotels.com/en/corporate/shareholders-and-investors/corporate-governance), works on the application of innovative energy efficiency technologies and prioritizes the use of renewable energy sources, aiming to reduce the emissions generated by its buildings. The company has an Eco-efficient Hotel Guide. Which details the requirements to be implemented to design and build NH hotels. The Eco-efficient Hotel Guide is applicable to all brands under which NH Hotel Group operates. At the same time, it will support sustainable growth. It will be a transition combining the economy and low carbon, contributing to the sustainability of the destinations where our business activities take place. NH Hotel Group hotels have an ISO 14001 and the ISO 50001 system certified for accommodation, restaurants, meetings and events services. In 2022 and first semester of 2023, 173 hotels achieved certifications as: BREEAM, LEED, DGNB, Green Key, Hoteles Más Verdes, ISO 14001, ISO 50001 or Biosphere. Thanks to this initiative, NH Group has improved its positioning in the market. Thanks to the flexibility of the business model which is constantly adapting to external conditions and opportunities we should consider the impact of this identified risk, neutral to NH Hotel Group's business model. The aim is to have an increasingly significant volume of hotels with globally recognized environmental certifications, specific to the tourism sector, and approved by the Global Sustainable Tourism Council. In addition, establish emission reduction targets that have been scientifically validated by the Science Based Targets initiative (SBTi), force to NH Hotel Group to work with suppliers to find new technology to achieve the target, to

		join worldwide efforts towards the transition to a low-carbon economy and to manage, develop or construct net zero carbon buildings. Committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world, NH Hotel Group has set climate related targets per department. Because of that, the Projects, Construction and Engineering department has started a project to achieve BREEAM certification in three new y NH Hotel Group's properties during 2022.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0085

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

88,816

Metric denominator

room night produced

Metric denominator: Unit total

10,367,534

Scope 2 figure used

Market-based

% change from previous year

43.3

Direction of change

Decreased

Reason(s) for change

Change in renewable energy consumption

Other emissions reduction activities

Other, please specify

Increase of business activity in terms of room nights

Please explain

NH Hotel Group has an Energy Efficiency Plan, which groups together “energy efficiency” projects, considering all those that can improve energy consumption in the hotels, as well as the associated costs:
o Changes in equipment, where the replacement involves greater efficiency: pumps, minibars, washing equipment, heating and air-conditioning, boilers, coolers…
o Investments related to control of installations: building energy management systems, update of meters, improvements in lighting…
o Actions on building façades that represent improvements in the envelope and in insulation.
o Additionally, the Company has a CapEx line for projects that not only seeks an economic but also an environmental return. Some of these projects are: the elimination of fossil fuels and an increase in renewable energies, for example, those implemented in NH Málaga, NH Alicante, NH Ciudad de Valencia, NH Luz de Huelva, NH Collection Pódium, NH Mechelen and NH Brussels Airport that involved an investment of 200K€ and an estimated production of 350MWh/year of photovoltaic energy and an installed capacity of 275kWp.
Under this plan, in 2022 specific energy efficiency and sustainability investment projects have been executed, such as photovoltaic installations and the replacement of boilers, that improve energy efficiency. The Company has implemented several projects, such as the BREEAM certification with the prospect of extending the number of these certifications next year.
In terms of intensity figure, 2022 was marked by a higher activity resulting from the recovery after the restrictions applied during the pandemic, makes the room night ratio present deviations compared to those of 2021.

Intensity figure

0.000052

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

88,816

Metric denominator

unit total revenue

Metric denominator: Unit total

1,722,357,000

Scope 2 figure used

Market-based

% change from previous year

61

Direction of change

Decreased

Reason(s) for change

Change in revenue

Please explain

NH Hotel Group has an Energy Efficiency Plan, which groups together “energy efficiency” projects, considering all those that can improve energy consumption in the hotels, as well as the associated costs:
o Changes in equipment, where the replacement involves greater efficiency: pumps, minibars, washing equipment, heating and air-conditioning, boilers, coolers…
o Investments related to control of installations: building energy management systems, update of meters, improvements in lighting…
o Actions on building façades that represent improvements in the envelope and in insulation.
o Additionally, the Company has a CapEx line for projects that not only seeks an economic but also an environmental return. Some of these projects are: the elimination of fossil fuels and an increase in renewable energies, for example, those implemented in NH Málaga, NH Alicante, NH Ciudad de Valencia, NH Luz de Huelva, NH Collection Pódium, NH Mechelen and NH Brussels Airport that involved an investment of 200K€ and an estimated production of 350MWh/year of photovoltaic energy and an installed capacity of 275kWp.
Under this plan, in 2022 specific energy efficiency and sustainability investment projects have been executed, such as photovoltaic installations and the replacement of boilers, that improve energy efficiency. The Company has implemented several projects, such as the BREEAM certification with the prospect of extending the number of these certifications next year.
In terms of intensity figure, 2022 was marked by a higher activity and revenues resulting from the recovery after the restrictions applied during the pandemic, makes the room night ratio present deviations compared to those of 2021.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)

Belgium	2,817
France	446
Luxembourg	187
Netherlands	10,713
United Kingdom of Great Britain and Northern Ireland	696
Germany	4,557
Austria	0
Romania	103
Hungary	1,106
Switzerland	162
Italy	8,205
Argentina	1,598
Chile	352
Mexico	1,079
Uruguay	151
Spain	8,913
Ecuador	343
Colombia	972
Portugal	908
Czechia	651
Brazil	42
Denmark	0
United States of America	328

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
AMERICA	4,606
Northern Europe	21,101
Southern Europe	18,622

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Belgium	1,014	0
France	234	0
Luxembourg	154	0
Netherlands	18,501	2,119
United Kingdom of Great Britain and Northern Ireland	873	873
Germany	24,653	24,653
Austria	3,196	2,624
Romania	115	115
Hungary	1,199	1,199
Switzerland	22	22
Italy	11,365	881
Argentina	2,564	2,564
Chile	757	757
Mexico	4,489	4,489
Uruguay	61	61
Spain	7,423	259
Portugal	1,425	523
Colombia	1,093	1,093
Ecuador	70	70
Brazil	72	72
Czechia	904	904
Denmark	684	508
United States of America	701	701

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
AMERICA	9,106	9,106
Northern Europe	51,314	33,017
Southern Europe	21,148	2,364

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Remained the same overall

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	NH Hotel Group is commitment to reduce its carbon emission through its value chain by 2030, and to achieve Net Zero by 2050 (both targets are under review by the SBTi). Additionally, the Company is committed to renewable energy and contract this type of energy and reinforce energy efficiency in the hotels. In 2022, hotels located in Belgium have been added to the hotels located in countries that are consuming green electricity already. It has contributed to decrease our scope 2 emissions comparing with 2021 although the business activity has been much higher than 2021.

Other emissions reduction activities	0	No change	0	Regarding other emissions reduction activities, there have not been any changes during the reporting period. Therefore, this has not impacted our Scope 1+2.year. It has begun to the Science Based Target initiative
Divestment	0	No change	0	Although in 2022, some hotels left the Group, they were not included on the portfolio. Therefore, this has not impacted our Scope 1+2 year.
Acquisitions	0	No change	0	Although in 2022, some hotels joined the Group, they were not included on the portfolio. Therefore, this has not impacted our Scope 1+2 year
Mergers	0	No change	0	Regarding mergers, there have not been any changes during the reporting period. Therefore, this has not impacted our Scope 1+2 year.
Change in output	0	No change	0	Regarding changes in outputs, there have not been any changes during the reporting period. Therefore, this has not impacted our Scope 1+2 year.
Change in methodology	0	No change	0	Regarding changes in methodology, there have not been any changes during the reporting period. Therefore, this has not impacted our Scope 1+2 year.
Change in boundary	0	No change	0	Regarding changes in boundary, there have not been any changes during the reporting period. Therefore, this has not impacted our Scope 1+2 year
Change in physical operating conditions	0	No change	0	Weather conditions were extreme affecting the need for cooling in summer due heat wave in southern european countries, and affecting the need for heating in winter for northern european countries.
Unidentified	0	No change		Regarding unidentified matters, there have not been any changes during the reporting period. Therefore, this has not impacted our Scope 1+2.year.

Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 15% but less than or equal to 20%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh

Consumption of fuel (excluding feedstock)	LHV (lower heating value)	322.3	218,733.82	219,798.7
Consumption of purchased or acquired electricity		172,293.8	96,639.95	268,933.76
Consumption of purchased or acquired heat			48,402.34	48,402.34
Consumption of purchased or acquired cooling			2,719.54	2,719.54
Total energy consumption		17,261,611	366,495.65	539,111.76

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

LHV

Total fuel MWh consumed by the organization

322.3

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

322.3

Comment

Certified

Other biomass

Heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Coal

Heating value

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

Comment

Oil

Heating value

LHV

Total fuel MWh consumed by the organization

2,124.69

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

2,124.69

Comment

Gas

Heating value

LHV

Total fuel MWh consumed by the organization

210,777.55

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

210,777.55

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

LHV

Total fuel MWh consumed by the organization

5,831.58

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

5,831.58

Comment

LPG and Propane

Total fuel

Heating value

LHV

Total fuel MWh consumed by the organization

219,056.12

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

219,056.12

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption

Austria

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Most solar and wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

5,590.64

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Austria

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

Comment

NH Hotel Group is highly committed to the use of green energy, which allows it to reduce its CO2 emissions in each hotel. NH considers contracting green energy as a critical element to reduce the carbon footprint of its operations. Because of it, in 2022, all hotels located in Austria, Belgium, Denmark, France, Italy, Luxembourg, Portugal, Spain, and the Netherland are consuming electricity from renewable resources which means 100% of total energy consumed in southern Europe and 64% of total electricity consumed worldwide has come from a renewable certified source.
Coming years NH Hotel Group is planned to add new countries in order to boost the purchase of green electricity as a pillar to comply with the SBTi targets.
NH Hotel Group is commitment to reduce its carbon emission through its value chain by 20% by 2030, and therefore the Company is committed to renewable energy and contract this type of energy and reinforce energy efficiency in the hotels. In 2023, the Group aimed at retargeting it to align with the global ambitions of keeping the temperature increase below 1.5 ºC. Currently the new target to 2030 and Net Zero to 2050 are being reviewed by SBTi

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Country/area of low-carbon energy consumption

Belgium

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Most solar and wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

9,719.25

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Belgium

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2022

Comment

NH Hotel Group is highly committed to the use of green energy, which allows it to reduce its CO2 emissions in each hotel. NH considers contracting green energy as a critical element to reduce the carbon footprint of its operations. Because of it, in 2022, all hotels located in Austria, Belgium, Denmark, France, Italy, Luxembourg, Portugal, Spain, and the Netherland are consuming electricity from renewable resources which means 100% of total energy consumed in southern Europe and 64% of total electricity consumed worldwide has come from a renewable certified source.
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Country/area of low-carbon energy consumption

