

# ARCHER HOTEL CAPITAL

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## LONG-TERM INVESTORS IN HOTEL REAL ESTATE

ENVIRONMENTAL SOCIAL AND GOVERNANCE  
COMMITMENT



**INTRODUCTION AND PURPOSE**

Archer Hotel Capital B.V. aspires to build one of the highest quality, most environmentally and socially responsible hotel portfolios in Europe, while creating long-term value and delivering commensurate risk-adjusted returns for our Shareholders. Operating with socially responsible business practices, we make these commitments to our employees, customers, business partners & operators and the communities in which we operate and invest.

**BUILDING A RESPONSIBLE ORGANISATION**

Our commitments

We encourage our employees to proactively engage and participate with:

- regular internal ESG training on best practices
- individual responsibility and commitment to ethical behaviour in everything we do
- support to build personal career development plans
- promoting effective communication through our employee engagement surveys and follow up initiatives

Targets

- 100% of employees receive training on compliance and governance annually
- Improve upon, or at least retain, a net promoter score among AHC employees of at least 90
- Achieve a net promoter score among AHM managed hotel employees of at least 55 by 2025
- Annual assessment of training and development needs for AHC and from 2023 onwards AHM employees
- Mental health first aiders in all hotels by 2024
- Invite all employees to contribute to local community initiatives (e.g. charity and sponsorships) on an annual basis.
- Monitor carbon footprint of AHC head offices and use an internal carbon price to incentivise reduction
- Establish a Diversity & Inclusion Committee and provide Diversity & Inclusion training

**DELIVER SUSTAINABLE ASSET VALUE**

Our commitments

- to strive to improve the sustainability of our hotels by committing to a memorandum of understanding with our hotel operators
- to encourage our hotel operators to participate in our engagement surveys
- to collaborate with our hotel operators to improve and communicate environmental performance
- to strive to adopt best environmental standards and practices within all of our renovation and development programmes through application of our ESG framework and green building certifications

Targets

- Incorporate ESG clauses in all new contracts with third-party operators commencing in 2020 and going forwards
- Organise operator engagement survey every two years and improve upon, or at least retain, a net promoter score of at least 80
- 15% reduction in energy intensity by 2025 from a 2019 baseline

- 50% reduction in Scope 1&2 location-based greenhouse gas intensity by 2025 from a 2019 baseline
- Net zero operational greenhouse gas emissions by 2030
- 10% reduction in water per guest night from 2019 baseline
- Minimum recycling and anaerobic digestion/composting rate of 55% by 2025
- 15% reduction in waste per guest night from 2022 baseline
- All hotels certified minimum BREEAM In-Use Very Good by 2025 or pending major renovation

## CARING FOR OUR CUSTOMERS AND COMMUNITY

### Our commitments

- to collaborate closely with our hotel operators in order to:
  - measure and optimise customer satisfaction
  - share best practices across the portfolio
- to introduce a responsible supplier code of conduct as part of our general rules of engagement
- to collaborate closely with our local communities and create positive social impact

### Objectives:

- All hotels achieve a Competitor Indexscore >1 on our customer satisfaction platform TrustYou by 2025
- Include responsible supplier code of conduct in all new supplier contracts and monitor compliance with the code by year end 2025 for all suppliers
- Stimulate all hotel operators to contribute to their local communities and establish long term community investment programs at all hotels

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