Denmark

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Most solar and wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

1,948.24

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Denmark

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2022

Comment

NH Hotel Group is highly committed to the use of green energy, which allows it to reduce its CO2 emissions in each hotel. NH considers contracting green energy as a critical element to reduce the carbon footprint of its operations. Because of it, in 2022, all hotels located in Austria, Belgium, Denmark, France, Italy, Luxembourg, Portugal, Spain, and the Netherland are consuming electricity from renewable resources which means 100% of total energy consumed in southern Europe and 64% of total electricity consumed worldwide has come from a renewable certified source.
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Country/area of low-carbon energy consumption

France

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Most solar and wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

3,865.78

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

France

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

Comment

NH Hotel Group is highly committed to the use of green energy, which allows it to reduce its CO2 emissions in each hotel. NH considers contracting green energy as a critical element to reduce the carbon footprint of its operations. Because of it, in 2022, all hotels located in Austria, Belgium, Denmark, France, Italy, Luxembourg, Portugal, Spain, and the Netherland are consuming electricity from renewable resources which means 100% of total energy consumed in southern Europe and 64% of total electricity consumed worldwide has come from a renewable certified source.
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Country/area of low-carbon energy consumption

Italy

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Most solar and wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

54,816.51

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Italy

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2013

Comment

NH Hotel Group is highly committed to the use of green energy, which allows it to reduce its CO2 emissions in each hotel. NH considers contracting green energy as a critical element to reduce the carbon footprint of its operations. Because of it, in 2022, all hotels located in Austria, Belgium, Denmark, France, Italy, Luxembourg, Portugal, Spain, and the Netherland are consuming electricity from renewable resources which means 100% of total energy consumed in southern Europe and 64% of total electricity consumed worldwide has come from a renewable certified source.
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Country/area of low-carbon energy consumption

Luxembourg

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Most solar and wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

678.62

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Luxembourg

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2013

Comment

NH Hotel Group is highly committed to the use of green energy, which allows it to reduce its CO2 emissions in each hotel. NH considers contracting green energy as a critical element to reduce the carbon footprint of its operations. Because of it, in 2022, all hotels located in Austria, Belgium, Denmark, France, Italy, Luxembourg, Portugal, Spain, and the Netherland are consuming electricity from renewable resources which means 100% of total energy consumed in southern Europe and 64% of total electricity consumed worldwide has come from a renewable certified source.
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Country/area of low-carbon energy consumption

Portugal

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Most solar and wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

7,371.32

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Portugal

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2021

Comment

NH Hotel Group is highly committed to the use of green energy, which allows it to reduce its CO2 emissions in each hotel. NH considers contracting green energy as a critical element to reduce the carbon footprint of its operations. Because of it, in 2022, all hotels located in Austria, Belgium, Denmark, France, Italy, Luxembourg, Portugal, Spain, and the Netherland are consuming electricity from renewable resources which means 100% of total energy consumed in southern Europe and 64% of total electricity consumed worldwide has come from a renewable certified source.
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Country/area of low-carbon energy consumption

Spain

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Most solar and wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

61,085.01

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Spain

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2013

Comment

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Country/area of low-carbon energy consumption

Netherlands

Sourcing method

Retail supply contract with an electricity supplier (retail green electricity)

Energy carrier

Electricity

Low-carbon technology type

Low-carbon energy mix, please specify

Most solar and wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

27,218.44

Tracking instrument used

GO

Country/area of origin (generation) of the low-carbon energy or energy attribute

Netherlands

Are you able to report the commissioning or re-powering year of the energy generation facility?

Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

2013

Comment

NH Hotel Group is highly committed to the use of green energy, which allows it to reduce its CO2 emissions in each hotel. NH considers contracting green energy as a critical element to reduce the carbon footprint of its operations. Because of it, in 2022, all hotels located in Austria, Belgium, Denmark, France, Italy, Luxembourg, Portugal, Spain, and the Netherland are consuming electricity from renewable resources which means 100% of total energy consumed in southern Europe and 64% of total electricity consumed worldwide has come from a renewable certified source.
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C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Argentina

Consumption of purchased electricity (MWh)

9,303.2

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

9,303.2

Country/area

Austria

Consumption of purchased electricity (MWh)

5,590.6

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

6,348.16

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

11,938.76

Country/area

Belgium

Consumption of purchased electricity (MWh)

9,719.3

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

9,719.3

Country/area

Brazil

Consumption of purchased electricity (MWh)

583.2

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

583.2

Country/area

Chile

Consumption of purchased electricity (MWh)

3,328.4

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3,328.4

Country/area

Colombia

Consumption of purchased electricity (MWh)

8,191.1

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

8,191.1

Country/area

Czechia

Consumption of purchased electricity (MWh)

2,290.8

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2,290.8

Country/area

France

Consumption of purchased electricity (MWh)

3,865.8

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3,865.8

Country/area

Germany

Consumption of purchased electricity (MWh)

46,978.3

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

30,426.34

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

77,404.64

Country/area

Denmark

Consumption of purchased electricity (MWh)

1,948.2

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

976.23

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2,924.43

Country/area

Hungary

Consumption of purchased electricity (MWh)

5,273.4

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

846.78

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

6,120.18

Country/area

Italy

Consumption of purchased electricity (MWh)

54,816.5

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

2,683.64

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

57,500.14

Country/area

Luxembourg

Consumption of purchased electricity (MWh)

678.6

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

678.6

Country/area

Mexico

Consumption of purchased electricity (MWh)

13,073

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

13,073

Country/area

Netherlands

Consumption of purchased electricity (MWh)

27,218.4

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

7,186.61

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

34,405.01

Country/area

Portugal

Consumption of purchased electricity (MWh)

7,371.3

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

1,773.52

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

9,144.82

Country/area

Romania

Consumption of purchased electricity (MWh)

465.2

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

465.2

Country/area

Spain

Consumption of purchased electricity (MWh)

61,085

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

880.6

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

61,965.6

Country/area

Switzerland

Consumption of purchased electricity (MWh)

1,016.1

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

1,016.1

Country/area

Ireland

Consumption of purchased electricity (MWh)

2,786.5

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2,786.5

Country/area

United States of America

Consumption of purchased electricity (MWh)

2,080

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2,080

Country/area

Uruguay

Consumption of purchased electricity (MWh)

724.3

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

724.3

Country/area

Ecuador

Consumption of purchased electricity (MWh)

546.6

Consumption of self-generated electricity (MWh)

0

Consumption of purchased heat, steam, and cooling (MWh)

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

546.6

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Other, please specify

Water usage

Metric value

3,505,320

Metric numerator

m3

Metric denominator (intensity metric only)

10,367,534

% change from previous year

24.5

Direction of change

Decreased

Please explain

Parallel to what is happening with energy consumption, increased activity is directly related to increased water use. The increase is more pronounced in Southern Europe, due to the entry into operation of the New York hotel, which belongs to this business unit despite its geographical location, and has a very significant consumption.
However, also in the same way, this increased activity helps to distribute the "base" consumption of the hotel activity (cleaning, filling of circuits, cooling towers, kitchen, etc.) among a larger number of room nights, which helps to reduce the ratio.
The water that enters hotels for use in kitchens, cleaning, bathrooms, filling pools, etc. is disposed of through municipal sewer networks. Water consumption attributable to losses caused by evaporation of pools or fountains, irrigation or rainwater tanks and fire

water is not significant.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	No	NH Hotel Group runs a Plan where Company's buildings Energy Efficiency is a priority. To achieve this objective, in 2022 the group invested 4.3M€ in projects for sustainability reasons and designed a new investments line where environmental returns played a major role. In addition, establish emission reduction targets that have been scientifically validated by the Science Based Targets initiative (SBTi), force to NH Hotel Group to work with suppliers to find new technology to achieve the target and to join worldwide efforts towards the transition to a low-carbon economy. Moreover, the new Environmental and Climate Change Policy talks to work to reduce the energy consumption through the application of innovative energy efficiency technologies and prioritizing renewable energy resources.

C-RE9.9

(C-RE9.9) Does your organization manage net zero carbon buildings?

No, but we plan to in the future

C-CN9.10/C-RE9.10

(C-CN9.10/C-RE9.10) Did your organization complete new construction or major renovations projects designed as net zero carbon in the last three years?

No, but we plan to in the future

C-CN9.11/C-RE9.11

(C-CN9.11/C-RE9.11) Explain your organization's plan to manage, develop or construct net zero carbon buildings, or explain why you do not plan to do so.

NH Hotel Group, in line with the new Environmental and Energy Policy (https://www.nh-hotels.com/en/corporate/shareholders-and-investors/corporate-governance), works on the application of innovative energy efficiency technologies and prioritizes the use of renewable energy sources, aiming to reduce the emissions generated by its buildings.

Moreover, the company has an Eco-efficient Hotel Guide. This innovative and sustainable project details the requirements to be implemented to design and build NH Hotel Group hotels. The Eco-efficient Hotel Guide is applicable to all brands under which NH Hotel Group operates. At the same time, it will support sustainable growth. It will be a transition combining the economy and low carbon, contributing to the sustainability of the destinations where our business activities take place.
NH Hotel Group hotels have an ISO 14001 environmental management system and the ISO 50001 energy efficiency system certified for accommodation, restaurants, meetings and events services. In 2022 and first semester of 2023, 173 hotels achieved certifications as: BREEAM, LEED, DGNB, Green Key, Hoteles Más Verdes, ISO 14001, ISO 50001 or Biosphere. Thanks to this initiative, NH Group has improved its positioning in the market.
The aim is to have an increasingly significant volume of hotels with globally recognized environmental certifications, specific to the tourism sector, and approved by the Global Sustainable Tourism Council, the world's leading body
In addition, establish emission reduction targets that have been scientifically validated by the Science Based Targets initiative (SBTi), force to NH Hotel Group to work with suppliers to find new technology to achieve the target, to join worldwide efforts towards the transition to a low-carbon economy and to manage, develop or construct net zero carbon buildings.
Committed to evolve towards a model where sustainable criteria is integrated into its day-to-day operations and to become a company ready to operate in a decarbonized economy world, NH Hotel Group has set climate related targets per department. Because of that, the Projects, Construction and Engineering department has started a project to achieve BREEAM certification in three new owned by NH hotels. To integrate and apply sustainable criteria (in accordance with EU taxonomy) in construction and engineering guides and manuals has set as a climate related target too.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Consolidated statement of non-financial information Sustainability Report.pdf

Page/ section reference

Page 213-214

https://memorianh.com/2022/en

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Consolidated statement of non-financial information Sustainability Report.pdf

Page/ section reference

Page 213-214

https://memorianh.com/2022/en

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C5. Emissions performance	Year on year change in emissions (Scope 1 and 2)	ISAE 3000	During the audit process, 2022 emissions figures (Scope 1 and 2) have been verified for an external auditors team. In this process it has been reviewed Comparable hotels, auditing our comparability criteria. 1
C6. Emissions data	Year on year change in emissions (Scope 1 and 2)	ISAE 3000	During the audit process, 2022 emissions figures (Scope 1 and 2) have been verified for an external auditors team. In this process it has been reviewed Comparable hotels, auditing our comparability criteria. 1
C7. Emissions breakdown	Year on year change in emissions (Scope 1 and 2)	ISAE 3000	During the audit process, 2022 emissions figures (Scope 1 and 2) have been verified for an external auditors team. In this process it has been reviewed Comparable hotels, auditing our comparability criteria. 1
C8. Energy	Energy consumption	ISAE 3000	During the audit process, 2022 energy consumption figures have been verified for an external auditors team. In this process it has been reviewed Comparable hotels, auditing our comparability criteria. 1

C9. Additional metrics	Other, please specify Water consumption	ISAE 3000	During the audit process, 2022 water consumption figures have been verified for an external auditors team. In this process it has been reviewed Comparable hotels, auditing our comparability criteria. 1
C9. Additional metrics	Waste data	ISAE 3000	During the audit process, 2022 waste data have been verified for an external auditors team. In this process it has been reviewed Comparable hotels, auditing our comparability criteria. 1

[1]Consolidated statement of non-financial information Sustainability Report.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Project type

Other, please specify

Conversion of SF6 to the Alternative Cover Gas SO2 at RIMA Magnesium Production

Type of mitigation activity

Emissions reduction

Project description

The purpose of the project activity was substituting sulphur hexafluoride (SF6), a high global warming potential (GWP) gas, with a non-global warming sulphur dioxide (SO2)

gas at RIMA magnesium factory.

SF6 was used as a cover gas to prevent oxidation of the liquid metal during production and casting of magnesium metal products, and typically escape to the atmosphere. SF6 was considered a non-reactive gas, and is ideally suited for this kind of protection as a “covering” for liquid magnesium (hence the term “cover gas”). Although SO2 is not a greenhouse gas, this gas has health impacts, therefore new latest environmental/safety high control technology was transferred to RIMA, to ensure safe handling of SO2.

The primary objective of RIMA Project is to help Brazil meet the eight Millennium Goals (United Nations, 2008) as established by United Nations – eradicate extreme poverty and hunger, achieve universal primary education, promote gender equality and empower women, reduce child mortality, improve maternal health, combat HIV/AIDS, malaria and other diseases, ensure environmental sustainability and develop a goal partnership for development, contributing to the environmental, social and economic sustainability by reducing greenhouse gas (GHG) emissions

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

6,000

Purpose of cancellation

Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2020

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Other, please specify

SDG6 "Decent jobs and economic growth"; SDG9 "Industry, innovation and infrastructure"; SDG12 "Responsible consumption and production"; SDG13 "Climate action"

Approach(es) by which the selected program requires this project to address reversal risk

Other, please specify

Unknown

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

Unknown

Provide details of other issues the selected program requires projects to address

Comment

The NHHG's emission offset strategy, has a twofold objective. On one hand, to use offset as an exceptional alternative in order to comply with the annual targets set and on the other hand give visibility to the Company's climate commitment by involving guests in it. In 2022 the Company purchased 6000 carbon credits from the project of Conversion of SF6 to the Alternative Cover Gas SO2 at RIMA Magnesium Production. As an internal monitoring of the stock of carbon credits purchased and cancelled (already used by NH to offset emissions), the company used 3,408 out of 6,000 credits on 2022. https://memorianh.com/2022/en page 100

Project type

Reforestation

Type of mitigation activity

Carbon removal

Project description

The project is located in Cerdedo Cotobade in the province of Pontevedra The area of action is made up of a total area of 78 34 hectares, located in an area of gorse scrub, broom and fern, mainly with little regenerated tree size.

Prior to planting, land preparation work is carried out, a mechanized clearing of the scrub is carried out with a tractor with vertical axis chain implements and linear subsoil Subsequently, the plantation is carried out with Pinus radiata Salix spp Cedrus atlántica Betula spp Crataegus spp and Prunus spp Regarding the initial density of plantation, a frame of 4 x 2 2 meters is decided, resulting in a density of 1 140 feet/ha During the first years of the plantation, the minimum maintenance tasks necessary for the control of competing vegetation and the replenishment of marras will be carried out The age and state of development of the trees in some of the region's repopulations make it advisable to carry out cultural work, first thinning, to improve their state of development, reduce the danger of forest fires, and indirectly, be able to obtain some income for the property For this reason, the forestry model for the main species of Pinus radiata used in different autonomous communities of northern Spain for this species will be followed In the case of Cedrus atlantica a reference forestry model used in current plantations in France has been established For the rest of the species, no reference forestry model has been applied since the purpose of these masses is protective and

not productive

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

18

Purpose of cancellation

Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2020

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

Other regulatory carbon crediting program, please specify

Spanish Ministry for the Ecological Transition and the Demographic Challenge

Method(s) the program uses to assess additionality for this project

Other, please specify

SDG8 "Decent jobs and economic growth"; SDG10 "Reduce inequalities"; SDG11 "Sustainable cities & communities"; SDG13 "Climate action"; SDG15 "Life on land"; SDG17 "Partnerships for the goals"

Approach(es) by which the selected program requires this project to address reversal risk

Other, please specify

Not known

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

Not known

Provide details of other issues the selected program requires projects to address

Comment

The NHHG's emission offset strategy, has a twofold objective. On one hand, to use offset as an exceptional alternative in order to comply with the annual targets set and on the other hand give visibility to the Company’s climate commitment by involving guests in it. With the new events proposition launched in the last quarter of 2022, the Company calculates and offsets the carbon footprint attributed to the most relevant events held at the hotels. The most relevant events are considered to be those in which, due to the

number of people in attendance, the commitment could have a greater impact both among guests and society as a whole. The event's carbon footprint is calculated following the HCMI (Hotel Carbon Measurement Initiative) methodology, supported by the Sustainable Hospitality Alliance. In this way, in the last quarter of the year, the carbon footprint of 30 large events was offset, which represented the neutralization of 316 metric tons of carbon emitted into the atmosphere (18 tones out of 316 tones correspond to the Reforestation project).

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers/clients

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect GHG emissions data at least annually from suppliers

Collect targets information at least annually from suppliers

Collect other climate related information at least annually from suppliers

% of suppliers by number

1.14

% total procurement spend (direct and indirect)

6

% of supplier-related Scope 3 emissions as reported in C6.5

4

Rationale for the coverage of your engagement

NH established an SBT for Scope 3 that covers the participation of suppliers: reduce 20% of emissions by the year 2030. To meet this goal, NH is highly committed to all active suppliers to encourage the establishment emission reduction targets and

activities. The volume of scope 3 emissions in NH is signficant. This makes it part of the strategy to collect information from suppliers in order to take action. As part of NH's engagement strategy with its suppliers, The Self-Assessment Questionnaire (SAQ) was tested in 2022 among the 20 approved suppliers with the highest volume of acquisitions in the Goods and services category. These 20 suppliers represent 1.14% of the total number of approved suppliers (1760). The volume of purchases from these suppliers (32.3 million) represents 6% of total spending (554.5 million). NH Hotel Group's main suppliers have to complete this questionnaire each year on ESG criteria and must provide additional information for consideration. Among the information requested we find: greenhouse gas emissions and reduction targets, human rights policies and strategy, environmental strategy and sustainability policies.

Based on the results, the Company will implement any adjustments and improvements it considers necessary. In 2022, no risks have been detected. This analysis will let NH Hotel Group focus its progress in reducing Scope 3 emissions, and in this regard, it is working side by side with its suppliers to meet its commitment of 20% by 2030 (SBTi).

Impact of engagement, including measures of success

A total of 20 suppliers were requested the Self-Assessment Questionnaire out of 1760 approved suppliers, which makes a 1.14% of the total of approved suppliers. The volume of purchases from these suppliers (32.3 million) represents 6% of total spending (554.5 million). The total amount of emissions from these suppliers corresponds to 4% of scope 3 emissions.

By 2023, as a measure of success, a new target of 30 suppliers responding to the self-assessment questionnaire has been set internally.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Climate change performance is featured in supplier awards scheme

% of suppliers by number

14

% total procurement spend (direct and indirect)

63

% of supplier-related Scope 3 emissions as reported in C6.5

48

Rationale for the coverage of your engagement

For NH, having suppliers that improve their behavior in terms of sustainability is part of the group's strategy. For this reason, as part of the approval contract, NH has included ESG criteria when it comes to approving and engaging suppliers in ESG performance. Before the procurement process by hotels and offices commences, the approval procedure takes place. This process is used to award the contract to the provider that best meets NH standards.

For contract bidding management, NH Hotel Group uses its Electronic Negotiation Platform. This tool makes it possible, through the RFI (Request for Information), to assess and analyze the legal, financial, environmental, operational and social and labor situation of suppliers. This reduces the possible risks that suppliers could generate in future operations with the Company. In this part of the process, suppliers have to accept both the Group's Code of Conduct and the Coperama Code of Conduct for Suppliers, which includes environmental and labor commitments.

Since 2015, the Company has had a Supplier Rating module in the Electronic Business Platform. In this module, suppliers are assessed using a series of parameters associated with ESG management, including: commitment to the fight against climate change, carbon footprint reduction and targets, responsible consumption of resources and utilization of recycled materials, among others.

To ensure responsible sourcing and build long-term relations with suppliers, the Company has updated its request for information, expanding ESG criteria, increasing the weighting of the score in questions concerning ESG, prioritizing this way the awarding of suppliers who meet a better sustainable performance, and therefore involving suppliers to modify their behavior in relation to sustainability

The approval and awarding process with ESG criteria, since 2015, has been passed by a total of 1,760 suppliers. In the last year, the number of suppliers that passed the awarding ESG analysis process was 87 (14% of the total approved suppliers and 100% of the new approved suppliers). The total volume of purchases from approved suppliers accounted for a total of 63% of the purchases and represent a total of 48% of the emissions (169,386 tCO2e out of supplier-related scope 3 emissions as reported in question C6.5).

Impact of engagement, including measures of success

Increasing the ESG score in the awarding of suppliers and carrying out annual SAQ of the suppliers makes NH value chain continuously improve its sustainability performance. In order to obtain the award of the contract, NH has detected that the suppliers have significantly improved their score in the ESG criteria. In addition, the ESG score of the questionnaire for awarding has been increasing in recent years, the objective is to further increase the rating of these criteria to continue involving suppliers in the improvement of the NH value chain.

NH encourages hotels to make approved purchases, since they are suppliers that have passed a prior analysis and comply with NH's ESG requirements. The percentage of purchases that were made from approved suppliers compared to the total volume of purchases is used to measure the success of NH's commitment: the threshold is set at 85%. As mentioned before the total volume of purchases in 2022 from approved suppliers accounted for a total of 63%.

Besides, NH established an SBT for Scope 3 that covers the participation of suppliers: reduce 20% of emissions by the year 2030. The total volume of purchases from approved suppliers accounted for a total of 47% (169,386 tCO2e out of supplier-related scope 3 emissions as reported in question C6.5).

As an example: The award for the amenities contract was recently given to a company that presented its products with Ecolabel. This awarding was possible thanks to the sustainability requirements included in the tender process and the Supplier Rating module in the Electronic Business Platform (In this module, suppliers are assessed using a series of parameters associated with ESG). The awarded supplier accounted for 0.42% of total purchases in 2022.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing
Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

3.41

% of customer - related Scope 3 emissions as reported in C6.5

3.3

Please explain the rationale for selecting this group of customers and scope of engagement

NH Hotel Group meets its commitment to sustainability by engaging its customers and having them take part in its Corporate Social Responsible initiatives. To that end, some of the main initiatives are the creation of opportunities for contributing socially or the encouragement of an environmentally responsible behaviour.
Customers are involved in the “Green Stay” initiative in most of NH hotels. Through this initiative, the Company offers guests who stay for more than one night the option of

declining the room cleaning service, contributing to savings in water, energy and other resources. As a reward for these guests, the hotel offers them a voucher for a free drink for each day they participate in this initiative. In 2022, a total of 153,016 "Green Stay" rooms were given in EU. This meant a reach of 3.41% of customers (EU rooms) and a 3.3% reduction in emissions associated with the laundry service (EU rooms).

FASTPASS the main purpose of this initiative has been to offer guests the possibility of using three innovative services: Online Check-in, Choose Your Room and Online Check-out. The online check-in and online check-out features also allow us to digitalize both processes, reducing the use of paper. Once at the hotel, the process is done through a tablet (Implemented in more than 60 hotels).

Some figures of this initiative:
30,000 kg in timber saved.
500 m^3 of water not consumed.
100,000 kWh of energy saved.
11 metric tons of CO_2eq not emitted into the atmosphere.

The Company also provides its guests with charging stations for electric cars and bicycle service. Currently there are 64 hotels with charging stations and 69 with bicycle rental service.

Another initiative that enages customers are EcoFriendly Meeting/Events: The event's carbon footprint is calculated following the HCMI (Hotel Carbon Measurement Initiative) methodology, supported by the Sustainable Hospitality Alliance. In this way, in the last quarter of the year, the carbon footprint of 30 large events was offset, which represented the neutralization of 316 metric tons of carbon emitted into the atmosphere

Customer satisfaction with sustainability is measured through questions included in our quality questionnaires. This indicator scored 8.44 out of 10 in 2022, reaching the target set for the year. This indicator is used as a measure of success.

Impact of engagement, including measures of success

At this point, not all of the initiatives are measured due to the enormous effort of monitor these KPIs.
Some of the data available are the followings:
i) NHHG's social media posts related with environmental initiatives generated a lot of views and interactions.
ii) Customer satisfaction with sustainability, an indicator that scored 8.44 out of 10, reaching the target set for the year. This indicator is used as a measure of success.

Examples, figures and measures of success:
- 3.41% Customers with green stay in EU Business Unit. The impact generated by this initiative means great savings in terms of water and energy, especially in longer stays. Higher internal targets will be set by 2023 in order to continue to engage customers.
- The Company also provides its guests with charging stations for electric cars and

bicycle service. Currently there are 64 hotels with charging stations. Last December, the Management Committee approved the initiative with an initial target of creating 175 recharging points by 2023.
- 69 hotels with bicycle rental service in 2022, compared to 48 hotels in 2021.
- 64% of green electricity consumed in Europe in 2022 compared to 62% in 2021
- 161 hotels with Environmental certification
- 316 tons already offset through Eco friendly Meetings and Events

Type of engagement & Details of engagement

Education/information sharing
Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

As part of the process of engaging customers, NH shares sustainable information with 100% of customers. For NH, one of the most powerful tools for sharing its sustainability achievements are certifications. These processes are validated by a third party and therefore have a credibility validated by the market.

A clear example of how to share information with the customer is the group's amenities. The ecolabel certification of the product is displayed on the gel, shampoo, etc. bottle itself. These ecolabel products are a standard of the brand, and therefore are found in all hotels. This means that engagement occurs with 100% of NH's customers.

On an annual basis, the sustainability report also sets out the certifications obtained as well as the reference indicators and objectives related to sustainable certifications. This report is fully public and available on the group's website. It shows all the certifications that have been obtained by the group each year.

Some data related (engagement /sharing of information):
Hotels with Green energy consumption with certified renewable origin is offered in 100% of locations in Spain, Italy, France, Belgium, Denmark, Portugal, the Netherlands, Austria and Luxembourg, covering 64% of the total electricity consumed by the company in Europe, compared to 62% in 2021
Other information shared are Environmental certifications in hotels: already 161 hotels

Impact of engagement, including measures of success

At NH we continue to work on making a more sustainable product every day. Since the product offered by NH is a stay made up of many different elements: building, room, food, amenities... from the different departments involved in the design of the same (engineering, experience, operations, purchasing, etc.) we are working to increase the different elements with sustainability certifications.

Some ways to measure the success and impacts of the certifications scheme achieved by NH:
- Environmental certification program (PRODUCTS AND ASSETS - Nº of certifications): From 196 environmental certifications in 2021, to 201 certifications in 2022.
- Customer surveys: Since this is an engagement with customers, their perception is crucial. To analyze customer perception, we have satisfaction surveys. In this we find sustainability issues that help us to assess the client's perception of the sustainability of the hotel.
In 2022, in the sustainability questions of the survey, the company obtained a score of 8.44, meeting the target set. This score demonstrates that the decisions that are being made regarding products with sustainability certification have a direct impact on the perception of sustainability by the customer and therefore on their overall satisfaction.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

Carbon Disclosure Project
· Earth Hour 2022 (World Wildlife Fund, WWF)
· UN Global Compact
· UN World Tourism Organization
· Spanish Confederation of Business Organizations:
· Hotel Sustainability Basic Framework: NH Hotel Group, in conjunction with other hotel companies, launched an initiative to establish a common definition of hotel sustainability to promote responsible travel and tourism. The Hotel Sustainability Basics Framework offers a common starting point for the sustainability of hotels, which is accessible to all players in the hotel industry throughout the world, regardless of whether they belong to a major international group or are independent hotels. Offering this basis for common understanding to all the hotels in the world, with actions that have a positive effect on the planet and on people, generates a real change by stimulating demand for responsible travel. This year, the hotel groups that participate in this initiative have worked in close collaboration with the World Travel & Tourism Council, the Sustainable Hospitality Alliance and the principal stakeholders to finalize essential sustainability actions that will have a demonstrable positive effect, and will collaborate to share suitable tools and practice with the other members and with the industry in general, to ensure that all hotels start the evolution towards the goals of the COP21 Paris Agreement.
· The Science Based Targets initiative (SBTi)

Strategy for prioritizing engagements:
NH Hotel Group has launched “Up for planet & Up for people”, a method to commit with other stakeholders. NH Hotel Group’ partners recommend us like a responsible company, providing good service and expressing their experience with the company. This is an international campaign, launched in all the countries where NH Hotel Group is established.
With the aim of leading responsible commitment in the industry, it has drawn up the “Up for planet & Up for people” Sustainable Business, establishing the main objectives and initiatives for the different responsible commitments defined by the Company.
This innovative concept encompasses these goals related to the business of NH Hotel Group and its key stakeholders.
As starting point for the creation of the Plan, the materiality analysis is key in NH Hotel Group’s Sustainable Business strategy management process. The analysis is updated annually and for this purpose the main risks, priorities and opportunities relating to ESG matters for the Company and the sector are identified. The materiality of matters is determined by the combination of the activity that NH Hotel Group carries out and the impacts that the Company generates on its environment and the sensitivity of the stakeholders receiving the impact.
Material matters have been identified based on an analysis of internal and external sources that have made it possible to determine a preliminary list of relevant matters for NH Hotel Group and for its stakeholders. They are: NH Hotel Group Strategy and Sustainable Business Strategy; Sustainable Development Goals – SDGs; Key sustainability goals defined by the International Tourism Partnership (ITP); SASB Materiality Map®; Sustainability Yearbook 2022 of S&P Global: key issues for the hotel sector; Carbon Disclosure Project (CDP) ranking.

NH uses external sustainability ratings, such as CDP, as a measure of success. These types of initiatives have led to value creation within the company, including the integration of best practices, improving our performance in sustainability and demonstrating this improvement in our sustainable performance regarding our stakeholders.
As an example: The Company has been included in the Sustainability Yearbook 2023, published by S&P Global every year, obtaining the TOP10% most sustainable within the hotel sector.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization’s purchasing process?

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization’s purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

In the process of purchasing and approving the company's suppliers, an analysis of the supplier's conditions is made. In order to register a supplier on the NH purchasing platform, tax and legal information is required. This preliminary information is mandatory and, in case of approved suppliers, complemented by a subsequent screening intrinsic to the contract award process, based on compliance with the technical requirements included in it. Within this evaluation there are knock out criteria that, if not met, would result in immediate disqualification. One of them is compliance with the law and regulatory requirements.
In this sense, all purchases made in NH must ensure that the applicable regulatory requirements are met.

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

100

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement

Other, please specify

As part of the Homologation, the process determines the service parameters and penalizes deviation . In the event of a complaint, depending on the severity, we demand immediate correction or rescinds the contract . In 2022 no such case has arisen

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Climate-related requirement

Setting a science-based emissions reduction target

Description of this climate related requirement

NH works to expand sustainability to its supply chain. NH has identified its critical suppliers as those that could affect the Company at reputational level (or generate an operational and/or legal risk) or due to a significant volume of billing or having products that have been especially designed for the Company. This preliminary assessment is complemented with a subsequent screening that is intrinsic to the contract award process, based on compliance with the technical requisites included in it.
- In 2022 a self-assessment questionnaire for suppliers was made. NH ’s main suppliers have to complete it each year on ESG criteria established by the Company. Based on the results, the Company will implement adjustments and improvements it considers.

This analysis will let NH focus its progress in reducing Scope 3 emissions, and in this regard, it is working side by side with its suppliers to reduce its commitment of 27% by 2030. In relation to this, NH asks its suppliers if they have set emission reduction targets and values it positively.
- According to the SBTi public webpage (Companies taking action), of the 50 suppliers with a higher billing from NH, 7 of them, or their parent companies, have public carbon emission reduction commitments or targets. The billing of these 7 companies represents a total of 10,13% of the top 50 suppliers billing volume.

% suppliers by procurement spend that have to comply with this climate-related requirement

0

% suppliers by procurement spend in compliance with this climate-related requirement

10.13

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Response to supplier non-compliance with this climate-related requirement

Other, please specify

As part of the Homologation, the process determines the service parameters and penalizes deviation . In the event of a complaint, depending on the severity, we demand immediate correction or rescinds the contract . In 2022 no such case has arisen

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

Page: 77 (Main Pillars and enablers)
“In view of the ambition to operate in a decarbonised world, NH Hotel Group will redefine its carbon emissions reduction target across its value chain by 20% by 2030,

with the purpose of aligning it with the global ambitions of keeping the temperature increase below 1.5 ºC" According to the Paris Agreement which sets out a global framework to avoid dangerous climate change by pursuing efforts to limit it to 1.5°C

Sustainability Report 2022> Sustainable Alliances > Page: 90
"NH Hotel Group promotes alliances and strategic collaborations in sustainability. The Company is aware of the importance of collaboration between institutions in order to meet the sustainable development agenda. Accordingly, the Company establishes alliances based on common principles, values and goals with different organizations, both public and private, and at world, regional, national and local level"

NH Hotel Group is characterized by absolute political neutrality. The Company does not make economic or other contributions to political parties or candidates in elections.

NH Hotel Group does however form part of sectorial organizations or foundations linked to its activity or to the geographical area where it operates. Through its presence in these organizations, the Company aspires to contribute to the progress and development of the places where it is present

In 2019 NH became the first Spanish hotel company to establish emission reduction targets that have been scientifically validated by the Science Based Targets initiative (SBTi) – the leading alliance and driving force in the business sector against climate change. This public commitment is transferred by NH in its relationship with the different stakeholders of its value chain, including the associations in which the group participates. This notably includes participation in the UN Global Compact, the UN World Tourism Organization, Exceltur and the CEOE (Spanish Confederation of Business Organizations)

By forming part of associations, chambers of commerce or foundations NH promotes and encourages projects aligned with the Company's values. Throughout this year, with the aim of boosting an institutional positioning of leadership, useful and suited to the present context, NH Hotel Group has continued with the strategy of establishing and maintaining close relationships with associations whose principal goals are aligned with ours and that promote and defend responsible business development that creates opportunities, sustainable tourism and the continued training of our professionals, among others.

For this same purpose, NH Hotel Group code of conduct and the Policy for the prevention of money laundering expressly prohibit making any contribution to political parties. The Company is aware of the importance of collaboration between institutions in order to meet the sustainable development agenda. Accordingly, the Company establishes alliances based on common principles, values and goals with different organizations, both public and private, and at world, regional, national and local level.

As well as the positive impact of its activity as such, by providing a service to cities and their tourists, NH Hotel Group contributes to the community by forming part of associations, chambers of commerce or foundations that promote concerns and

encourage projects to attain shared goals. In 2022, NH Hotel Group made a total contribution of € 508,596 to a number of sector associations, chambers of commerce, associations related to the environment or non-profit NGOs, among others.

Consolidated statement of non-financial information Sustainability Report.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

NH establishes its public objectives and commitments based on public and reliable international standards that help set the group's roadmap. This roadmap will take into account the commitments with the different stakeholders of the value chain. These include the commitments acquired with the organizations in which the group participates.

To comply with these acquired commitments, the entire value chain is involved: customers, suppliers, partners, etc. In this way, the approach is comprehensive and integrates all the possible factors that could affect it. Always considering the different points of view of the stakeholders.

To ensure compliance with the goals and commitments, the company establishes intermediate annual goals or indicators. The monitoring of compliance and actions to attain them are carried out through the Executive Sustainability Committee. This committee is in charge of ensuring that the group's actions in relation to the associations with which the group collaborates are consistent with the established sustainability strategy.

In order to monitor and get involved in the different associations, NH participates in different ways in some of them:
- Participation in work groups periodically: In this way, part of the NH team collaborates in the development of the associations' initiatives, ensuring that they remain aligned with the company's vision.
- Participation in round tables and events: NH team participates in round tables in order to disseminate the social or environmental work of the associations to which it belongs and promote their growth
- Feedback: NH makes sure to give its opinion to the organizations in a transparent way so that it can be taken into consideration

To ensure that NHs external engagement activities are consistent in its relationship with associations, the sustainability survey is taken into account. Customers' perception of the group in terms of sustainability is highly valued.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify

UN Global Compact

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

NH Hotel Group, which has been a member of UN Global Compact since 2002, periodically renews its commitment and reports publicly and transparently on the progress made in this respect in an annual report on the Website of the Global Compact (www.pactomundial. org). The Company takes into consideration the 10 principles and the Sustainable Development Goals as the framework of reference to design the strategy and management of the Company's Corporate Responsibility.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

2,400

Describe the aim of your organization's funding

UN Global Compact Participant Fee

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

UN World Tourism Organization

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The UN WTO is the United Nations agency responsible for promoting responsible, sustainable and universally accessible tourism, promoting tourism as a driver of economic growth, inclusive development and environmental sustainability. NH was part of the working group supporting the SDGs

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

2,814

Describe the aim of your organization's funding

funding Sponsorship of Hotel Sustainability Basic framework

- NH Hotel Group, in conjunction with other hotel companies, launched an initiative to establish a common definition of hotel sustainability to promote responsible travel and tourism.

- The Hotel Sustainability Basics Framework offers a common starting point for the sustainability of hotels, which is accessible to all players in the hotel industry throughout the world, regardless of whether they belong to a major international group or are independent hotels. Offering this basis for common understanding to all the hotels in the world, with actions that have a positive effect on the planet and on people, generates a real change by stimulating demand for responsible travel.

- This year, the hotel groups that participate in this initiative have worked in close collaboration with the World Travel & Tourism Council, the Sustainable Hospitality Alliance and the principal stakeholders to finalize essential sustainability actions that will have a demonstrable positive effect, and will collaborate to share suitable tools and practice with the other members and with the industry in general, to ensure that all hotels start the evolution towards the goals of the COP21 Paris Agreement.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Spanish Confederation of Business Organizations

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Founded in 1977, the Spanish Confederation of Business Organizations (CEOE) brings together voluntarily two million businesses and self-employed individuals from all sectors of activity, who join CEOE through more than 4,500 grassroots associations. It is noted for always favoring dialog and negotiation with both sides of the labor market, respecting the interests of its members.
NH Hotel Group collaborates in the organization's Sustainable Development and Ecological Transition Commission and its Business Social Responsibility Commission.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

20,000

Describe the aim of your organization's funding

Promoting local and international relations and responsible business opportunities

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify

Exceltur

Is your organization's position on climate change policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

This association is the result of the personal commitment of a very significant group of leaders and heads of the principal Spanish tourist companies, who in January 2002 got together to form this nonprofit association, motivated by their firm conviction to drive two major goals – lines of action:
- To promote greater socioeconomic recognition of what tourism contributes and represents as the principal sector of the Spanish economy.
- And to encourage the highest levels of competitiveness to consolidate leadership and profitable and sustainable growth of the tourism activity in Spain, in light of the significant and growing challenges and opportunities that the future holds for us.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

25,000

Describe the aim of your organization's funding

Promoting local and international relations and responsible business opportunities

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

Consolidated statement of non-financial information Sustainability Report.pdf

Page/Section reference

- Governance pag 78-79
- Strategy pag 76-93
- Risk and opportunities pag 52-75

- Emissions figures pag 100-101
- Emission targets pag 100-101

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Attached in this question the Consolidated Non-Financial Information Statement – Sustainable Business Report 2022 in pdf format. It can be also found at this Internet address: https://memorianh.com/2022/pdfs/einf/en/nh-einf-2022.pdf

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	UN Global Compact Other, please specify Hotel Sustainability Basic Framework	Hotel Sustainability Basic Framework: NH Hotel Group, in conjunction with other hotel companies, launched an initiative to establish a common definition of hotel sustainability to promote responsible travel and tourism. The Hotel Sustainability Basics Framework offers a common starting point for the sustainability of hotels, which is accessible to all players in the hotel industry throughout the world, regardless of whether they belong to a major international group or are independent hotels. Offering this basis for common understanding to all the hotels in the world, with actions that have a positive effect on the planet and on people, generates a real change by stimulating demand for responsible travel. This year, the hotel groups that participate in this initiative have worked in close collaboration with the World Travel & Tourism Council, the Sustainable Hospitality Alliance and the principal stakeholders to finalize essential sustainability actions that will have a demonstrable positive effect, and will collaborate to share suitable tools and practice with the other members and with the industry in general, to ensure that all hotels start the evolution towards the goals of the COP21 Paris Agreement. UN Global Compact: As a member of the Spanish Network of the UN Global Compact, the Company is committed to continuing to

		show its contribution to the Sustainable Development Goals, focusing especially on those related directly to our activity, in the different pages of the sustainability report.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity
Row 1	Yes, both board-level oversight and executive management-level responsibility	NHHG's Board of Directors has a direct involvement in the supervision of the Company's Sustainable Business Strategy and its results (reported by the Executive Sustainability Committee at least semi-annually, although always that any issue requires the attention of the Board, the Executive Sustainability Committee elevates it). On one side, it is involved through 2 of its Committees: - The Nominations, Remuneration and Corporate Governance Committee has the duty of overseeing the Company's ESG related matters, including biodiversity issues. - The Audit and Control Committee: the sphere of competence of it encompasses the overseeing and evaluation of the process to identity, assess and control systems for the management of both financial and non-financial risks, including biodiversityrelated. In April 2022, NH Hotel Group created its Executive Sustainability Committee it is co-chaired by the Chief Assets and Development Officer and the Chief People and Sustainable Business Officer, and it has the function to support the Board in its duty of overseeing the Sustainable Business strategy, including biodiversity related issues. On one hand, this Committee is responsible to validate and implement the Sustainable Business Strategy, providing the necessary resources for the achievement of the objectives. It is also in charge of following-up the progress and achievement of goals and targets. But also, it is the body which must report to the Nominations, Remuneration and Corporate Governance Committee the progress on Sustainable Business Strategic Pillar. In addition, and in coordination with the Risk Executive

		Committee, it must validate the ESG Risk maps identification and assessment process, including the Biodiversity related Risk & opportunities maps. It is also responsible to validate the action plan defined to minimize those risks identified and maximize the value of the opportunities. Lastly, it is the body in change of presenting to the Audit and Control Committee the progress on implementation status of the agreed action plans. So, depending on the nature of the biodiversity related issue to be reported to the Board, the Sustainability Committee reports it through one or the other Committee of the Board (Nominations, Remuneration and Corporate Governance Committee, or Audit and Control Committee). This Executive Sustainability Committee meets on a quarterly basis

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to No Net Loss Adoption of the mitigation hierarchy approach Commitment to not explore or develop in legally designated protected areas Commitment to respect legally designated protected areas Commitment to avoidance of negative impacts on threatened and protected species Commitment to no conversion of High Conservation Value areas Commitment to secure Free, Prior and Informed Consent (FPIC) of Indigenous Peoples Commitment to no trade of CITES listed species	SDG CITES

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Tools and methods to assess impacts and/or dependencies on biodiversity

Other, please specify

SBTi's Forest, Land and Agriculture (FLAG) standard.

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

For NHHG, the most relevant impacts on diversity are those associated with land use, both directly (surface area occupied by its buildings and the effects they generate on flora and fauna) and indirectly (surface area occupied by suppliers of key sectors such as food and energy and the effects on flora and fauna). NH HG had to undertake an analysis in 2023 to assess the application of SBTi's Forest, Land and Agriculture (FLAG) standard as part of the revalidation of its greenhouse gas emission reduction targets. This analysis has made it possible to know not only how much NH HG emissions come from land use, but also the relevance of the potentially associated impacts on biodiversity.
In 2023, NHHG has analyzed the potential impact that its activity, upstream and downstream may be generating on land use, management and transformation.
This analysis refers to: potential emissions related to emissions due to the land use of NH HG buildings that have modified the land use in the last 20 years; potential emissions that suppliers may be generating in the production of products and services for NH HG based on its land use management understood as the transformation of its uses or management and treatment models (including Categories 1, 2, 3 and 8) of Scope 3; and potential emissions of other business partners such as franchises and joint ventures (category 14 of the scope 3).
Calculations are based on company data and other sectoral indicators derived from the GHG Protocol framework still under development in conjunction with SBTi. It should be noted that the FLAG emissions guidance has been developed in collaboration with CDP, the United Nations Global Compact, World Resources Institute and the World Wide Fund for Nature and one of the We Mean Business Coalition commitments. As a result of the analysis, NH HG has determined that the emissions corresponding to land use are equivalent to 4.83% of the company's total emissions. Of this 4.83%, 3.06% comes from land use change caused by buildings and the remaining 1.77% is associated with Scope 3. This figure is much lower than the threshold of 20% established by SBTi for high intensity activities.
This has led to the conclusion that NH does not have a relevant impact on land use changes directly or indirectly and therefore generates a reduced effect on biodiversity. This is primarily due to NH HG's business model. The majority of the company's hotel portfolio is urban and, therefore, has led to few land changes

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

Yes

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Tools and methods to assess impacts and/or dependencies on biodiversity

Other, please specify

SBTi's Forest, Land and Agriculture (FLAG) standard

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)

The hotel sector's dependence on biodiversity and ecosystems is linked to two aspects: the effects on the food value chain and, above all, the tourist attractiveness of destinations for visitors. In the case of tourist attractiveness, its depends on the business model of the hotels (urban or holiday). In NHHG, most of its hotels are urban, with a low level of dependence on biodiversity. NHHG had to undertake an analysis in 2023 to assess the application of SBTi's Forest, Land and Agriculture (FLAG) standard as part of the revalidation of its greenhouse gas emission reduction targets. This analysis has made it possible to know not only how much NHHG emissions come from land use, but also the relevance of the potentially associated dependencies on biodiversity.
In 2023, NHHG has analyzed the potential impact that its activity, upstream and downstream may be generating on land use, management and transformation.
This analysis refers to: potential emissions related to emissions due to the land use of NHHG buildings that have modified the land use in the last 20 years; potential emissions that suppliers may be generating in the production of products and services for NHHG based on its land use management understood as the transformation of its uses or management and treatment models of Scope 3; and potential emissions of other business partners such as franchises and joint ventures.
Calculations are based on company data and other sectoral indicators derived from the GHG Protocol framework still under development in conjunction with SBTi. It should be noted that the FLAG emissions guidance has been developed in collaboration with CDP, the United Nations Global Compact, World Resources Institute and the World Wide Fund for Nature and one of the We Mean Business Coalition commitments. As a result of the analysis, NHHG determined that the emissions corresponding to land use are equivalent to 4.83% of the company's total emissions. Of this 4.83%, 3.06% comes from land use change caused by buildings and the remaining 1.77% is associated with Scope 3. This figure is much lower than the threshold of 20% established by SBTi for high intensity activities. As a conclusion ,NH does not have a relevant impact on land use changes directly or indirectly and therefore generates a reduced effect on biodiversity. This is primarily due to NH HG's business model. The majority of the company's hotel portfolio is urban and, therefore, has led to few land changes

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity-sensitive areas in the reporting year?

Yes

C15.4a

(C15.4a) Provide details of your organization's activities in the reporting year located in or near to biodiversity -sensitive areas.

Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Portugal

Name of the biodiversity-sensitive area

NATURA 2000 Costa Sudoeste (PTCON0012)

Proximity

Adjacent

Briefly describe your organization's activities in the reporting year located in or near to the selected area

For the purpose of assessing the weight of NH Hotel Group's business on biodiversity and more specifically on biodiversity- sensitive areas, we decided to focus on that part of our portfolio that by nature and location are the most incline to have a direct impact in those designated area: namely, the resorts.
The resort NH Marina Portimão is an urbanize area near the sea next to the marina carrying out all activities related with this hotel category.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Other, please specify

Use of sea water in the pool; Sewage sent to the municipality wastewater treatment system; Separation and selective collection of waste.

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

The presence of a massive number of people on coastline, the noise, the pollution generated by the products used, the light use in external areas, the waste and sewage produced, have negative effects such as increased waste generation, contamination of

sea water with products, pollution, light pollution, greenhouse gas emissions for global warming, physical deterioration of the ecosystem that can lead to loss of biodiversity.
Some off our mitigation measures such as:
• use of sea water in the pools, reduces the consumption of potable water,
• the sewage sent to the wastewater treatment system can prevent water pollution,
• the selective collection and separation of waste allows waste to be properly sent for recycling, reducing the use of landfills and thereby contributing to the reduction of harmful gaseous emissions .

Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Portugal

Name of the biodiversity-sensitive area

NATURA 2000 Ribeira de Quarteira (PTCON0038)

Proximity

Adjacent

Briefly describe your organization's activities in the reporting year located in or near to the selected area

For the purpose of assessing the weight of NH Hotel Group's business on biodiversity and more specifically on biodiversity- sensitive areas, we decided to focus on that part of our portfolio that by nature and location are the most incline to have a direct impact in those designated area: namely, the resorts.
The resort Anantara Vilamoura is an urbanize area near golf course carrying out all activities related with this hotel category.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Other, please specify
Separation and selective collection of waste; Sewage sent to the municipality wastewater treatment system

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

The presence of a massive number of people on coastline, the noise, the pollution generated by the products used, the light use in external areas, the waste and sewage produced, have negative effects such as increased waste generation, contamination of

sea and river water with products, pollution, light pollution, greenhouse gas emissions for global warming, physical deterioration of the ecosystem that can lead to loss of biodiversity.
Some off our mitigation measures such as:
• the sewage sent to the wastewater treatment system can prevent water pollution,
• the selective collection and separation of waste allows waste to be properly sent for recycling, reducing the use of landfills and thereby contributing to the reduction of harmful gaseous emissions .

Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Portugal

Name of the biodiversity-sensitive area

NATURA 2000 Costa Sudoeste (PTCON0012)

Proximity

Adjacent

Briefly describe your organization's activities in the reporting year located in or near to the selected area

For the purpose of assessing the weight of NH Hotel Group's business on biodiversity and more specifically on biodiversity- sensitive areas, we decided to focus on that part of our portfolio that by nature and location are the most incline to have a direct impact in those designated area: namely, the resorts.
The resort Tivoli Lagos is an urbanized area near the city center carrying out all activities related with this hotel category. Also, it comes with a beach concession where we have a restaurant with a pool and motorize sports are not allowed in the concession area.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Other, please specify

Sewage sent to the municipality wastewater treatment system; Separation and selective collection of waste in the hotel, the beach concession and parking.

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

The presence of a massive number of people on coastline, the noise, the pollution generated by the products used, the light use in external areas, the waste and sewage

produced, have negative effects such as increased waste generation, contamination of sea water with products, pollution, light pollution, greenhouse gas emissions for global warming, physical deterioration of the ecosystem that can lead to loss of biodiversity.
Some of our mitigation measures such as:
• the sewage sent to the wastewater treatment system can prevent water pollution,
• the selective collection and separation of waste allows waste to be properly sent for recycling, reducing the use of landfills and thereby contributing to the reduction of harmful gaseous emissions.

Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Portugal

Name of the biodiversity-sensitive area

NATURA 2000 Costa Sudoeste (PTCON0012)

Proximity

Up to 10 km

Briefly describe your organization's activities in the reporting year located in or near to the selected area

For the purpose of assessing the weight of NH Hotel Group's business on biodiversity and more specifically on biodiversity- sensitive areas, we decided to focus on that part of our portfolio that by nature and location are the most incline to have a direct impact in those designated area: namely, the resorts.
The resort Tivoli Carvoeiro is an urbanize area near de sea by the cliff carrying out all activities related with this hotel category.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Other, please specify

Sale of solar products with organic ingredients (+70% of the formulation); Sewage sent to the municipality wastewater treatment system; Separation and selective collection of waste.

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

The presence of a massive number of people on coastline, the noise, the pollution generated by the products used, the light use in external areas, the waste and sewage produced, have negative effects such as increased waste generation, contamination of

sea water with products, pollution, light pollution, greenhouse gas emissions for global warming, physical deterioration of the ecosystem that can lead to loss of biodiversity.
Some off our mitigation measures such as:
• sale of solar products with organic ingredients (+70% of the formulation) can encourage the use of cosmetics with less environmental impact and more sustainable;
• the sewage sent to the wastewater treatment system can prevent water pollution,
• the selective collection and separation of waste allows waste to be properly sent for recycling, reducing the use of landfills and thereby contributing to the reduction of harmful gaseous emissions .

Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Portugal

Name of the biodiversity-sensitive area

NATURA 2000 Ribeira de Quarteira (PTCON0038)

Proximity

Up to 10 km

Briefly describe your organization's activities in the reporting year located in or near to the selected area

For the purpose of assessing the weight of NH Hotel Group's business on biodiversity and more specifically on biodiversity- sensitive areas, we decided to focus on that part of our portfolio that by nature and location are the most incline to have a direct impact in those designated area: namely, the resorts.
The resort Tivoli Marina Vilamoura is an urbanized area near the sea next to the marina carrying out all activities related with this hotel category. Also, it comes with a beach concession where we have a restaurant and motorize sports are not allowed in the concession area.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Other, please specify

Sale of solar products with organic ingredients (+70% of the formulation); Sewage sent to the municipality wastewater treatment system; Separation and selective collection of waste in hotel and in the beach concession

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

The presence of a massive number of people on coastline, the noise, the pollution generated by the products used, the light use in external areas, the waste and sewage produced, have negative effects such as increased waste generation, contamination of sea and river water with products, pollution, light pollution, greenhouse gas emissions for global warming, physical deterioration of the ecosystem that can lead to loss of biodiversity.
Some of our mitigation measures such as:
• sale of solar products with organic ingredients (+70% of the formulation) can encourage the use of cosmetics with less environmental impact and more sustainable;
• the sewage sent to the wastewater treatment system can prevent water pollution,
• progressive change of outside illumination systems, to prevent damage to ecosystems (2023)
• the selective collection and separation of waste allows waste to be properly sent for recycling, reducing the use of landfills and thereby contributing to the reduction of harmful gaseous emissions .

Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Spain

Name of the biodiversity-sensitive area

NATURA 2000 Sierras Bermeja y Real (ES6170010)

Proximity

Up to 10 km

Briefly describe your organization’s activities in the reporting year located in or near to the selected area

For the purpose of assessing the weight of NH Hotel Group's business on biodiversity and more specifically on biodiversity- sensitive areas, we decided to focus on that part of our portfolio that by nature and location are the most incline to have a direct impact in those designated area: namely, the resorts.
The Anantara Villa Padierna Palace Benahavís Marbella Resort is an urbanized area near golf course carrying out all activities related with this hotel category.

Indicate whether any of your organization’s activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Restoration

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

The presence of a massive number of people on coastline, the noise, the pollution generated by the products used, the light use in external areas, the waste and sewage produced, have negative effects such as increased waste generation, contamination of sea and river water with products, pollution, light pollution, greenhouse gas emissions for global warming, physical deterioration of the ecosystem that can lead to loss of biodiversity.
In the protected area of Sierra Bermeja, after the fire in 2021 destroying almost 10.000 hectars, the hotel organized a commemorative sale whose 10% of money raised has been donated to reforesting the area.

Classification of biodiversity -sensitive area

Natura 2000 network of protected areas

Country/area

Spain

Name of the biodiversity-sensitive area

NATURA 2000 Fondos Marinos de La Bahía de Estepona (ES6170036)

Proximity

Up to 25 km

Briefly describe your organization's activities in the reporting year located in or near to the selected area

For the purpose of assessing the weight of NH Hotel Group's business on biodiversity and more specifically on biodiversity- sensitive areas, we decided to focus on that part of our portfolio that by nature and location are the most incline to have a direct impact in those designated area: namely, the resorts.
The Anantara Villa Padierna Palace Benahavís Marbella Resort is an urbanized area near golf course carrying out all activities related with this hotel category.

Indicate whether any of your organization's activities located in or near to the selected area could negatively affect biodiversity

Yes, but mitigation measures have been implemented

Mitigation measures implemented within the selected area

Restoration

Explain how your organization's activities located in or near to the selected area could negatively affect biodiversity, how this was assessed, and describe any mitigation measures implemented

The presence of a massive number of people on coastline, the noise, the pollution generated by the products used, the light use in external areas, the waste and sewage produced, have negative effects such as increased waste generation, contamination of

sea and river water with products, pollution, light pollution, greenhouse gas emissions for global warming, physical deterioration of the ecosystem that can lead to loss of biodiversity.
In the protected area of Estepona and Marbella the hotel has organized plastic collection along those beaches among all employees of the hotel.

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water management Species management Law & policy

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No, we do not use indicators, but plan to within the next two years	

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Content of biodiversity-related policies or commitments Risks and opportunities	Environmental and Climate Change Policy page 3-4: 5.4.1 5.4.2 5.4.3 5.4.4 5.4.5 NFIS 2022: page 110 1, 2

[1]Environment and Climate Change Policy.pdf

[2]Consolidated statement of non-financial information Sustainability Report.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Ramón Aragonés	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

NH Hotel Group (NHHG in advance) is a consolidated multinational operator and one of the leading urban hotel chains in the world. At the end of 2022, the Group was present in 30 countries, operating 350 hotels and 54,820 rooms in four continents. The centralised business model allows NH Hotel Group to offer its guests an excellent service in hotels in the different regions where it does business. The corporate head office and regional offices offer the hotels a wide range of functions such as sales, revenue management, booking, marketing, human resources, financial management and systems development. This flexible operational and financial structure allowed the Group to overcome the significant challenges of 2021 and in the first few months of 2022. Overall, The Group’s commercial strength and its flexible operational and financial structure have enabled it to overcome the major challenges of the past few years marked by the pandemic, managing to reinforce its viability, tighten its financial and commercial management, and drive the recovery in the activity in each of the markets where we operate.
As a result, 2022 was a year of rapid growth and full recovery of our business, with the Group’s total revenue breaking the past 2019 record for a total of over 1.75 billion euros.
Furthermore, to attain excellence in our activity the Group committed to sustainability in its hotel activity with the ambition of spearheading responsible behaviour, creating shared value at the economic, social and environmental level wherever it is present. With this philosophy, in 2022 the Company has re-designed its sustainability strategy under a new sustainable business model “UP FOR PLANET & PEOPLE”, as a key pillar of the Company’s global strategy.

The strategic vision of UP FOR PLANET & PEOPLE is based on 2 fundamental management levers: UP FOR PLANET and UP FOR PEOPLE, through which conveying human rights and ethical business principles in the way it works across its value chain: shareholders, customers, partners, suppliers and employees while promoting responsible alliances.
Convinced that it is going in the right direction to achieve its next goals regarding sustainability, the Company is aligned with the SDGs to which it can contribute and is therefore committed to continue creating long-term value globally, in the context of the 2030 Agenda.
The Company's environmental management is channeled through UP FOR PLANET, which defines the roadmap to fulfil the commitments undertaken in the battle against climate change and progress towards decarbonization, the efficient management and the responsible, circular consumption of resources and the development of more sustainable products.
NHHG is implementing programs to reduce carbon footprint since 2008. During 2019, in order to take its commitment a step further, NH HG decided to align its corporate voluntary greenhouse gas reduction targets with The Science Based targets initiative (SBTi) approving, in September 2019, absolute emissions target: to reduce absolute scope 1, 2, and 3 GHG emissions 20% by 2030 from a 2018 base year (2ºC aligned). NH became the first Spanish hotel company to establish emission reduction targets validated by the SBTi.
In 2023, NHHG has worked in re-target to be aligned with 1.5ºC. This target marks out NH HG's roadmap towards a significant reduction in the carbon footprint of its activity in the coming years, aligned with the goal set out in the Paris Agreement to limit the increase in global temperature to less than 1.5ºC, and join the efforts being made globally towards the transition to a low-carbon economy. Additionally, NH Hotel Group has also set a long term target in order to achieve the net zero on 2050. Both new targets are being reviewed by the Science Based Targets initiative.
To formalize the extension of these commitments to the entire operation and the decision-making process on 2023, the Board of Directors approved the New Environmental and Climate Change Policy on July.
Since 2013, NH Hotel Group has been included in the FTSE4GOOD index (Sustainability Stock Index created by the London Stock Exchange). Additionally, The Company has been included in the Sustainability Yearbook 2023, published by S&P Global every year, obtaining the TOP10% most sustainable recognition within the hotel sector. This recognition is a testament to our sustainability leadership in the industry and confirms the ambition shared with Minor International, a member of the Dow Jones Sustainability Index, which tracks the economic, social and environmental performance of leading sustainability companies worldwide. The commitments in this field and the improvement that NH has shown during this year have led the Company to form part of the Sustainability Yearbook 2023 published by S&P Global.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	1,772,357,000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Accenture

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

81.9

Uncertainty (±%)

15

Major sources of emissions

Major sources of Scope 1's emissions are those fuel burning equipment that supply with heat as ovens, burners, conventional gas boiler heaters, turbines and engines, among others.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

13,252

Unit for market value or quantity of goods/services supplied

Other, please specify

Room nights

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions associated to the scope 1 emissions from the hotels that have hosted Company's staff (natural gas, propane, LPG, biomass, diesel oil)

Requesting member

Accenture

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

64.53

Uncertainty (±%)

15

Major sources of emissions

GHG emissions from electricity purchased by NH Hotel Group

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

13,252

Unit for market value or quantity of goods/services supplied

Other, please specify

Room nights

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions associated to the scope 2 emissions from the hotels that have hosted Company's staff (electricity, district heating and district cooling)

Requesting member

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

0.92

Uncertainty (±%)

15

Major sources of emissions

Major sources of Scope 1's emissions are those fuel burning equipment that supply with heat as ovens, burners, conventional gas boiler heaters, turbines and engines, among others.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

239

Unit for market value or quantity of goods/services supplied

Other, please specify

Room night

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions associated to the scope 1 emissions from the hotels that have hosted Company's staff (natural gas, propane, LPG, biomass, diesel oil)

Requesting member

CBRE Group, Inc.

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

0.28

Uncertainty (±%)

15

Major sources of emissions

GHG emissions from electricity purchased by NH Hotel Group

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

239

Unit for market value or quantity of goods/services supplied

Other, please specify

Room night

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions associated to the scope 2 emissions from the hotels that have hosted Company's staff (electricity, district heating and district cooling)

Requesting member

Deloitte Touche Tohmatsu Limited

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

76.46

Uncertainty (±%)

15

Major sources of emissions

Major sources of Scope 1's emissions are those fuel burning equipment that supply with heat as ovens, burners, conventional gas boiler heaters, turbines and engines, among others.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

16,368

Unit for market value or quantity of goods/services supplied

Other, please specify

Room nights

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions associated to the scope 1 emissions from the hotels that have hosted Company's staff (natural gas, propane, LPG, biomass, diesel oil)

Requesting member

Deloitte Touche Tohmatsu Limited

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

48.69

Uncertainty (±%)

15

Major sources of emissions

Allocation based on the number of units purchased

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

16,368

Unit for market value or quantity of goods/services supplied

Other, please specify

Room nights

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions associated to the scope 2 emissions from the hotels that have hosted Company's staff (electricity, district heating and district cooling)

Requesting member

McKinsey & Company, Inc.

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

26.11

Uncertainty (±%)

15

Major sources of emissions

Major sources of Scope 1's emissions are those fuel burning equipment that supply with heat as ovens, burners, conventional gas boiler heaters, turbines and engines, among others.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

4,608

Unit for market value or quantity of goods/services supplied

Other, please specify

Room nights

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions associated to the scope 1 emissions from the hotels that have hosted Company's staff (natural gas, propane, LPG, biomass, diesel oil)

Requesting member

McKinsey & Company, Inc.

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

9.25

Uncertainty (±%)

15

Major sources of emissions

GHG emissions from electricity purchased by NH Hotel Group

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

4,608

Unit for market value or quantity of goods/services supplied

Other, please specify

Room night

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions associated to the scope 2 emissions from the hotels that have hosted Company's staff (electricity, district heating and district cooling)

Requesting member

Deutsche Post DHL Group

Scope of emissions

Scope 1

Scope 2 accounting method

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

26.7

Uncertainty (±%)

15

Major sources of emissions

Major sources of Scope 1's emissions are those fuel burning equipment that supply with heat as ovens, burners, conventional gas boiler heaters, turbines and engines, among others.

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

7,386

Unit for market value or quantity of goods/services supplied

Other, please specify

Room nights

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions associated to the scope 1 emissions from the hotels that have hosted Company's staff (natural gas, propane, LPG, biomass, diesel oil)

Requesting member

Deutsche Post DHL Group

Scope of emissions

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

34.68

Uncertainty (±%)

15

Major sources of emissions

GHG emissions from electricity purchased by NH Hotel Group

Verified

No

Allocation method

Allocation based on the number of units purchased

Market value or quantity of goods/services supplied to the requesting member

7,386

Unit for market value or quantity of goods/services supplied

Other, please specify

Room Nights

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

GHG emissions associated to the scope 2 emissions from the hotels that have hosted Company's staff (electricity, district heating and district cooling)

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
We face no challenges	Thanks to our database we are able to track customer use of our products (room nights and hourly use of meeting rooms). This detail availability allows calculations from the Carbon Footprint allocated to Accenture's, CBRE's, Deloitte's, DHL Post's and McKinsey & Company's activities at NH Hotel Group.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

NH Hotel Group will work to provide higher information and accuracy on its own Scope 3 emissions. Therefore, Accenture's, CBRE's, Deloitte's, DHL Post's and McKinsey & Company's allocations of Scope 3 emissions are expected to be higher accuracy in the future.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Accenture

Group type of project

New product or service

Type of project

New product or service that reduces customers products / services operational emissions

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

Estimated payback

Other, please specify

No payback, the service is offered without any extra cost to clients. NH HG pays for the offsetting as an additional service

Details of proposal

In its commitment to combat climate change, NH Hotel Group uses the offset of emissions as an exceptional alternative in order to meet its annual emissions targets and to give visibility to the Company's climate commitment by involving guests in it. With the new events proposition, the Company calculates and offsets the carbon footprint attributed to the most relevant events held at the hotels. The most relevant events are considered to be those in which, due to the number of people in attendance, the commitment could have a greater impact both among guests and society as a whole. The event's carbon footprint is calculated following the HCMI (Hotel Carbon Measurement Initiative) methodology, supported by the Sustainable Hospitality Alliance. As for carbon footprint offset, NH Hotel Group has worked on identifying possible projects that will contribute to the conservation of nature in the surroundings where it operates.

This action materialized with the signing of a collaboration contract with Retree to reforest the area known as the "Valley of the Dreams" in the Sierra Norte de Madrid, classed as a Biosphere Reserve since 2005. This valley, located in a highly depopulated area that has suffered serious soil degradation, had an exceptional forest ecosystem. The priority goal of creation the "NH Forest" is to contribute to the revitalization of the area, recover the ecosystem, and to create rural employment and combat climate change.

https://www.nh-hotels.com/en/corporate/sustainability/sustainable-company-up-for-planet-people/up-for-people/customers

According to the new Carbon Neutral Events service, companies which celebrate relevant meetings and events at our hotels will be able to have a carbon neutral service that will not add any kilograms of CO2e to their scope 3 emissions.

Requesting member

CBRE Group, Inc.

Group type of project

New product or service

Type of project

New product or service that reduces customers products / services operational emissions

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

Estimated payback

Other, please specify

No payback, the service is offered without any extra cost to clients. NH HG pays for the offsetting as an additional service

Details of proposal

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Requesting member

Deloitte Touche Tohmatsu Limited

Group type of project

New product or service

Type of project

New product or service that reduces customers products / services operational emissions

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

Estimated payback

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https://www.nh-hotels.com/en/corporate/sustainability/sustainable-company-up-for-planet-people/up-for-people/customers
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Requesting member

Deutsche Post DHL Group

Group type of project

New product or service

Type of project

New product or service that reduces customers products / services operational emissions

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

Estimated payback

Other, please specify

No payback, the service is offered without any extra cost to clients. NH HG pays for the offsetting as an additional service

Details of proposal

In its commitment to combat climate change, NH Hotel Group uses the offset of emissions as an exceptional alternative in order to meet its annual emissions targets and to give visibility to the Company's climate commitment by involving guests in it. With the new events proposition, the Company calculates and offsets the carbon footprint attributed to the most relevant events held at the hotels. The most relevant events are considered to be those in which, due to the number of people in attendance, the commitment could have a greater impact both among guests and society as a whole. The event's carbon footprint is calculated following the HCMI (Hotel Carbon Measurement Initiative) methodology, supported by the Sustainable Hospitality Alliance. As for carbon footprint offset, NH Hotel Group has worked on identifying possible projects that will contribute to the conservation of nature in the surroundings where it operates.

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https://www.nh-hotels.com/en/corporate/sustainability/sustainable-company-up-for-planet-people/up-for-people/customers

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Requesting member

McKinsey & Company, Inc.

Group type of project

New product or service

Type of project

New product or service that reduces customers products / services operational emissions

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

0-1 year

Estimated lifetime CO2e savings

Estimated payback

Other, please specify

No payback, the service is offered without any extra cost to clients. NH HG pays for the offsetting as an additional service

Details of proposal

In its commitment to combat climate change, NH Hotel Group uses the offset of emissions as an exceptional alternative in order to meet its annual emissions targets and to give visibility to the Company's climate commitment by involving guests in it. With the new events proposition, the Company calculates and offsets the carbon footprint attributed to the most relevant events held at the hotels. The most relevant events are considered to be those in which, due to the number of people in attendance, the commitment could have a greater impact both among guests and society as a whole. The event's carbon footprint is calculated following the HCMI (Hotel Carbon Measurement Initiative) methodology, supported by the Sustainable Hospitality Alliance. As for carbon footprint offset, NH Hotel Group has worked on identifying possible projects that will contribute to the conservation of nature in the surroundings where it operates.

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https://www.nh-hotels.com/en/corporate/sustainability/sustainable-company-up-for-planet-people/up-for-people/customers
According to the new Carbon Neutral Events service, companies which celebrate

relevant meetings and events at our hotels will be able to have a carbon neutral service that will not add any kilograms of CO2e to their scope 3 emissions.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Yes, I will provide data

SC4.1a

(SC4.1a) Give the overall percentage of total emissions, for all Scopes, that are covered by these products.

100

SC4.2a

(SC4.2a) Complete the following table for the goods/services for which you want to provide data.

Name of good/ service

Carbon neutral Meetings and Events : stays and Meetings or Events

Description of good/ service

In its commitment to combat climate change, NH Hotel Group uses the offset of emissions as an exceptional alternative in order to meet its annual emissions targets and to give visibility to the Company's climate commitment by involving guests in it. With the new events proposition, the Company calculates and offsets the carbon footprint attributed to the most relevant events held at the hotels. The most relevant events are considered to be those in which, due to the number of people in attendance, the commitment could have a greater impact both among guests and society as a whole. The event's carbon footprint is calculated following the HCMI (Hotel Carbon Measurement Initiative) methodology, supported by the Sustainable Hospitality Alliance. As for carbon footprint offset, NH Hotel Group has worked on identifying possible projects that will contribute to the conservation of nature in the surroundings where it operates.

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https://www.nh-hotels.com/en/corporate/sustainability/sustainable-company-up-for-planet-people/up-for-people/customers
According to the new Carbon Neutral Events service, companies which celebrate relevant meetings and events at our hotels will be able to have a carbon neutral service that will not add any kilograms of CO2e to their scope 3 emissions.

Type of product

Final

SKU (Stock Keeping Unit)

kgCO2/Total revenue Meetings&Events (euro)

Total emissions in kg CO2e per unit

0.08

±% change from previous figure supplied

Date of previous figure supplied

Explanation of change

Methods used to estimate lifecycle emissions

GHG Protocol Product Accounting & Reporting Standard

SC4.2b

(SC4.2b) Complete the following table with data for lifecycle stages of your goods and/or services.

Name of good/ service

Carbon neutral Meetings and Events : stays and Meetings or Events

Please select the scope

Scope 1 & 2

Please select the lifecycle stage

Energy/Fuel

Emissions at the lifecycle stage in kg CO2e per unit

6,736.8

Is this stage under your ownership or control?

Yes

Type of data used

Primary

Data quality

NH Hotel Group's emissions are calculated in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), using the operational control approach, and its supplement Corporate Value Chain (Scope 3) Standard.
The scope 1 and 2 data externally verified (ISAE 3000) as part of the Consolidated Statement Non-financial Information assurance process by PwC.
Carbon reporting scope:
NH Hotel Group's reporting consolidation criteria covers all the hotels operated by the Company under ownership and lease.

- Scope 1: Direct GHG emissions occur from sources that are owned or controlled by the company (natural gas, LPG, propane, gas oil, BTZ fuel, and biomass).
- Scope 2: Indirect emissions from the generation of purchased electricity, district heating and district cooling consumed by the owned and leased hotels.
- Scope 3: Indirect emissions that are a consequence of the activities of the company but occur from sources not owned or controlled by the company. Broken down by relevant category:
  - Upstream activities: purchase of goods and services, capital goods, indirect fuel and energy consumption, upstream transportation and distribution, generated waste, business travel and employee commuting
  - Downstream activities: managed and franchised hotels (Scope 1 and 2).

If you are verifying/assuring this product emission data, please tell us how

SC4.2c

(SC4.2c) Please detail emissions reduction initiatives completed or planned for this product.

Name of good/ service	Initiative ID	Description of initiative	Completed or planned	Emission reductions in kg CO2e per unit
Carbon neutral Meetings and Events : stays	Initiative 1	NH Hotel Group's efforts to combat climate change are part of the "2030 SBT Commitment Plan" which sets out the levers of action to comply with the goal of reducing	Ongoing	0.08

and Meetings or Events		its carbon emissions by 20% throughout the value chain by 2030. Control and monitoring – the level on which work is being done to improve data capture and analysis, both from the activities of the hotels and of their suppliers and seek an alignment of commitments to reduce emissions in the value chain. Energy efficiency - considers all actions that can improve efficiency in the hotel's energy consumption. Green energy considering both the installation of renewable energy for own consumption and the purchase of green electricity. Emission offset strategy, with a twofold objective. On one hand, to use offset as an exceptional alternative in order to comply with the annual targets set and on the other hand give visibility to the Company's climate commitment by involving guests in it. Carbon analysis in development projects to anticipate the needs of adaptation of new properties to the climate goal so that it is not compromised.		

SC4.2d

(SC4.2d) Have any of the initiatives described in SC4.2c been driven by requesting CDP Supply Chain members?

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms