

NH | HOTEL GROUP
PART OF

MINOR
HOTELS

10

UP FOR PEOPLE

NH Collection Firenze Palazzo Gaddi
Italy

UP FOR PEOPLE



EMPLOYEES

Promote a responsible culture and sustainable mindset for our teams and fostering diversity, ethics and wellbeing.



CUSTOMERS

Provide excellent service through innovative sustainable solutions, while educating and actively involving customers in our projects and commitments.



COMMUNITIES

Support our key partners, creating positive social and environmental impact on the local communities where we are present.

In the context of the UP FOR PEOPLE pillar, the Company promotes the professional development of its employees, while creating a positive impact in the places and communities where we are present, to offer guests the best experience, enabling them to participate in our sustainable commitments.

Under this pillar, the commitments of three of the most relevant stakeholders for NH Hotel Group are managed:

- Employees, by promoting a responsible culture and fostering inclusion, diversity and wellbeing for all of them.
- Customers, by providing an excellent service through sustainable and innovative solutions.
- Communities, by creating a social and environmental impact in the places where we operate.

In the following pages, we will identify the main projects and impacts carried out in respect of each of these pillars.





10.1

UP FOR PEOPLE

Employees



EMPLOYEES



Promoting a responsible culture and a sustainable mindset for our teams while fostering diversity, ethics and wellbeing are some of our priorities

NH Hotel Group cares for its employees and seeks their commitment to and involvement with the Company's sustainable business, so that it is integrated in their daily activities. All this through fluid communication and recognizing their responsible commitment.

In NH Hotel Group's business strategy, the corporate culture is key. The Company considers its human capital to be its principal asset and understands that in order to build a corporate culture of leadership, it is essential to manage the attraction and development of talent, and also to sustain their motivation and their pride in belonging to NH Hotel Group.

This year, key projects have been consolidated, completing implementation of the Strategic Plan of the People pillar and laying the foundation for the launch of strategic initiatives which are grouped in 4 main pillars:

- Internal commitment.
- Talent management.
- Hiring strategy.
- Employer branding.

To carry out the strategy, the Company has focused on evolving the strategy approach of listening to employees in order to measure the employee experience. The talent pools and the succession, career development and retention plans have also been updated.

Furthermore, the recruitment strategy has been reformulated to deal with the new market reality and NH Hotel Group's needs, fostering internal mobility, and strengthening relations with the network of academic institutions we have been collaborating with for some time and incorporating new organizations, all with the aim of supporting and promoting interest in a career in the hotel industry among young people. At the same time, the Employee Value Proposition has evolved to assure talent attraction and long-term retention, reconsidering the importance of key elements such as career development, wellbeing or compensation, among others.

It should be noted that in 2022 the Company has resumed very relevant processes in the People strategy, such as the climate survey, talent calibrations, the recognition, training and internal development programs, among others. All of these have been adapted to the Company's new reality. In all these ways, NH Hotel Group has continued to care for its teams and has provided them with tools to manage the uncertainty of past years, and focuses on identifying, developing and retaining talent.

In addition, the Company will continue to reinforce its employees' commitments and to create optimal working environments to maximize their contribution.

People Strategy

Throughout the year, NH Hotel Group has maintained the focus on its strategic pillars, ensuring that it continues to uphold its long-term vision, but adapting the initiatives launched so that they made sense and were useful in the complex individual, social and company context of recent years.

The main projects in place in this strategic pillar are highlighted below:



NH Cancun Airport
Mexico

Strategic lines of work of Human Resources

INTERNAL COMMITMENT

- Launch of the biennial climate survey and analysis of the results with the aim of designing action plans at all levels.
- Implementation of the mobile version of NH Talent with the aim of bringing the range of Human Resources processes and services closer to "employees without a desk".
- Updating the channels strategy to boost and maintain internal commitment, as well as to strengthen its role as a lever for change management.
- Design of the Internal Communication Plan to align employees with the Company's strategic priorities, reinforcing the positioning of leaders.

TALENT ATTRACTION AND MANAGEMENT

- Develop individual development plans based on talent calibrations.
- Promote the use of feedback functionality beyond the manager's perspective.
- Strengthen "Pay for Global Performance" with the launch of the 2022 variable remuneration as well as two Long Term Incentives.
- Leveling of all company-wide roles by analysing the contribution of existing roles to the new company strategy.
- Definition of new salary increase models, enriching the existing ones with talent parameters.
- Encourage attendance at local and international hospitality school events and fairs.
- Design a global referral programme.
- Promote internal mobility, especially in terms of task forces that allow employees to have international experiences and get to know other brands within the company.

EMPLOYER BRANDING

- Diversify Employer Branding actions, focusing on collaboration with the Top Hospitality Schools in Europe.
- Renew the strategy and image on dedicated Social Media channels, including the launch of the new NH Careers profile on LinkedIn.
- Revise salary surveys with the aim of obtaining the highest quality salary data in the market.
- Give greater visibility to Sustainability content as a relevant lever for attracting and retaining talent.

Our team members

The year-end employees as of December 31, 2022 are as follows:

EMPLOYEES BY CATEGORY (As of 31 December 2022)

	31/12/2022		31/12/2021	
	Men	Women	Men	Women
Group General Management	6	2	7	1
Directors and Heads of Department	864	647	816	619
Technicians	514	493	464	425
Commercial	257	580	175	470
Administration	49	94	48	82
Rest of staff	4,321	4,624	3,747	3,989
	6,011	6,440	5,257	5,586

All information relating to employees corresponds to average workforce figures, obtained on the basis of full-time equivalent (FTE) figures for all types of employees (except Outside Labor, Extra Labor and Trainees) considering hotels under ownership, lease, and management included in NH Hotel Group's ERP SAP HCM management system.

In 2022, NH Hotel Group had 10,995 employees, located in 29 countries, where 51% are women and 49% are men.

EMPLOYEES BY BUSINESS UNIT

	Consolidated perimeter			Corporate perimeter		
	2022	2021	Difference (in %)	2022	2021	Difference (in %)
Central Offices and CRO	423	408	3.7	423	408	3.7
BU America	1,592	1,372	16	1,939	1,665	16.5
BUNE	4,340	4,056	7.0	4,846	4,431	9.4
BUSE	4,641	4,235	9.6	5,593	5,080	10.1
Total	10,995	10,071	9.2	12,800	11,584	10.5



BREAKDOWN OF EMPLOYEES BY COUNTRY AND GENDER

	Consolidated perimeter						Difference (in %)
	2022			2021			
	Women	Men	Total	Women	Men	Total	
Argentina	218	201	419	167	178	345	21.4
Austria	126	121	247	114	116	230	7.4
Belgium	275	229	504	281	223	505	-0.2
Chile	86	60	146	81	45	127	15.0
Colombia	186	218	403	172	197	369	9.2
Czech Republic	31	24	55	28	24	52	5.8
Denmark	28	37	65	9	15	24	170.8
Ecuador	18	25	43	19	28	47	-8.5
France	72	89	162	58	74	132	22.7
Germany	887	866	1,753	878	830	1,708	2.6
Hungary	48	34	82	33	23	56	46.4
Ireland	60	72	133	59	59	118	12.7
Italy	556	676	1,232	541	637	1,178	4.6
Luxembourg	21	21	42	17	19	36	16.7
Mexico	285	268	553	226	232	458	20.7
Netherlands	693	666	1,359	618	611	1,229	10.6
Portugal	247	235	481	162	178	340	41.5
Romania	18	8	25	13	6	19	31.6
Spain	1,641	1,463	3,104	1,564	1,383	2,948	5.3
Switzerland	33	31	64	30	30	60	6.7
United Kingdom	7	4	11	9	10	19	-42.1
United States	55	30	84	28	17	45	86.7
Uruguay	14	13	27	15	13	28	-3.6
Total	5,605	5,390	10,995	5,123	4,948	10,071	9.2

	Corporate perimeter						Difference (in %)
	2022			2021			
	Women	Men	Total	Women	Men	Total	
Argentina	257	251	507	196	233	429	18.2
Austria	126	121	247	114	116	230	7.4
Belgium	303	246	549	281	223	505	8.7
Chile	99	70	169	88	51	139	21.6
Colombia	189	222	411	172	197	369	11.4
Czech Republic	122	89	211	108	79	187	12.8
Danmark	28	37	65	9	15	24	170.8
Ecuador	18	25	43	19	28	47	-8.5
France	72	89	162	58	74	132	22.7
Germany	887	866	1,753	878	830	1,708	2.6
Hungary	48	34	82	33	23	56	46.4
Ireland	60	72	133	59	59	118	12.7
Italy	556	680	1,236	541	639	1,181	4.7
Luxembourg	21	21	42	17	19	36	16.7
Mexico	403	379	781	324	330	654	19.4
Netherlands	791	780	1,571	692	702	1,395	12.6
Portugal	638	652	1,290	508	559	1,067	20.9
Romania	18	8	25	19	8	27	-7.4
Slovakia	27	20	47	27	18	45	4.4
Spain	1,730	1,514	3,244	1,638	1,425	3,063	5.9
Switzerland	33	31	64	30	30	60	6.7
United Kingdom	30	28	58	20	21	40	45.0
United States	55	30	84	28	17	45	86.7
Uruguay	14	13	27	15	13	28	-3.6
Total	6,525	6,276	12,800	5,875	5,709	11,584	10.5

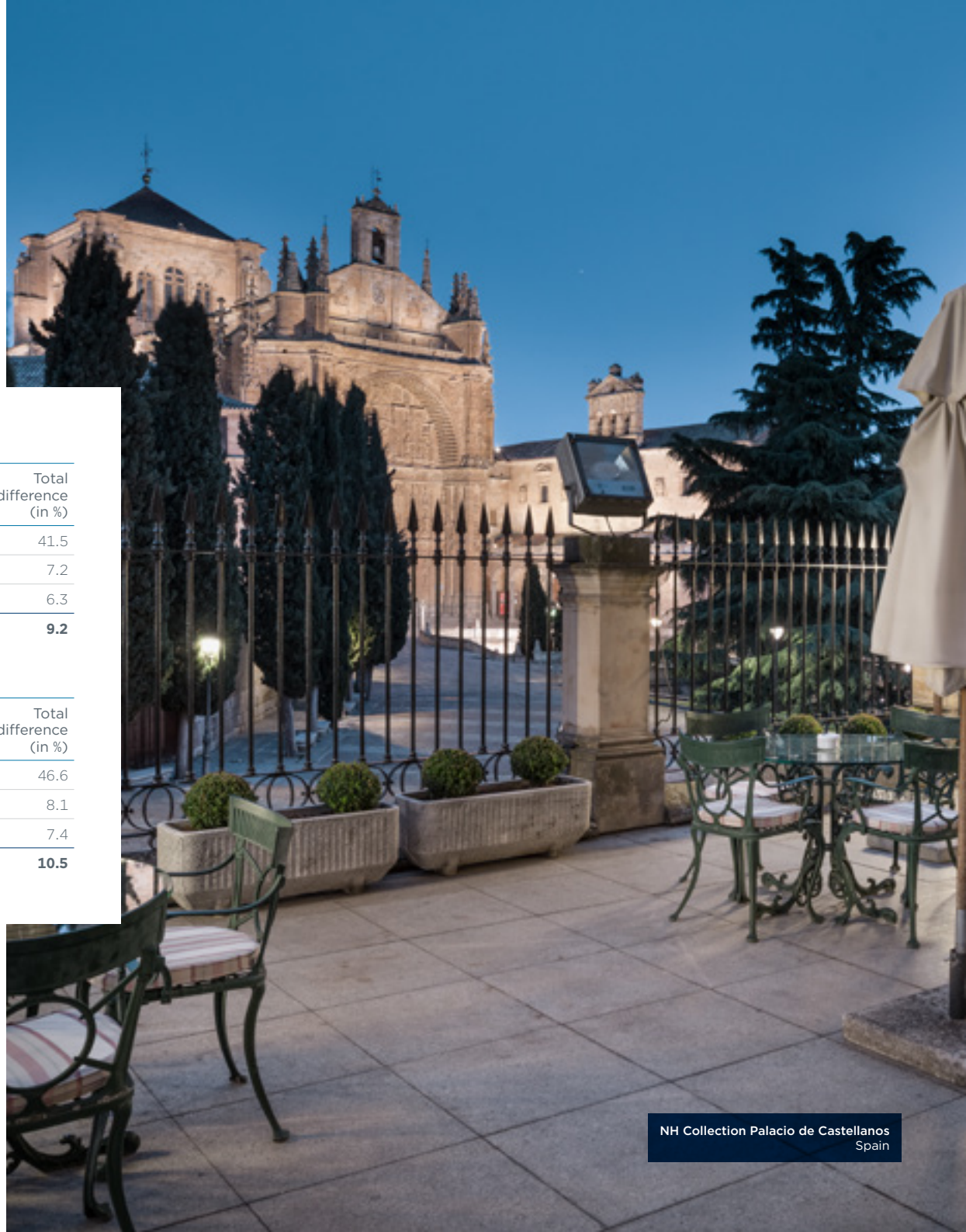
BREAKDOWN OF EMPLOYEES BY GENDER

	Consolidated perimeter			Corporate perimeter		
	2022	2021	Difference (in %)	2022	2021	Difference (in %)
Women	5,605	5,123	9,4	6,525	5,875	11,1
Men	5,390	4,948	8,9	6,276	5,709	9,9
Total	10,995	10,071	9,2	12,800	11,584	10,5

BREAKDOWN OF EMPLOYEES BY AGE AND GENDER

	Consolidated perimeter						Total difference (in %)
	2022			2021			
	Women	Men	Total	Women	Men	Total	
Under 25	541	479	1,020	385	336	721	41.5
Between 25 and 40	2,322	2,094	4,416	2,167	1,954	4,120	7.2
Over 40	2,742	2,817	5,560	2,571	2,659	5,230	6.3
Total	5,605	5,390	10,995	5,123	4,948	10,071	9.2

	Corporate perimeter						Total difference (in %)
	2022			2021			
	Women	Men	Total	Women	Men	Total	
Under 25	646	566	1,211	385	336	826	46.6
Between 25 and 40	2,698	2,476	5,175	2,167	1,954	4,787	8.1
Over 40	3,181	3,233	6,414	2,571	2,659	5,970	7.4
Total	6,525	6,276	12,800	5,123	4,948	11,583	10.5



BREAKDOWN OF EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER

	Consolidated perimeter						
	2022			2021			Total difference (in %)
	Women	Men	Total	Women	Men	Total	
Central Services							
Top Management	25	60	85	26	57	83	2.1
Middle Management	216	175	391	216	170	386	1.3
Staff	571	285	856	531	265	797	7.4
Total	811	520	1,332	774	493	1,266	5.2
Hotel							
Top Management	100	179	279	98	184	282	-1.2
Middle Management	621	821	1,442	605	806	1,411	2.2
Staff	4,073	3,869	7,943	3,646	3,466	7,113	11.7
Total	4,794	4,870	9,664	4,349	4,456	8,805	9.8
Total							
Top Management	125	239	363	124	241	365	-0.4
Middle Management	837	997	1,833	821	976	1,797	2.0
Staff	4,644	4,155	8,799	4,178	3,732	7,909	11.2
Total	5,605	5,390	10,995	5,123	4,948	10,071	9.2

	Corporate perimeter						
	2022			2021			Total difference (in %)
	Women	Men	Total	Women	Men	Total	
Central Services							
Top Management	25	63	88	26	59	85	3.2
Middle Management	220	177	396	230	177	408	-2.8
Staff	605	300	905	580	280	860	5.2
Total	850	539	1,389	836	516	1,352	2.8
Hotel							
Top Management	109	197	306	109	202	310	-1.1
Middle Management	705	930	1,636	678	907	1,585	3.2
Staff	4,860	4,609	9,469	4,252	4,084	8,336	13.6
Total	5,675	5,736	11,411	5,038	5,193	10,231	11.5
Total							
Top Management	134	260	394	135	260	395	-0.2
Middle Management	925	1,107	2,032	908	1,084	1,993	2.0
Staff	5,466	4,908	10,374	4,832	4,364	9,196	12.8
Total	6,525	6,276	12,800	5,875	5,709	11,583	10.5

The categories into which all the information is detailed are as follows:

Top Management:

- Central Service/Corporate Offices: Chief Officer, Senior Vice President, Vice President, Senior Director and Regional Director.
- Hotel: Manager and Deputy.

Middle Management:

- Central Services/Corporate Offices: Director and Manager.
- Hotel: Department heads.

Staff:

- Central Services/Corporate Offices: Executive, Staff and Assistant.
- Hotel: All other positions.

Quality job creation and talent retention

NH Hotel Group's commitment to job stability can be clearly seen in the high percentage of employees with indefinite contracts. The Company fosters job stability, especially for women and those under 40 years old.

CONTRACTS*

	Consolidated perimeter			Corporate perimeter		
	2022	2021	Difference (in %)	2022	2021	Difference (in %)
Indefinite contracts						
Part-time	701	739	-5,1	728	764	-4,7
Full-time	8,662	8,410	3,0	9,968	9,600	3,8
Total	9,363	9,149	2,3	10,696	10,364	3,2
Temporary contracts						
Part-time	164	80	105,0	181	88	105,7
Full-time	1,469	842	74,5	1,923	1,132	69,9
Total	1,633	922	77,1	2,104	1,219	72,6

(* Note for the interpretation of the data related to the annual average of contract modalities:

- Retired part-time employees are considered a temporary contract modality.

- Part-time contracts are a type of contract for both temporary and permanent contracts.

The increase in the number of contracts is due to the reactivation of the hotel business and, therefore, to the new hires made.

Accordingly, in 2022, 84% of average contracts of women are indefinite (-9% compared to 2021) and 83% of average contracts of employees between 25 and 40 years old are indefinite contracts (-17% compared to 2021).

The average for contracts has been calculated by dividing the total contract days per category of each employee by the total number of days in the year.



ANNUAL AVERAGE TYPES OF CONTRACTS BY GENDER

	Consolidated perimeter						Total difference (in %)
	2022			2021			
	Women	Men	Total	Women	Men	Total	
Temporary contracts	957	866	1,823	512	521	1,033	76.5
Indefinite contracts	5,028	4,718	9,746	4,959	4,573	9,532	2.2
Total	5,985	5,584	11,569	5,471	5,094	10,565	9.5
Part-time contracts	957	417	1,374	890	347	1,237	11.1

ANNUAL AVERAGE TYPES OF CONTRACTS BY AGE

	Consolidated perimeter					
	2022			2021		
	< 25 years	25-40 years	> 40 years	< 25 years	25-40 years	> 40 years
Annual average temporary contracts	616	794	412	549	740	296
Annual average indefinite contracts	534	3,769	5,444	585	4,342	5,265
Total	1,150	4,563	5,856	1,134	5,082	5,561
Annual average part-time contracts	234	413	726	176	424	741

ANNUAL AVERAGE TYPES OF CONTRACTS BY PROFESSIONAL CATEGORY

	Consolidated perimeter					
	2022			2021		
	Top Management	Middle Management	Staff	Top Management	Middle Management	Staff
Annual average temporary contracts	0	66	1,759	4	54	1,527
Annual average indefinite contracts	372	1,795	7,579	398	1,885	7,909
Total	372	1,861	9,336	402	1,939	9,436
Annual average part-time contracts	6	69	1,299	7	62	1,274



New hires

The policies and actions related to the selection, hiring, training and internal promotion of employees are based on criteria of capacity, competence and professional merit.

In 2022, 7,546 new hires were made, of which 65% are employees under 35 years of age and 53% are women.

NEW HIRES

	Top Management	Middle Management	Staff	Total	
<i>Consolidated perimeter</i>					
Men	Age <25	0	4	810	814
	Age 26-40	7	102	1,421	1,530
	Age >41	18	81	631	730
Women	Age <25	0	4	894	898
	Age 26-40	3	66	1,504	1,573
	Age >41	6	43	897	946
Total	34	300	6,157	6,491	
<i>Corporate perimeter</i>					
Men	Age <25	0	5	981	986
	Age 26-40	9	121	1,725	1,855
	Age >41	21	102	778	901
Women	Age <25	0	5	1,085	1,090
	Age 26-40	4	86	1,814	1,904
	Age >41	8	62	1,122	1,192
Total	42	381	7,505	7,928	



Talent Attraction Activities

With the aim of presenting NH Hotel Group's employer branding and the job and career opportunities the Company offers, while contributing to the employability of young talent in the sector, in 2022 the Company participated in more than 70 job fairs and events at universities and hospitality schools worldwide.

In Europe, NH Hotel Group has visited more than 50 Universities, mostly in Belgium, Spain, France, Italy, Netherlands, Portugal and Switzerland. These visits were mainly focused on participation in job fairs and interviews with students, company presentations and recruiting events with other companies in the sector.

Our commitment to training and encouraging interest in the hotel industry among young people has led us to participate in "The NXT GM Challenge" in Netherlands. In this challenge, a select group of students presented their unique vision of the financial, operational and commercial workings of a hotel to a professional jury. The winner was awarded the "keys" of two of our most emblematic hotels in Amsterdam, giving them the unique opportunity to learn the real work of a hotel manager from the very first day for a whole year.

In Latin America, a total of 20 universities and hospitality schools were visited, in Argentina, Colombia and Mexico. These visits have mainly consisted of presence at local universities to promote the internship program and thus offer opportunities to the students, as well as participating in a hotel challenge in Colombia, where university students were invited to develop projects focused on continuous improvement in hotel operation for a semester. In addition, and in line with our inclusive culture, NH Hotel Group has participated in the first Transgender Careers Fair in Mexico, to promote our support to this group and foster equality as an indispensable value in the Company.

NH has participated in new careers fairs at prestigious schools, with the aim of responding to our growing need for young talent interested in a pursuing a career in luxury hotels, a segment in expansion in our organization.

These events have been an excellent occasion to connect with young talent seeking internship opportunities, or in their final years of study to find a career opportunity.

Hiring Toolkit winner at the Cegos Awards and Hospitality Awards

NH Hotel Group's Hiring Toolkit won the award in the Talent Attraction and Integration category at the 13th Cegos Awards for Best HR Practices with Teams & Talent.



The main goal of the Hiring Toolkit is to provide the operational teams responsible for their team selection processes with the necessary training and structured resources for the selection process in hotels, while assuring an excellent and consistent candidate experience throughout NH Hotel Group.



NH Collection Palacio de Castellanos
Spain

Culture of diversity, equality and inclusion

NH Hotel Group sees diversity as a key factor in building up a network of diverse talent, capable of understanding customers' needs, innovating and reflecting society in the business world. For all these reasons, a fundamental pillar of NH Hotel Group's corporate culture is also based on diversity, equality and inclusion.

Thus, the Company's 10,995 employees in 2022 are of 141 different nationalities and 22% of them work in countries that are different to their country of origin. Furthermore, 51% of the total workforce are women, who hold 44% of the total management posts.

141

DIFFERENT
NATIONALITIES

22%

WORK IN DIFFERENT
COUNTRIES TO THEIR
COUNTRY OF ORIGIN

51%

OF WORKFORCE
ARE WOMEN

44%

MANAGEMENT POSTS
HELD BY WOMEN

As far as age is concerned, in 2022 the percentage of employees over 40 years old is almost 52%, while those aged between 25 and 40 represent 48%, and those under 25 represented 12%.

In 2022 the workforce also included 101 disabled employees, who represent 0.8% of the global workforce. Additionally, NH Hotel Group is committed to the integration into work of disabled persons through responsible outsourcing from Special Employment Centers as providers of laundry services. Outsourcing from Special Employment Centers in 2022 represented 8.4% (estimated with respect to the workforce in Spain, together with Special Employment Center employees associated to NH Hotel Group procurement).

Through its Code of Conduct, NH Hotel Group formalizes its commitment to promote non-discrimination on account of race, colour, nationality, social origin, age, gender, marital status, sexual orientation, ideology, political opinions, religion or any other personal, physical or social condition of its professionals, as well as to equality of opportunities among them.



EQUALITY AND DIVERSITY

	Consolidated perimeter		Corporate perimeter	
	2022	2021	2022	2021
FTEs	10,995	10,071	12,800	11,584
% Indefinite contracts	84.6	90	83.2	89
% Average turnover	37.5	30.2	38.6	31.3
Number of nationalities	141	133	141	134
% Immigrant employees	22.2	23	24.5	22
% Women on the workforce	50.9	51	50.9	51
% Women in management	44	44	44.3	44
% Age under 25	9.6	7	9.9	7
% Age between 25 and 40	41.4	41	41.4	41
% Age over 40	48.9	52	48.7	52
Number of disabled employees	101	85	ND	ND



NH Hotel Group, recognized for promoting equality and diversity Bloomberg Gender & Equality

In January 2022, NH Hotel Group was included for the third time in the Bloomberg Gender Equality Index 2022. The Company is the only hotel company out of the Spanish companies that appear in the index. This international index, which includes almost 6,000 companies in 45 countries, measures the commitment and contribution in terms of transparency of gender information and promotion of equality. NH Hotel Group sees this inclusion as an opportunity to continue working towards diversity and inclusion globally.



Project for LGBTQ+ inclusion in workplaces

The hotels in Latin America have started a pilot project to support diversity and inclusion of the LGBTQ+ community. The launch of the project took place live for all the countries in the Americas Business Unit, with the participation of approximately 250 people. This project is inspired on the eighth UN sustainable development goal, which promotes inclusive and sustainable economic growth, employment and decent work for all. In the current situation, efforts to reactivate the global economy offer the opportunity to rebuild the workplace so that diversity, inclusion and equity become a reality.





NH Collection Brussels Centre
Belgium

Equality Plan

On December 22nd, the Second NH Hotel Group Equality Plan was approved with representatives of the workers. A Plan Monitoring Committee was also set up, with the mission of interpreting and evaluating the degree of compliance with it, overseeing its execution, ensuring application, compliance with the contents and objectives of the plan and tracking execution and the results obtained in the different areas of action.

To draw up the Plan, the Company conducted an exhaustive diagnosis of the situation of real equality between men and women, for which it was analyzed whether NH Hotel Group respects equal treatment and opportunities in the workplace and has adopted measures aimed at preventing any kind of job discrimination between men and women.

After this positive first assessment, work was done on an action plan with specific measures in different areas of access to the company, hiring, promotion, training, remuneration, work-life balance, occupational health, communication and awareness-raising that would make it possible to eliminate or correct inequalities in these areas.

The document also included a series of measures to ensure the protection of women who have been victims of gender violence: giving them priority in hiring, monitoring any cases of gender violence that arise and the measures taken, and informing the workforce of the rights of women in this situation.

As set out in the Second Equality Plan, the policies and actions concerning the selection and hiring of NH Hotel Group employees are based on criteria of capability, competence and professional merits in equal conditions, without taking gender into account. Access to employment in the Company does not show any imbalances in terms of equality of opportunity between genders. Hirings during the year respond to the operational needs of the business although most direct personnel are employed under indefinite contracts.

The defined selection and hiring process provides access under equal conditions to all those who seek to obtain a job in the Company following objective criteria based on parameters of skills and qualities for each of the jobs, allowing candidates to be evaluated in equal conditions. The analysis highlights that NH Hotel Group has internal information tools accessible by all employees on active vacancies, which facilitates promotion and career development within the Company.

Protocol against sexual harassment

As a complement to the Plan, and to facilitate its implementation and raise awareness in employees, it includes a Protocol for the prevention and treatment of situations of sexual harassment, as well as a manual for non-sexist use of language.

All employees of NH Hotel Group are entitled to a working environment that is free of hostile or intimidating conduct or behavior towards them, a working environment that assures their dignity, and their physical and moral integrity. All people, especially those who manage teams, must avoid and report to Company management any kind of conduct that is contrary to the Protocol.

Any conduct that constitutes harassment because of moral, race ethnicity, disability, age, sexual orientation or gender will be considered to be gross misconduct and penalized in line with the gravity of the behavior.

NH Hotel Group is committed to investigating all reports of harassment, for which purpose a dispute resolution procedure is established, which assures at all times the right to privacy and confidentiality of the issues discussed and the individuals involved.

The procedure is initiated once the report has been received or an employee is aware that another employee has been subjected to such situations, using the following email address for this purpose: protocoloacoso@nh-hotels.com.

A team with the same opportunities

The salary of women in NH Hotel Group in 2021 represents 91% of the gross hourly salary of men; the average gross hourly salary is 15.89 euros for men and 14.49 euros for women.

The gender pay gap has been calculated by comparing remuneration between equivalent professional categories, giving as a result the average salary of women compared to men. In other words, categories that carry out the same function or have the same position.

The overall figure for the gender pay gap is obtained by weighing the gaps obtained in the comparison between average remuneration (considering fixed and variable remuneration paid) received by the professionals in each category for the number of professionals in that category.

RATIO OF WOMEN'S SALARY COMPARED TO MEN BY PROFESSIONAL CATEGORY (IN %)

	Consolidated perimeter	
	2022	2021
Top Management	75%	77%
Middle Management	98%	96%
Staff	99%	101%
Total	91%	90%

This analysis of the pay gap has served to identify that the gap increases in Top Management, especially due to the smaller presence of women in this category.

This situation offers a great opportunity to carry out an analysis in more depth of the different groups, not just women, and establish as a priority the continuation of a long-term project of real management of all aspects of employee diversity and support professional development within the Company. NH Hotel Group will continue working to adopt the most suitable measures to eliminate this gap.



AVERAGE REMUNERATION* BY GENDER AND PROFESSIONAL CATEGORY (IN €)

	Consolidated perimeter						Difference (in %)
	2022			2021			
	Women	Men	Average	Women	Men	Average	
Top Management	74,808	99,758	91,134	73,634	97,871	89,799	1.5
Middle Management	40,364	41,392	40,921	38,390	39,412	39,729	3.0
Staff	23,346	23,570	23,450	22,843	22,478	23,032	1.8
Total	26,078	28,598	27,287	25,798	26,181	27,499	-0.8

* The remuneration figure corresponds to the annual gross fixed wage plus variable target.

AVERAGE REMUNERATION* BY GENDER AND AGE (IN €)

	Consolidated perimeter						Difference (in %)
	2022			2021			
	Women	Men	Average	Women	Men	Average	
Under 25	20,470	19,167	19,867	19,730	17,980	18,930	4,9
Between 25 and 40	25,657	25,774	25,712	25,636	25,674	25,654	0,2
Over 40	28,576	34,584	31,511	28,347	34,450	31,314	0,6

* The remuneration figure corresponds to the annual gross fixed wage plus variable target.

The NH Hotel Group remuneration model

The remuneration policy applied by NH Hotel Group has no gender bias. The annual fixed cash remuneration and variable remuneration, the two fundamental components of the Company's remuneration structure, are established objectively. Fixed remuneration mainly reflects the professional's experience and responsibility in the Company, while variable remuneration rewards attainment of annual targets, which are fundamentally quantitative, and are shared by professionals who perform their activities in the same functional areas.

NH Hotel Group's success depends, to a great extent, on the attainment of individual and collective targets by the professionals who are part of the Company. The purpose of variable remuneration in the Company is to measure what is done (employees' individual and collective contribution to the Company's results) and how it is done (performance assessment), while reinforcing the importance of and NH Hotel Group's commitment to the principles of non-discrimination and equality of opportunity.

Variable remuneration has the following objectives:

- To reward performance based on attainment of the Company's quantitative targets.
- To link the attainment of annual targets established by the Company to its medium and long-term strategy and to long-term sustainability interests.
- To align individual objectives with the Company's objectives.

In Spain, the Company offers a flexible remuneration plan that allows its beneficiaries to apply part of their remuneration to transport tickets, childcare vouchers, the purchase of vacation days, restaurant card, medical insurance or external training, benefiting in this way from special prices and tax advantages.



Performance management- Time for You (TFY)

At NH Hotel Group the performance management process is a key and consolidated element of our leadership culture, carried out through Time for You. It is a process aimed at all permanent and temporary employees with at least 3 months' service in the Company.

Performance in qualitative terms, how goals are achieved, is assessed through skills that effectively guide employees' training and professional development. Through TFY, employees' strengths and areas for development in the performance of their work are identified, and based on the areas for improvement identified, the various development plans are defined. In addition, the overall evaluation obtained has an impact on other human resources processes such as internal selection or talent processes or in variable remuneration.

TFY comprises two formal moments during the year: the Mid-Year Review and the Annual Review:

- In the Mid-Year Review, employees were invited to take a step back and replenish energy levels for the second half of the year, by reflecting on what had gone well, and what aspects could be improved.

- At the end of the year, the Annual Review process was launched, recovering the original spirit of TFY, based on feedback and development, as key tools for growth within the Company.

For the first time since 2019, this year the ordinary process as defined prior to the pandemic has been fully resumed. This means that in 2022 we have regained feedback on skills and overall evaluation, development in terms of individual actions plans, and a conversation about professional future to help employees guide their career within NH Hotel Group.

The internal communication campaign invited employees to regain the initiative in relation to the process, both in terms of feedback and in their development and growth under the headline "Take the initiative in your TFY":

Furthermore, a different feature of this process in 2022 was its availability on the NH Talen app, which allows employees to participate in this process anytime and anywhere.

Once again the importance of this process in our leadership culture was demonstrated, as a participation rate of 94% was achieved, covering the entire evaluation process (until 3 February 2023).

Talent management

NH Hotel Group has implemented a process to help identify and develop talent by looking not just at sustained performance over time but also at the potential and ambition of the people who have key positions in the Company.

Accordingly, this year talent calibrations in key positions for the Company were carried out, with the aim of putting specific development programs in place, according to the particular needs of both the employee and the Company.

In this way, NH Hotel Group assures adequate preparation of key roles for the future, even in such challenging times as the present. The ultimate objective is to create a mindset of talent in leaders at all levels and preparing internal talent for future opportunities.

As a result, in 2022 the following internal development programs have been implemented:

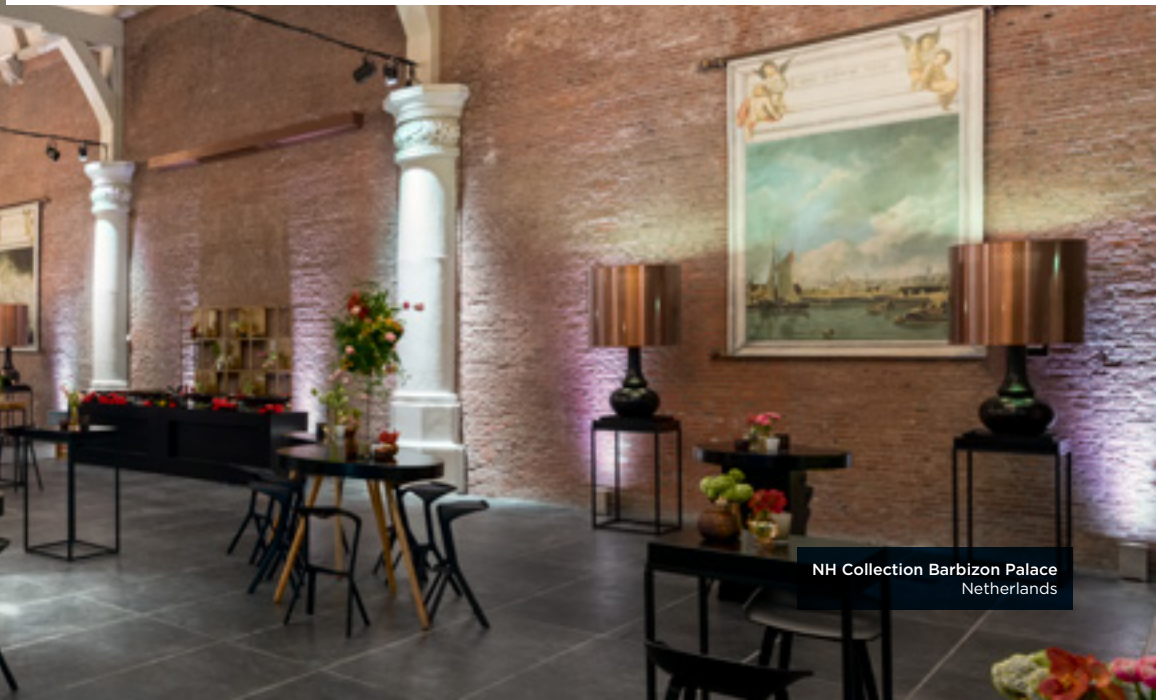
Leadership Development Programs in the Southern Europe Business Unit:

At NH Hotel Group we are committed to employee development and there are a number of different programs aimed at developing their knowledge and skills with the aim of ensuring a successful internal transition to a new position in the Company. Specifically, they are aimed at future hotel managers and potential department heads, after successfully completing a demanding internal selection process.

Individual coaching program in the Southern Europe Business Unit

As a result of these talent calibrations this year an individual coaching initiative has been put in place for hotel managers.

This individual coaching program is provided in collaboration with coachHUB, in the framework of the post-calibration phase with a duration of 4 months. The program has top-level certified coaches and the best technology for holding unlimited coaching sessions from any place. In addition, all employees who have participated in this program have taken part in a 360° Feedback process, designed in a completely personalized way based on critical behavior to be developed during the coaching process. Each participant has received 2-3 individual coaching sessions and the program has received an overall rating of 4.9 out of 5.



Training: NH University

NH Hotel Group is committed to the professional development and training of all its employees as a way to put into practice the philosophy that inspires its customer service vocation. All face-to-face and online training projects are managed through the corporate university, NH University.

Every year the training curriculum is adapted so that the people who work at NH Hotel Group can continue to refresh both their technical knowledge and their skills.

In 2022, the department's goal has been to continue offering employees the necessary training for their professional development, not just through face-to-face training but also by adopting a diverse range of learning methodologies (e-learning, webinars, hybrid training, videos, infographics, etc.). With the reactivation of the sector, training in investment and the number of participants have increased compared to the two previous years.

We have also continued to consolidate online training through the GoodHabitZ platform, promoting the courses it offers through various communication campaigns, such as monthly launches with employee recommendations of courses on the platform. This international training platform is focused on making training fun, different and tailored personally to each participant, and makes it possible to learn in the way best adapted to each person. This year, 570 employees have completed 1,536 hours of training on the platform.

The total number of hours of training, both face-to-face and online, in 2022 was 157,455 through 950 training programs, with a total of 12,709 employees trained. Throughout the 2022 fiscal year, training hours and employees trained have increased significantly, as the recovery of the activity has facilitated the re-launching of many training initiatives previously paralyzed by the pandemic, during this last year.

Face-to-face training, which also includes training through webinars, represented 62% of the training hours, with 265 internal training providers leading the sessions.



NH Collection Constanza
Spain

1,085,746 €

TOTAL INVESTMENT
IN TRAINING IN 2022

157,455*

HOURS OF FACE-TO-FACE
AND ONLINE TRAINING GIVEN

89,998

PARTICIPANTS

950

PROGRAMS

12,709

TEAM MEMBERS
TRAINED

(* The total number of hours of training includes 4,093 hours through the "GHA - NH DISCOVER in a box" training platform in which the hotels received training on new features of the loyalty program.

TRAINING HOURS BY BUSINESS UNIT

	Consolidated perimeter			Corporate perimeter		
	2022	2021	Difference (in %)	2022	2021	Difference (in %)
Face to face training						
Corporate	7,198	3,077	133.9	7,198	3,077	133.9
BU America	28,548	20,363	40.2	31,428	20,861	50.7
BUNE	21,769	3,883	460.6	22,770	4,297	429.9
BUSE	27,090	10,418	160	33,362	14,832	124.9
Total face to face	84,605	37,740	124.2	94,758	43,067	120
Online training						
Corporate	1,544	425	263.3	1,544	425	263.3
BU America	9,255	4,584	101.9	11,639	5,974	94.8
BUNE	18,119	12,517	44.8	20,200	13,124	53.9
BUSE	21,309	7,182	196.7	25,220	11,745	114.7
Total Online	50,227	24,708	103.3	58,604	31,268	87.4
Total training hours	134,832	62,449	115.9	153,362	74,335	106.3

TRAINING

	Consolidated perimeter		Corporate perimeter	
	2022	2021	2022	2021
Hours per employee trained (face-to-face)	16.9	12.7	16.3	13
Hours per employee trained (e-learning)	5.2	3.7	5.2	4
Total hours per FTE	12.3	6.2	12.3	6.5
Total hours per employee trained	12.5	8.3	12.1	8.5
Total hours per employee	12.3	6.2	12.0	6.4

TRAINING HOURS BY DEPARTMENT

	Consolidated perimeter			Corporate perimeter		
	2022	2021	Difference (in %)	2022	2021	Difference (in %)
Administration	1,004	773	29.9	1,603	1,117	43.5
Food and Beverages	37,560	16,122	133	42,305	18,550	128.1
Management	10,007	5,113	95.7	11,290	5,923	90.6
Maintenance	5,783	2,701	114.1	6,514	3,026	115.3
Housekeeping	9,431	5,529	70.6	11,165	6,436	73.5
Reception	41,811	16,675	150.7	47,724	19,155	149.1
Reservations	17,258	9,078	90.1	19,850	12,771	55.4
Revenue Management	1,714	641	167.4	1,722	654	163.3
Central Services	6,185	3,003	106	6,186	3,140	97
Sales	3,049	2,367	28.8	3,666	2,889	26.9
Others	1,031	446	131.2	1,337	675	98.1
Total	134,832	62,449	115.9	153,362	74,335	106.3



TRAINING HOURS BY PROFESSIONAL CATEGORY AND GENDER

Consolidated perimeter	2022							
	Top Management		Middle Management		Staff		Total	
	Women	Men	Women	Men	Women	Men	Women	Men
Face to face training hours	3,056	3,385	9,260	10,419	34,868	23,617	47,184	37,421
Online training hours	657	918	3,499	4,015	22,852	18,285	27,009	23,218
Total by gender	3,714	4,303	12,758	14,434	57,720	41,902	74,193	60,639
Total by category 2022	8,017		27,192		99,622		134,832	
Total by category 2021	4,324		12,509		45,615		62,447	
Difference (in %)	85.4		117.4		118.4		115.9	

Corporate perimeter	2022							
	Top Management		Middle Management		Staff		Total	
	Women	Men	Women	Men	Women	Men	Women	Men
Face to face training hours	3,359	3,696	10,083	11,712	38,788	27,120	52,230	42,528
Online training hours	735	1,047	3,990	4,491	27,005	21,337	31,729	26,875
Total by gender	4,094	4,743	14,073	16,203	65,793	48,457	83,959	69,403
Total by category 2022	8,837		30,276		114,250		153,362	
Total by category 2021	18,749		14,235		55,312		74,335	
Difference (in %)	46.9		112.7		106.6		106.3	

TRAINING HOURS BY AGE

2022	Face to face training		Online training	
	Consolidated perimeter	Corporate perimeter	Consolidated perimeter	Corporate perimeter
< 25 years old	12,675	14,748	8,902	10,658
25-45 years old	54,468	60,583	28,803	33,700
>45 years old	17,462	19,427	12,523	14,246
Total	84,605	94,758	50,227	58,604



Corporate Training

Training for new Anantara brand hotels

In November 2022, NH University developed the hotel opening training itinerary for the Anantara Plaza Nice and Discovering Anantara training for the Anantara The Marker. During training sessions, the teams were trained to offer the best service to our guests in Nice and Dublin and are now familiar with all the details of the Anantara brand.

The hotel managers also underwent immersive training in the brand, visiting properties in Thailand and the Arab Emirates, with the aim of understanding how the standards are applied and how they are adapted to each hotel, as well as promoting networking, sharing best practices and exchanging experiences.

NH DISCOVERY Training

NH Rewards is now NH DISCOVERY, NH Hotel Group's loyalty program. The effort, enthusiasm and commitment that the entire team has dedicated to the global launch of NH DISCOVERY became reality in June 2022.

To achieve this, NH University, working in conjunction with the Support & Training and Loyalty teams, developed a sound, practical and attractive Training Plan that included general training on the new features of NH DISCOVERY, its main aspects and technical training for members of the hotel team who worked on the system.

All hotel employees, with particular attention on Front Office, Reservations and Guest Relations teams, received training in order to provide the teams with the necessary confidence and skills to meet the requirements of GHA DISCOVERY for each function and which will help them to be ready to present NH DISCOVERY to our guests.

It was designed following different methodologies:

- E-learning and webinars adapted to the reality of a hotel.
- Onsite training on the main Front Office procedures and technical changes.
- Different printed and digital materials.

Brand Games Training

The aim of this project is to convey the essential information on the NH and NH Collection brands and reinforce employees' knowledge of them. It is essential that employees are aware of this information every time they interact with our guests. Over the last quarter of 2022 and the first quarter of 2023, this project has resumed and the employees of 56 hotels, who were unable to participate in previous editions, will play the Brand Games while they learn.

Launch of NH Talent App - Training

In September 2022 we launched the NH Talent app for cell phones. This tool provides access to our training tool, which is available to employees with a single click. This milestone also makes NH Talent much more accessible to all employees who do not have a corporate email address or a computer as a work tool.

Since its launch, 915 employees have downloaded the NH Talent App

Southern Europe Business Unit Training

Training in health and safety (Portugal)

The aim of this itinerary is to reinforce knowledge in order to be prepared for an emergency, to identify the right time to intervene.

- Training in first aid: acting at the right time can save lives, in an emergency. Employees therefore had the chance to sign up for 18 training sessions.
- Training on safety in buildings: 42 training sessions for our employees are being rolled out to raise awareness on fire safety in buildings in order to prevent significant risk situations in the event of a fire.
- Training in health, food hygiene, HACCP and allergens: more than 17 training sessions have been given for our employees who handle food in their daily work.

Skills developed: sense of urgency, empathy, stress handling, integrity and emotional intelligence.

Food & Beverage Academy (Italy)

A multidisciplinary recap of food and beverage matters, with the principal aim of updating our knowledge of the market and new trends and reinforcing our technical skills in these areas. This academy operates in 3 phases:

- 2 webinars open to all F&B staff on new food trends
- 3 days of practical classroom training for selected chefs
- 1 training itinerary for F&B managers based on gamification and simulation

The project is based on our association with Alma, the international culinary school based in Italy.

This edition, which started in 2022 and will continue in 2023, has approximately 60 hours of training, with the participation of around 100 people in the webinars, 13 selected chefs for the culinary training and around 20 of our best F&B Managers and Maitres involved in the gamification phase.

Skills developed: consistency, active listening, continuous improvement.

Operación Kilowatio (Spain)

Training in sustainability and energy efficiency for all team members in Spain. In collaboration with the Building, Engineering and Maintenance area, 24 online sessions were held to learn efficiency tips for work and for life. Operation Kilowatt is made up of gamification in three phases:

- Phase 1: employees present initiatives and solutions to their GM. These are collected and shared.
- Phase 2: the hotels compete with each other to reduce their consumption by the highest percentage (compared to their own consumption in 2019).
- Phase 3: the best hotel wins DISCOVERY Dollars \$ (D\$) for all employees and presents its best team practice to the Management Committee.

Skills developed: teamwork, sustainable awareness-raising, efficiency at work, competitiveness, continuous improvement.

Training grants program

A program of grants for external training (master's degrees, executive programs, courses, etc.) open to all employees of Central Services. Up to 10 grants of 1,000 euros after applications submitted by employees.

Language training (Southern Europe Business Unit & HQ):

In collaboration with goFLUENT, we have made language training more democratic for all employees of BUSE and HQ. The platform offers up to 12 languages, with content adapted to different levels and profiles with free access to unlimited conversation group classes for all levels.

Skills developed: languages, continuous improvement.





Northern Europe Business Unit Training

NH University

In the Northern Europe Business Unit, we train new team members for their role as internal trainers. The NH University team visited several cities over a number of days to roll out training sessions in these countries. In Berlin, we organized Boost Your Energy and Discover Your Talents training for our German colleagues, and in Prague we organized 5 different training sessions for the Czech team.

Skills developed: commitments, integrity, teamwork, active listening.

Azubi Welcome Day

In December 2022, we organized the "Azubi Welcome Day". On this day, all the azubis from the different regions got together and received information on the hospitality world and had the chance to make contacts and participate in the creation of teams. Azubis are known in Germany as young professionals who learn the hotel business by working in all departments, as well as receiving theoretical class on hospitality-related subjects at school.

Skills developed: commitment, integrity, teamwork, active listening, continuous improvement.

The Americas Business Unit Training

INHternship Program (Colombia)

The program consists of six-month-long internships, where university students can participate across disciplines in the different process of the hotel business, having contact with the roles and tasks of each department of the hotel. They will have the chance to accelerate their development and prepare to take on the challenges that professional life presents, while we reinforce the availability of young talent for the administrative needs of the business.

Skills developed: continuous improvement, teamwork, commitment, active listening.

Training at Headquarters

NH Talks

This started as an initiative so that each area could inform and share their know-how and their most relevant objectives with all HQ employees, as well as their plans and ongoing projects. This year, we have held two sessions. The first of them in our Central Reservation Center, and the second on NH DISCOVERY, the new loyalty program.

Skills developed: teamwork, active listening, commitment, camaraderie.

Learn to manage your emotions and your time

This pilot scheme at HQ aims to provide our employees with tools to help them manage their emotions better after the experiences during the pandemic. In addition, given the limited number of resources and the high volume of work, another aim is to provide them with tools to manage their time and ensure this is quality time. This has given rise to the I can't do it anymore! + Confliction and emotion management training given by our external consultant *Cegos España*.

Skills developed: continuous improvement efficient time management, active listening, personal planning.

ShowTime

This year we have brought back our onboarding program for employees of Central Services. The main aim is for new employees to get to know our business by experiencing first-hand what the day-to-day activity in the hotel is like, spending time in each of the departments involved.

Skills developed: continuous improvement, camaraderie, empathy, active listening.

Employee Engagement

At NH Hotel Group employee engagement is measured every two years. Because of the pandemic, it was not possible to launch a survey in 2021 and 2021, but in 2022 the measurement of commitment throughout the Group resumed.

The “Team Member Engagement Survey” for 2022 was administered over several weeks in the months of September and October. All permanent and temporary employees with at least 3 months’ service in the Company were invited to participate.

As in previous occasions, the survey was managed by an external provider, which has made it possible to maintain the confidentiality of the responses and to compare the results with different standards.

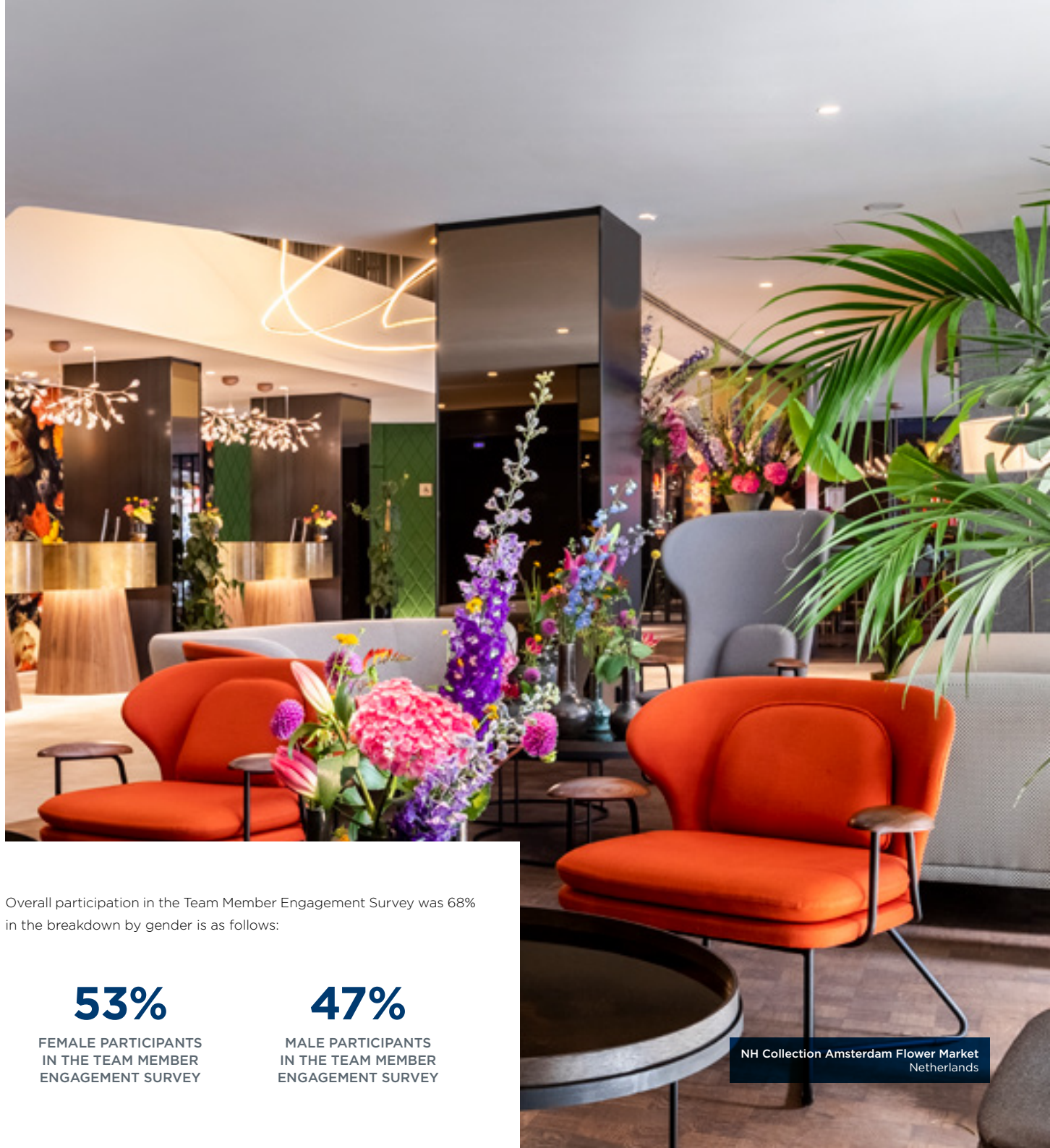
With more than 50 questions grouped in different dimensions, the survey will help to identify the strengths and areas for improvements in the different organizational levels.

The survey has been translated into the 11 languages used in the Company, so that employees can respond to it in their reference language.

In order to facilitate participation by our employees, especially those who do not have a corporate email address, an ambitious plan was put in place to multiply the channels they could use to respond: Starting with NH Talent (our management platform for employees), both in its desktop format and the app version (launched to coincide with the start of the survey), and posters with QR codes placed at the back of the house of the hotels and on the Intranet, MyNH App, and on screen-savers on computers throughout the chain, and naturally a direct emailing campaign for our more than 5,000 employees with a corporate email address.

Once again, we had the invaluable support of our hotels’ Ambassadors, hotel employees responsible for engagement and for dealing with their colleagues’ questions and doubts about this key process in the Company. All of them received a kit with materials to use in the hotel.

An internal communication campaign was designed which included prior expectations, together with impacts for each of the weeks during which the survey was open, and a final impact expressing thanks to the thousands of employees who offered their opinion with the aim of making NH a better place to work.



Overall participation in the Team Member Engagement Survey was 68% in the breakdown by gender is as follows:

53%

FEMALE PARTICIPANTS
IN THE TEAM MEMBER
ENGAGEMENT SURVEY

47%

MALE PARTICIPANTS
IN THE TEAM MEMBER
ENGAGEMENT SURVEY



NH Collection Berlin Mitte
Germany

Once the results of the survey have been analyzed overall, all the hotel and office managers will be given access to their results report, and an action plan tool with a catalog of good practice initiatives, so that they can work on specific action plans for each aspect. At the same time, overall action plans will be implemented, focused on boosting the main strengths and opportunities identified at company level. These plans will be implemented during the next year and a half, before the launch of the next survey in 2024.

In addition to the biennial engagement survey, NH Hotel Group has a strong commitment to listen to its employees. To do so, we have developed a strategy of continuous listening which will allow us to gather immediate information on multiple key moments related to the employee's experience and use this information to improve it. The Company is committed to finding new ways of gathering opinions more frequently in order to be closer to employees' concerns and the needs of the business.

Social dialog with employees

NH Hotel Group seeks to maintain a model of responsible and positive labor relations based on principles of dialog, consultation with and participation of workers.

Accordingly, in October 2015 the European Works Council (EWC) of NH Hotel Group was set up as an initiative of the European Federation of Trade Unions in the Food, Agriculture and Tourism sectors (EFFAT) and at the request of affiliates from Italy, Belgium and Spain.

This EWC affects all the Company's workplaces in the European Economic Area and operates under directive 2009/38/EC, as well as its transposition into Spanish legislation. Its principal function is to achieve a level of communication and social dialog that, in a climate of confidence, makes mutual understanding possible on cross-border matters that affect its employees.

Coverage of NH Hotel Group employees by Collective Bargaining Agreements, which generally include aspects related to employees' health and safety, varies according to the different Business Units.

EMPLOYEES COVERED BY AGREEMENT BY BUSINESS UNIT (IN %)

	Consolidated perimeter		Corporate perimeter	
	2022	2021	2022	2021
BU America*	43	59	39	59
BUNE	91	94	87	92
BUSE	98	100	98	100
Total	87	92	85	91

(*) In Colombia, the Collective Agreement between the company and the employees has been considered

EMPLOYEES COVERED BY AGREEMENT BY COUNTRY (IN %)*

	Consolidated perimeter	Corporate perimeter
Argentina	58%	64%
Austria	100%	100%
Belgium	100%	100%
Chile	0%	0%
Colombia**	100%	100%
Cuba	0%	0%
Czech Republic	0%	0%
Denmark	100%	100%
Ecuador	0%	0%
France	100%	100%
Germany	100%	100%
Hungary	0%	0%
Ireland	0%	0%
Italy	100%	100%
Luxembourg	100%	100%
Mexico	3%	2%
Portugal	100%	100%
Romania	100%	100%
Slovakia	0%	0%
Spain	100%	100%
Switzerland	100%	100%
Netherlands	93%	94%
United Kingdom	0%	0%
United States	0%	0%
Uruguay	0%	0%
Total	87%	85%

(*) The countries where the percentage is 0% is because collective agreements do not exist in those countries.

(**) In Colombia, the Collective Agreement formed between the company and the employees has been considered.



Flexibility and work-life balance: from the ‘new way of working’ to the “hybrid model”

For NH Hotel Group, one of the fundamental pillars for attracting and retaining talent is the work-life balance, which is about striking a balance between the needs and interests of team members and the Company's needs and interests.

The NH Hotel Group culture has been evolving in recent years towards a more flexible and balanced model, thanks to the “New Way of Working” project which started several years ago. In September 2021, compelled by the circumstances of the pandemic, this pilot project of a hybrid work model took off in the different central offices of each Business Unit and in 2022, the hybrid working model has been consolidated and improvements have been made to it. The Company has transited towards this model in a very fast, efficient and sustainable way.

An example of the clear success of this model has been the signing of a working from home agreement between the Company and representatives of works in the Central Reservations office located in Madrid, where around 200 booking agents now enjoy an arrangement of working from home 5 days a week, retaining the possibility of going to the office, on request, if they wish.

In 2023, at least in Spain, an agreement will have to be defined and signed between the Company and employees of Central Service, which will allow for effective implementation in accordance with applicable labor legislation of the flexible work model which has been tested in a pilot project in 2022.

This pilot hybrid model has the following characteristics at Headquarters:

- At least 3 days present at the office and 2 days working from home, to be distributed from Monday to Friday in line with the nature of the job.
- To facilitate lunch breaks on in-office days, the Company decided to give HQ employees a Lunch Allowance of € 112 per month (excluding July and August).
- To make working in the office safer, additional health and safety measures were approved, such as CO₂ measuring devices on all floors and in all meeting rooms, air purifiers with particle filtering, social distancing between workstations, etc.






The office also stayed open to continue providing services to those of employees who so required.

Accordingly, this entire program of measures has allowed NH Hotel Group to continue with its activity, providing employees with an improvement in work-life balance thanks to the hybrid work model, boosting the bond of trust and engagement.



PRINCIPAL WORK-LIFE BALANCE AND FLEXIBILITY MEASURES AND OTHER EMPLOYEE BENEFITS

 Exams during working hours	Giving notice 48 hours in advance and providing evidence of attendance at the exam.
 Fulfilment of an unavoidable public and personal duty	The Company grants the time required to fulfil this duty.
 Assisted reproduction techniques	Any employee undergoing assisted reproduction techniques is entitled to be absent from work, subject to prior justification.
 Birth or adoption	The Company offers: <ul style="list-style-type: none"> ■ Guaranteed remunerated leave of absence for the formalities prior to international adoptions. ■ Possibility of a sabbatical of 4 to 6 months for employees in international adoption processes, keeping their job. ■ Possibility of combining paternity leave with annual vacation leave, to facilitate travel of the other parent when the child was born outside Spain.
 Favoring the hiring of women who have been victims of gender violence	Priority in hiring women who provide evidence that they are victims of gender violence, other conditions being equal.
 Geographical mobility	Preference in geographical mobility to care for dependents (children and family members).
 Promoting new technologies	Use and encouragement of new information technologies (videoconferences, etc.) whenever possible, to avoid constant travelling or commuting.
 Discount program	Access to a program of online discounts and exclusive prices for a wide range of products, services and leisure activities through the Coperama platform.

 Virtual bank office	Virtual bank office, offering financial products and services at favorable terms to employees and former employees, distributing proportionately each year 50% of the profits generated. 135 employees of the head office and the CRO are presently customers of this office.
 Flexible hours/work-life balance and shorter workday	Flexibility in start and finish times. Shorter workday in summer and on Fridays all year round, in Central Services, in departments where this is organizationally possible. In terms of work-life balance, see "Flexibility and work-life balance: from the 'New Way of Working' to the "Hybrid Model". The Company takes steps so that employees can rest at the end of their working day. In 2022, a feature has been implemented in Outlook to limit sending emails outside work hours. Specifically, before sending a mail outside work hours, the employee is required to consider whether it is really necessary to send it at that time, or whether it can wait until the next day within working hours.
 Payflow	Project to receive an advance on salary allowing employees to get paid immediately whenever they want.
 Payflex	The Flexible Remuneration Plan is a personalized remuneration system in which each employee can decide voluntarily how to receive the total annual remuneration so that it is adapted to his/her personal and family needs at all times. As this is a voluntary plan, you can receive your remuneration as you have been doing until now or choose a new distribution between your salary and the products and services that NH offers you: childcare vouchers, restaurant card, transport card, medical insurance, training, purchase of vacation days.
 GoFluent	Online learning platform of up to 12 languages, which has been made available to employees of HQ and BUSE with the purpose of improving specifically their level of English.

Internal communication

In 2022, internal communication has continued to be one of the key factors in generating and maintaining employees' engagement with the Company, as well as a powerful lever of change management.

In such a volatile social and economic environment, it is key to focus on 'the purpose', in other words, that employees should be aligned with the Group's strategy, where the role each of them plays in achieving it is clear. Accordingly, in 2022 the Company has defined the main strategic priorities on which it will focus in the coming years, and, alongside this, it has worked on a specific internal communication plan to share these priorities with all employees.

Thanks to the analysis of the focus groups with employees, conducted to analyze internal communication over last year, certain areas for improvement were identified which have contributed to establishing the priorities the Company will focus on in future years.

As a starting point, the Company has started to redefine the strategy in relation to channels and contents of newsletters and communication by email. It will also work on redesigning the MyNH app with a view to relaunching it in 2023, and it will also implement a metrics module that will offer a clear view of the consumption of information and employees' preferences.



Main internal communication projects in 2022

'SUSTAINABLE BUSINESS' & 'TOGETHER WITH LOVE' COMMUNICATIONS

Internal Communication wants to value and highlight NH Hotel Group's commitment to sustainability and its leadership in the industry in relation to sustainable excellence.

The 'Sustainable Business' area has promoted special Corporate Volunteering initiatives under its 'Together With Love' program. These initiatives continue to be very well received by the Company's employees, who place their service vocation at the disposal of those who need it most. The 'Sustainable Business' internal communication channel, and its dedicated section in the monthly 'Tell The World' newsletters, continues to be a great success and the best tool for employees to learn of the sustainable initiatives that the Company promotes.

TELL THE WORLD

In 2022, our leading channel, Tell The World, has continued to consolidate its position as our employees' favorite for keeping up to date with the Company's news and projects.

This year, the contents of this channel, which employees can access through mail or the MyNH app, have once again featured new openings, the new brands that have joined the portfolio thanks to Minor Hotels and the projects linked to the Company's strategic priorities.

TOWN HALLS VIRTUALES & CANAL CEO

The leader Visibility Plan designed in 2020 has continued to evolve in 2022, with the main new development being the return of hybrid Town Halls, i.e., face-to-face and streamed live. This plan continues to be well received and its repercussions, from the standpoint of positioning of leaders and employee alignment with the Company's priorities are growing all the time. As a milestone of this plan in 2022, we would highlight the following event:

Town Hall - Management Committee - Strategic Priorities: After NH Hotel Group's strategic priorities had been defined and approved by the Board, an online meeting was held and live streamed in which those responsible for each initiative explained each of them in detail, together with the corresponding road map for the coming years. A meeting aimed primarily at the Company's leaders, who played a key role in each of the main messages to their teams. A clip of this online meeting was also edited to be shared with all employees, using the main internal communication channels: the Tell The World newsletter and the MyNH app.

MYNH APP

In 2022, NH Hotel Group has again chosen digital tools to communicate with its employees. The new hybrid work models that are starting to be formalized, and the prevalence of employees who work in hotels, without a fixed desk, make the app the best alternatives for staying connected with employees, keeping them informed on a timely basis and thus generate greater commitment.

NH Collection Finisterre
Spain

Employer branding – Further Together

NH Hotel Group is proud that its employees are the key to the success of the business. Therefore, it has sought to consolidate the NH Hotel Group employer brand throughout the world, to attract and motivate the best talent among employees and external candidates.

The long-term goal of the Employer Branding plan is to establish a unique culture around the Company's 'Further Together' claim and our values as an employer brand, through uniform and consistent communication of the Company's identity and essence: People, Passion and Challenge. To do so, the Company continues to focus its strategy on these values, both in the initiatives aimed at consolidating internal talent and in those focused on attracting external talent.

Furthermore, in 2022 Employer Branding actions have diversified, placing special emphasis on collaboration with the top Hospitality Schools in Europe, which NH Hotel Group has visited, representing Minor Hotels, creating a direct connection with the students of these schools and acting as a reference for those interested in what we have to offer as a hotel chain, especially in the luxury sector.

We have renewed the image and strategy of our dedicated channels on social media has been renewed. The main milestones have been the change in the name of the Instagram account to *@nhhotelgroupcareers* and the launch of the new LinkedIn profile with the same name, narrowing its identity to content exclusively related to Employer Branding y Recruiting.

In the diversification of Employer Branding content on social media, different subject matters can be found such as development and training programs, opening events, employee celebrations, job vacancies, recognitions and awards.

The new content strategy also reflects the Sustainability position as a lever that is becoming more and more relevant in attracting and retaining talent. For this reason, we favor giving greater visibility to the Company's milestones in relation to Responsible Commitment and Sustainability, as well as the Corporate Volunteering campaigns under the slogan *Together With Love*.

Memorable Dates

Memorable Dates continues to be the program that celebrates the most important anniversaries (5, 10, 15, 20 and 25 years), as well as the retirement of hotel and central office employees in all Business Units. In 2022, the acknowledgement of employees' service at the Company has been resumed, awarding DISCOVERY Dollars (D\$) which can be redeemed at our hotels.

Health, safety and wellbeing at work

These years will be marked by the pandemic, which has made health and safety an absolute priority in global terms at all levels. Its impact on the industry has been devastating, although the sector has managed to respond swiftly in terms of management of the health and safety of guests and employees.

NH Hotel Group understands that offering people a safe and healthy working environment is an absolutely necessary requisite. In Spain, NH Hotel Group has an Occupational Risk Prevention Plan which is the master document that governs the Occupational Health and Safety actions to be carried out at the Company's workplaces in Spain. This Plan includes, among others, essential procedures such as:

- Risk Assessment.
- Health and Safety training and information.
- Health Monitoring.
- Health Damage Management.
- Emergency Management.
- Maternity Protection.
- Personal Protective Equipment.
- Business Activity Coordination.

The Plan is based on the integration of these processes throughout the Company's hierarchical structure. Both Central Services heads of department and hotel personnel (from General Managers to staff) have been assigned functions and responsibilities in this area. Furthermore, in Spain there is a Joint Prevention Service which provides services to the NH Hotel Group hotels and workplaces in Spain.

In other countries, this Plan is not applicable and therefore technical advising on Occupational Risk Prevention is outsourced with external service providers. In Portugal there is also a Prevention Service that operates in the hotels and in Italy there is a Health and Safety Coordinator who, with the support of an external Prevention Service, provides support to hotels in the country. In the other countries, NH Hotel Group employees are designated as responsible for coordinating the actions of these service providers and for implementing the established corrective measures and prevention procedures.

NH Hotel Group strives to promote a culture of occupational health as part of its commitment to health and safety. The integration of occupational health into the Company's activities is reflected in the programs and action plans in hotels and offices in different countries. In 2022, with the improvement of the epidemiological situation and the gradual elimination of restrictions by the Health Authorities, the Feel Safe at NH procedures were eliminated.

Health initiatives

GENERALI VITALITY

This initiative has been launched at HQ and offers the possibility of accessing a health and wellbeing program provided by GENERALI Vitality where "taking care of yourself has its reward". This initiative helps you to have a more active life and rewards you, when you complete a weekly challenge, with gift vouchers for Amazon, El Corte Inglés, Adidas, through its app.

NH RUNNERS

After an absence of a few years, we have recovered the NH Runners initiative, the purpose of which is to live a healthier life and do exercise. This time, we funded registration in the 2022 Business Race held in Madrid. With this initiative we invited employees to form part of this team to go out and train and participate in the races organized.

NH BIKERS

After an absence of a few years, the NH Bikers initiatives has returned with the 32nd Valdemorillo Classic, where employees of the Business Unit in Spain and of Headquarters compete in mountain bike racing.

FRUIT AT HQ OFFICE AND CRO

Since June 2022, we have once again been enjoying fresh fruit at HQ and CRO offices, from Monday to Thursday.



Training in Health and Safety

In 2022, new e-learning in Occupational Health and Safety was launched in Spain.

This training has been developed more effectively, dynamically, intuitively, and realistically than in previous years, as it has been made more accessible and can be completed on a cell phone, which has facilitated access to many groups of employees such as housekeeping staff, while the duration of the training has been reduced to make it more dynamic.

The training has placed special emphasis on the most relevant risks of each job, including 26 short videos with the most significant preventive measures.

This new training through e-learning has been very well received and the feedback obtained has been very positive.

OCCUPATIONAL HEALTH AND SAFETY TRAINING HOURS IN 2022

	Consolidated perimeter		Corporate perimeter	
	Face to face training	Online training	Face to face training	Online training
Number of employees trained	1,347	2,454	1,698	2,744
Number of programs	71	33	73	33
Training hours	9,140	4,866	11,302	5,512

Accident rates and occupational diseases

In 2022, 100% of the countries that reported FTEs have reported the information corresponding to accidents at work and occupational diseases.

In 2022, NH Hotel Group recorded two employees with occupational diseases, 50% fewer than in 2021, one case being a woman and the other a man. Most active occupational diseases are related to damage in the musculoskeletal system such as epicondylitis or tendinitis.

ACCIDENTS IN 2022

	Consolidated perimeter			Corporate perimeter		
	Women	Men	Total	Women	Men	Total
Fatal accidents	0	0	0	0	0	0
Accidents with absence from work	133	108	241	153	120	273
Accidents with serious consequences	4	2	6	5	3	8
Accidents without absence from work	64	50	114	76	65	141
Total accidents	197	158	355	229	185	414

OCCUPATIONAL DISEASES IN 2022

	Consolidated perimeter			Corporate perimeter		
	Women	Men	Total	Women	Men	Total
Fatal occupational diseases	0	0	0	0	0	0
Occupational diseases with absence from work	0	0	0	0	0	0
Occupations diseases with serious consequences	0	0	0	0	0	0
Occupational diseases without absence from work	1	1	2	1	1	2
Total occupational diseases	1	1	2	1	1	2



NH Palacio del Duero
Spain

ACCIDENT AND OCCUPATIONAL DISEASE FREQUENCY RATES

	2022			2021		
	Women	Men	Total	Women	Men	Total
Consolidated perimeter						
Frequency Index (FI)* fatal accidents	0.00	0.00	0.00	0.00	0.00	0.00
Frequency Index (FI)* accidents at work	17.50	14.58	16.07	11.40	10.31	10.87
Frequency Index (FI)* Accidents with sick leave	11.81	9.97	10.91	5.70	5.60	5.70
Frequency Index (FI)* Accidents with serious consequences	0.36	0.18	0.27	0.10	0.00	0.00
Frequency Index (FI)* Occupational diseases	0.09	0.09	0.09	2.30	0.80	1.60
Frequency Index (FI)* Occupational diseases with sick leave	0.00	0.00	0.00	0.00	0.00	0.00
Severity Index (GI)** accidents at work	0.35	0.23	0.29	0.12	0.12	0.12
Severity Index (GI)** Occupational diseases	0.00	0.00	0.00	0.01	0.01	0.01
Severity Index (GI)** Occupational diseases with serious consequences	0.00	0.00	0.00	0.00	0.00	0.00
Severity Index (GI)** accidents at work with serious consequences	0.11	0.05	0.08	0.03	0.00	0.03
Corporate perimeter						
Frequency Index (FI)* fatal accidents	0.00	0.00	0.00	0.00	0.00	0.00
Frequency Index (FI)* accidents at work	17.75	14.93	16.37	11.73	10.16	10.96
Frequency Index (FI)* Accidents with sick leave	11.86	9.69	10.80	6.08	5.57	5.83
Frequency Index (FI)* Accidents with serious consequences	0.39	0.24	0.32	0.09	0.00	0.04
Frequency Index (FI)* Occupational diseases	0.08	0.08	0.08	2.05	0.71	1.39
Frequency Index (FI)* Occupational diseases with sick leave	0.00	0.00	0.00	0.17	0.09	0.13
Severity Index (GI)** accidents at work	0.36	0.24	0.30	0.13	0.12	0.12
Severity Index (GI)** Occupational diseases	0.00	0.00	0.00	0.01	0.01	0.01
Severity Index (GI)** Occupational diseases with serious consequences	0.00	0.00	0.00	0.00	0.00	0.00
Severity Index (GI)** accidents at work with serious consequences	0.11	0.07	0.10	0.02	0.00	0.01

(*) Frequency Index (FI) = number of occupational accidents or occupational diseases / hours worked *1,000,000.

(**) Severity Index (GI)= days of sick leave due to occupational accidents or occupational diseases / hours worked.



Turnover, absenteeism and terminations

TURNOVER RATE BY GENDER, AGE AND CATEGORY (IN %)

	2022		2021	
	Consolidated perimeter	Corporate perimeter	Consolidated perimeter	Corporate perimeter
Breakdown by gender				
Women	38.1	39.1	32.4	33.7
Men	36.8	38.1	25.9	27.1
Breakdown by age				
Under 25 years old	78.8	80.8	73.1	76.0
Between 25 - 40 years	46.8	47.9	39.3	40.6
Over 40 years old	21.8	22.4	17.9	18.5
Breakdown by professional category				
Top Management	12.4	13.2	11.3	11.2
Middle Management	17.5	17.9	20.0	20.0
Staff	42.3	43.4	33.4	33.4
Total	37.5	38.6	30.2	31.3

The change in the turnover rate is due to the current reality. Due to the pandemic, measures were implemented as part of the contingency plan and almost no temporary hires were made. During this year, due to the reactivation of the business and after eliminating the measures of the plan, temporary hires have resumed.

VOLUNTARY TURNOVER RATE BY BUSINESS UNIT (IN %)

	2022			2021			Total difference (in %)
	Women	Men	Total	Women	Men	Total	
Consolidated perimeter							
Central offices and CRO	13.3	10.1	11.8	14.4	9.6	13.0	-9.6
BU America	41.5	39.2	40.4	35.5	32.7	33.7	19.8
BUNE	33.6	31.5	32.6	26.4	17.7	23.4	39.6
BUSE	12.4	14.9	13.6	9.9	10.5	10.5	29.9
Total	25.1	24.8	25.0	20.0	17.4	18.8	33.0
Corporate perimeter							
Central offices and CRO	13.3	10.1	11.8	14.4	9.6	13.0	-9.6
BU America	43.7	39.7	41.7	39.9	33.0	35.5	17.5
BUNE	32.2	31.1	31.7	25.5	17.5	22.8	39.2
BUSE	14.9	16.9	15.9	10.5	11.4	11.2	42.2
Total	25.8	25.5	25.7	20.3	17.6	21.8	17.8

NON-VOLUNTARY TURNOVER RATE BY BUSINESS UNIT (IN %)

	2022			2021			Total difference (in %)
	Women	Men	Total	Women	Men	Total	
Consolidated perimeter							
Central offices and CRO	11.6	6.7	9.3	33.2	15.3	26.3	-64.5
BU America	6.6	9.4	8.0	5.0	4.9	4.9	63.4
BUNE	9.3	9.8	9.5	7.2	7.4	7.7	23.6
BUSE	18.9	15.3	17.2	17.5	12.8	15.5	10.8
Total	13.0	12.0	12.5	12.4	10.4	11.4	9.3
Corporate perimeter							
Central offices and CRO	11.6	6.7	9.3	33.2	15.3	26.3	-64.5
BU America	6.7	9.3	8.0	7.1	6.0	6.4	25.5
BUNE	9.4	9.7	9.6	7.5	7.8	8.1	17.7
BUSE	19.2	16.5	17.9	18.6	13.9	16.6	7.9
Total	13.3	12.5	12.9	13.3	11.2	14.1	-8.3

HOURS OF ABSENTEEISM*

	Consolidated perimeter		Corporate perimeter	
	2022	2021	2022	2021
Accident	69,525	50,309	77,268	56,811
Disease	921,119	686,726	1,048,201	780,070
Total	990,644	737,035	1,125,470	836,881

ABSENTEEISM RATE (IN %)

	Consolidated perimeter		Corporate perimeter	
	2022	2021	2022	2021
Accident	0.3	0.2	0.3	0.2
Disease	4.2	3.4	4.1	3.4
Total	4.5	3.6	4.4	3.6

(*) Calculated on valid working days.

TERMINATIONS

	Consolidated perimeter			Corporate perimeter		
	2022	2021	Difference (in %)	2022	2021	Difference (in %)
Terminations by gender						
Women	182	152	19.7	218	161	35.4
Men	209	169	23.7	243	178	36.5
Terminations by age						
Under 25	68	41	65.9	83	44	88.6
Between 25 and 40	177	128	38.3	209	136	53.7
Over 40	146	152	-3.9	169	159	6.3
Terminations by professional category						
Top Management	4	10	-60.0	4	11	-63.6
Middle Management	39	50	-22.0	44	54	-18.5
Staff	348	261	33.3	413	274	50.7
Total	391	321	21.8	461	339	36.0

In terms of terminations, in all countries where NH Hotel Group is present, measures have been taken to preserve employment and talent. The Company continues to work to support all team members, transmitting peace of mind and working together in the recovery of the business.

To calculate employment terminations, all of them have been considered, both for objective causes or disciplinary terminations.





10.2

UP FOR PEOPLE

Customers



CUSTOMERS

UP FOR PEOPLE

NH Hotel Group provides an excellent service offering an innovative range of services and invites its customers to participate and get involved in ethical, social and environmental commitments

In its commitment to sustainability, NH Hotel Group seeks to include and involve customers in its sustainable initiatives, whether by generating opportunities for social contribution or by promoting environmentally responsible behavior.

Commercial model: Boosting Business

The commercial strategy, based on based on the Customer Centric philosophy, is built on experience, specialization and the close relationship that has been generated with customers over the years, to offer a service of the highest quality. With this the Company will manage to improve the capacity to evaluate the actual opportunity cost at each time, impacting the Company's global strategy and the acceleration of its growth.

In recent years, projects have been led for the Company's commercial optimization and development through the digitalization of processes and new business approaches such as the acquisition and loyalty of B2B customers which have represented an important new demand channel.

Boosting Business is an opportunity to accelerate the Company's business capacity which will guide the evolution for adaptation towards both future and present customers. It is focused on creating new digital tools, boosting growth and strengthening the connection with customers. Adapting the service to the digital era to create new processes, ways of working and identifying development opportunities will make it possible to improve efficiency and offer a much more personalized and quality experience in line with the new needs of customers. The creation of an optimal model that will allow for the development of synergies (cross-selling) with Minor Hotels to develop more intersecting action plans, adapted to each market, drives the growth of NH Hotel Group in both new and traditional markets, increasing demand and reducing seasonality.

Thus, the cohesion between the service culture that characterizes NH Hotel Group and the shift towards digitalization increases the capacity to identify new opportunities and drives growth as professionals, as leaders and as an organization.

NH Experience for individual and professional customers

As a Company strategy, NH Hotel Group believes in defining its customer experience for each brand under four main pillars:

- Sustainability.
- Digitalization.
- Efficiency and ease of customer processes.
- Innovation and adaptation to consumer trends.

The methodology for defining the experience always starts from an analysis of the customer journey, the identification of “moments of truth” for the continuous redesign and implementation of projects, as well as monitoring acceptance.

In recent years, as a result of the Company’s new business strategy, the quality bases that characterize NH Hotel Group have been laid down.

Main initiatives in 2022

CLICK & MEET

As part of the Company’s constant efforts to digitalize services, our website for professionals, NH PRO (nhpro.com), has launched Click & Meet, a new feature for reserving online meeting spaces and event venues, that gives professionals real-time access to information on prices and availability, as well as obtaining immediate confirmation of the reservations of rooms for up to 20 people.

DUETTO AUTOPILOT

Duetto is a novel system that helps manage income. Based on the pickup forecast / historical figures, it makes pricing recommendations, with the aim of optimizing revenues. Thanks to autopilot, recommendations are launched automatically to TMS and connected channels 3 times a day. This optimizes revenues, reduces the workload of revenue managers and improves the time to market.





NH Collection Frankfurt City
Germany

Initiatives to improve the quality of the experience for individual customers

FASTPASS

This initiative gives customers the possibility of using online check-in, choose your room and online check-out. It gives guests total control over their stay, allowing them to choose their own room by exploring the hotel's architectonic plan.

The online check-in and online check-out features also allow us to digitalize both processes, reducing the use of paper and allowing our guests to complete both processes conveniently from their smartphone, tablet or PC.

In 2022, we have succeeded in extending the use of these services, implementing trials to invite guests to use the service by SMS, as well as the email channel which has been in use since the beginning of the project. FastPASS will continue to evolve in the future with the analysis and incorporation of new technologies that will make it possible to go even further with these services, such as biometrics and facial recognition or digital keys.

Tablets in Reception

With the aim of continuing to be at the forefront of innovation and offer its guests the best services, this feature reduces physical contact and waiting times at hotel reception, during check-in and check-out, improving the touchpoints, at both operational and experience level, by digitalizing all phases of these processes.

This project lets guests complete the check-in and check-out processes using a tablet connected to our PMS, which:

- Facilitates the review of their booking information, contact or billing information without the need to print paper, and correcting any errors at the same time.
- Offers the possibility of updating the GDPR policy and NH DISCOVERY on the tablet.
- Enables signing of the registration and police (if applicable) documents using this device (digital signature).
- Digitalizes the check-in and check-out processes.

With this project we achieve the following goals:

- Improving the guest experience.
- Paperless processes.
- Improving the quality of our CRM and improving NH DISCOVERY capture.
- Digitalizing the customer data storage process (GDPR/Police).
- Improving the efficiency of these processes.

A primary rollout of the project has been carried out in 2022, achieving the following milestones:

- More than 60 hotels with the Tablets in Reception project implemented.
- More than 180 tablets implemented.
- More than 30 training processes given to operational teams.
- Project implemented in the NH Hotels, NH Collection, nhow and Anantara brands.
- Project implemented in 7 different countries (Spain, Italy, Belgium, Netherlands, France, Austria and Denmark).

Based on the volume of hotels implemented at the end of the first half of 2022, thanks to this project we can save 2 million sheets of A4 paper a year which represents:

- 30,000 kg in timber saved.
- 500 m³ of water not consumed.
- 100,000 kWh of energy saved.
- 11 metric tons of CO₂eq not emitted into the atmosphere.

For 2023, NH Hotel Group will continue to run this project, with the following goals:

- Scheduling a 2nd rollout phases in the group's hotels.
- Piloting a new product: Wireless Tablet, which will permit a more experience-based check-in at places other than reception.
- Improvements in the usability of this solution.

Chromecast

Changes in consumption of audiovisual media are already a reality. Digital media are gaining in importance and the younger generations now consume more content through streaming than traditional television. To adapt to this trend, NH Hotel group has established as standard for several of its brands the incorporation of Google Chromecast for hotels in the TV sets in the rooms. This solution lets guests send content from their cellphone, tablet or PC to the television it is connected to and watch their favorite digital content.

In 2022, a first pilot trail of this solution was carried out at several of our hotels of the Anantara and Tivoli brands (Anantara Villa Padierna, Anantara New York Palace Budapest, Anantara Vilamoura Algarve Resort, Anantara Palazzo Naiadi Rome Hotel, Tivoli Avenida Liberdade and Tivoli Palacio de Seteais) and in 2023 Chromecast will be rolled out in the Avani brand.

Mobile Guest Service

As part of NH Hotel Group's digitalization and sustainability strategy, we continue to support the Mobile Guest Service.

Mobile Guest Service is a PWA that digitalizes the information, services and features which guests need during their stay at a hotel and offers another channel for communication or interaction between guests and the hotel team.

The platform includes:

- All the information on the hotel.
- Useful content: guides and tips on the city, online press...
- Reservations for services: spa, restaurant reservations, excursions...
- Possibility of requesting: room service, additional services in the room, housekeeping, VIP services...

Throughout 2022 we have continued to promote implementation of Mobile Guest Service, and this tool is now available in 325 hotels of all our brands present in all our business units.

The following improvements have also been made:

- Improvement in the presentation of content, to make it more attractive to our guests. The structure of contents by brand has also been standardized.
- Rollout of the "city guide" service. This is a guide drawn up by the hotel teams so that guests experience the city like a local.
- Implementation of quarterly training for optimization of this tool, aimed at hotel staff.

Pet friendly

A complete experience for guests who travel with their pets. This new operational promise for pets offers our guests the certainty that trav-

elling to an NH hotel with their pet is possible and convenient, which is especially relevant nowadays in light of the growing number of people who decide to travel with their pet. We offer a standardized pet policy all over the world, making our hotel chain pet friendly.

Sensory branding

In the experience area we are constantly improving projects that are already in place, such as the musical atmosphere in our hotels. We have a system that lets us design music to generate comfortable and pleasant atmospheres in our hotels, and also in line with the values and attributes of each brand. The musical atmospheres designed evolve in the course of the day, to create the perfect atmosphere at every moment of the day, so that our guests can always relax, work, eat or rest in a pleasant atmosphere. In 2022 we have completely updated the musical design associated to our brands.

Sustainable product

In line with the Company's general policy, we continue to work to propose sustainable alternatives to all the elements defined as standard in our hotels. After the important change in all bathroom amenities and accessories, we are still working to find sustainable alternatives to other elements, such as new pens made with wheat straw or our candies at reception which now have biodegradable wrappers.



Initiatives to improve the quality of the experience for professional customers

The Responsive Way of Working – relaunch of the corporate communication umbrellas concept for professional customers

Responsive Way of Working is our value proposition for the Company's B2B professional segments.

The program is associated to a philosophy that encompasses the following five pillars that support the services we offer:

- Point of contact: a single point for all hotels to offer smooth services;
- Pricing solutions suitable to each customer based on flexibility of our processes;
- Unique experiences focused on the customer in all our hotels and resorts.
- Extensive knowledge of the industry thanks to our team of experts.
- Smart digital solutions thanks to our belief in innovation.

Digitalization of the online experience through NH PRO.com

The [NHPRO.com](https://www.nhpro.com) online platform is an exclusive digital space for professionals, intended to simplify and facilitate administrative tasks and offer them new features to develop their business. Among other things, it allows them to consult information on NH Hotel Group's services offered to professionals, access special rates, make reservations or plan events.

NH PRO Blog – new contents and features

One of the great new features of the NH PRO website is the reinvention of its blog. This is a new virtual space with relevant content for business travelers, articles and inspiration related to the world of events, business travels and work and personal life management. From 2022, the blog is available in the seven main languages in which the Company operates.

NH+ Business Program - Benefits program for professional customers

NH+ Business Program is a program created for businesses and the self-employed with exclusive benefits. The more nights stayed at the Company's hotels, the more advantages are available. Among others, with NH+, depending on the category and by booking through NH's professional website ([NHPRO.com](https://www.nhpro.com)), businesses can obtain a discount of up to 25% on accommodation, discounts on parking, premium Wi-Fi service, late check-out or early check-in.

Value propositions for maximum personalization in the NH Meetings segment: Full Buyout and Luxury Buyout

This is a proposition from NH Hotel Group that lets an entire hotel or only part of it be booked for exclusive use. A totally personalized experience that will guarantee privacy, safety and, above all, will be a memorable experience.

The experience can also be enjoyed at one of our luxury hotels for a completely unique experience where exclusiveness, personalization and privacy will make any occasion memorable.

NH Meetings value propositions to enjoy open-air spaces and unique surroundings: Outdoor Spaces y Singular Venues

Promotion of our hotels through spaces and areas for open-air events, whether participating in a corporate activity or a creative session with the team, a reception or social event. Ranging from terraces with views of the mountains or the sea to cityscapes with rooftops, gardens and pools, finding the perfect place to organize a meeting or event in all our business units.

In addition to Outdoor spaces, the Singular Venues range offers unique, surprising and original spaces in our hotels to create memorable events and experiences. This includes hotels with the best locations that guarantee the success of corporate events.





Offers for long-stay business travelers: Extended stays

Extended stays is a special offer for stays of 7 nights or more with discounts of up to 35% and additional benefits. The offer is a response to new travel habits and needs to minimize the annual carbon footprint related to transfer in long-distance business trips in particular, extending the trip in certain projects.

Value propositions for specific segments or industries: INCENTIVES & ENTERTAINMENT

INCENTIVES is the value proposition that offers the services of our hotels in the most exclusive destinations for companies and business that want to provide incentives and reward their employees or partners with an unforgettable experience.

Post-pandemic recovery and reinforcement of communication with leading professional customers through participation in professional events and the main fairs of the hotel industry:

- **Fitur** is one of the most important tourism fairs in the world. Held in Madrid from January 19th to 23rd, 2022, our teams had the opportunity to meet up with customers, media and businesses in the sector again, and present our latest new features and products and trends in the last year, including advances in the Sustainable Business initiatives.
- **Imex Frankfurt** is the most important MICE fair in Europe which was held from May 31st to June 2nd. As in previous years, NH had the chance to hold more than 450 meetings with new and existing customers.

- **Business Travel Show Europe** took place in London on June 29th and 30th. This show was the ideal place for NH's commercial teams to meet customers and suppliers from all over Europe again and discover the latest trends in the tourist sector.

- **GBTA** is a convention focused on Business Travel held in San Diego from August 14th to 17th, 2022. It is one of the most relevant events in the corporate segment in the Americas, where our Company had its own space as an exhibitor. Members of different companies also organized a charity hiking activity to raise funds for mental health awareness.

- **IMEX VEGAS** - IMEX America was held again from October 11th to 13th, 2022 in Las Vegas. It is one of the most relevant events in the MICE segment in the Americas, where our Company had its own space as an exhibitor, giving our team the chance to generate business through several meetings with buyers from all around the world.

- **Minor India Roadshow Trip** - Part of our commercial team had the chance to be present at the Minor India Road Show held in Delhi and Mumbai during the week of November 14th. During this trip, the commercial teams of NH HQ provided support to the regional teams and presented the NH and Minor brands to local partners in this important emerging market.

- **ILTM Cannes** is one of the leading fairs focused on luxury travel. Our teams had the opportunity to meet with buyers, travel agents and specialist travel media, to present our premium and luxury hotels.

Evolution of quality measurement tools in 2022

An essential part of the customer experience continuous improvement process is monitoring perceived quality and the action plans that have been put in place. A significant example of a measurement tool is Quality Focus Online, which makes it possible to monitor customer reviews through internal and on-line channels.

Among the main improvements in online Quality Focus in 2022, the most significant milestone to mention concerns the changes in the internal satisfaction survey: the content has been adapted to include the new NH DISCOVERY questions in each category and thus be able to extract the relevant information for the purpose of evaluating guest satisfaction and also update the filter architecture to view results by loyalty category.

As a general improvement, the Quality Evolution Benchmark section has been modified to help analyze overall data of the main categories, and in relation to online reputation, the Google API has been optimized and usability improvements have been included to respond to customers from the tool, which is very helpful for improving our presence on Google maps.

The managers and quality directors of each Nh Hotel Group Business Unit make customer experience quality visits to most of the hotels, mainly those where areas for improvement have been identified, to develop action plans and implement the necessary corrective actions. The main tool for quality controls in the NH Hotel Group's hotels is a smartphone app called *Iristrace*, which continues to be the preferential tool used during the visits.

Furthermore, to maintain the Company's high standards in relation to quality and customer satisfaction, in 2022 the role of Quality influencers has been boosted even further, and they have become a fundamental pillar in our quality network as ambassadors of the Company in their area of influence and providing support to Quality Directors in the different Business Units.

With the intention of understanding its guests better every day, the Company has continued to use the services of Trust You, a semantic analysis tool that makes it possible to have greater visibility of what customers are saying about NH Hotel Group and which has helped to identify the main areas for improvement both in terms of service and product.



MAIN QUALITY INDICATORS

	2022	2021	Difference (in %)
NH Hotel Group survey rating (scale of 1 to 9)			
General	8.5	8.6	-1.2
Service	9	9.1	-1.1
No. of NH Survey Ratings	119,555	84,218*	42
Online survey rating (scale of 1 to 9)			
General	8.4	8.3	1.2
Service	8.9	8.9	0
Nº of NH Survey Ratings	457,439	268,878	70

* Data from 21 June 2021.



NH Collection Santiago Spain

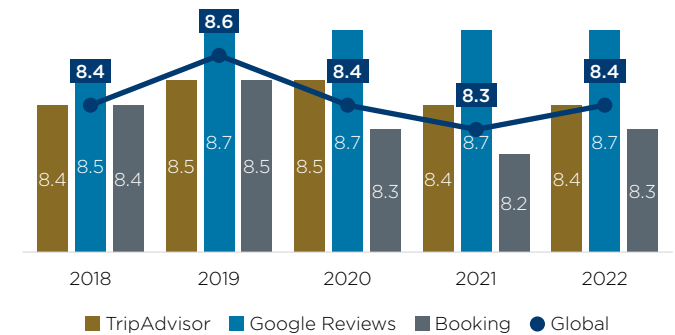
Impacts on visibility and perception of quality

This year, NH Hotel Group has used an internal tool to predict which areas have the most impact on the guest experience, based on the different scores given to the sub-categories (room, cleanliness, food and beverages ...) in the internal satisfaction survey.

The idea arose with the aim of creating predictive patterns that could generate percentages of influence of each of the sub-categories evaluated. These percentages of influence also allow the hotels to prioritize which sub-category matters most to the guest when determining the overall rating of a hotel, prioritizing these sub-categories in their operational action plans.

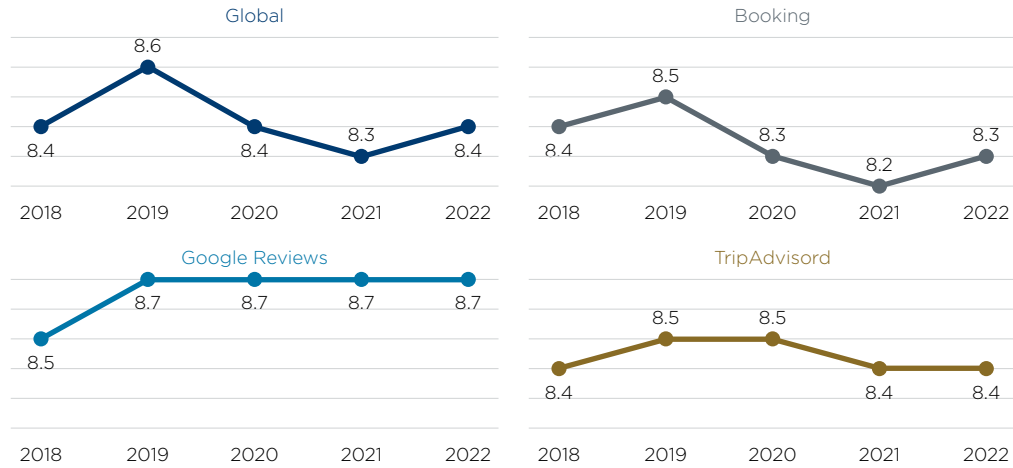
These efforts, and many others, have made the Company's overall online quality perception increase by +0.1 points compared to last year, with a score of 8.4 and growing for the first time since the onset of the health crisis. This growth in online ratings is driven by Booking.com, the site where NH Hotel Group receives most ratings.

NH HOTEL GROUP'S QUALITY RATING ON EXTERNAL SITES



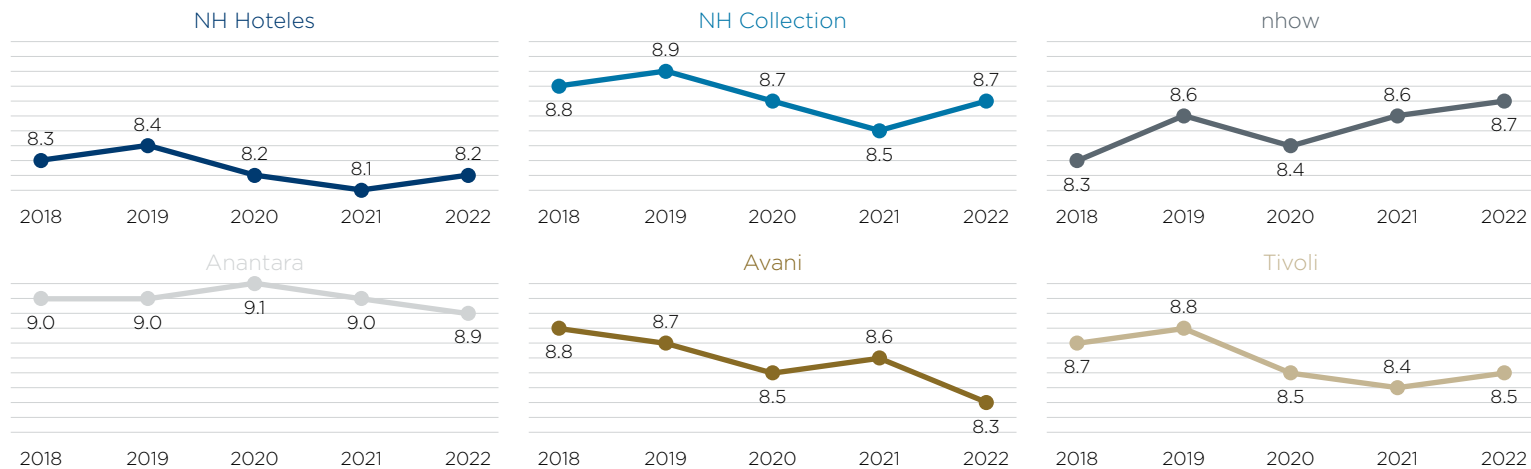
Google Reviews and TripAdvisor complete the Top 3 in number of ratings, where the Company has maintained the score it obtained last year.

NH HOTEL GROUP QUALITY SCORE ON EXTERNAL SITES



As far as online perception by brand is concerned, growth NH Collection by +0.2 points is notable, making us the second-highest rated brand in the group (8.7) together with nhow, which continues to show a positive evolution. Anantara is still the group's highest-rated brand (8.9), despite having fallen this year. NH Hotels and Tivoli have improved at the same rate (+0.1 points), and Avani has had the most negative impact compared to last year.

NH HOTEL GROUP QUALITY SCORE ON EXTERNAL SITES BY BRAND



NH Collection Andorra Palomè
Andorra

Single Customer Service Center Tools

The Single Customer Service Center provides support to hotels and to customers. It combines Customer Care, NH Rewards and the VIP Desk and has continued to consolidate its service in 2022, extending its capacity for response and improving the level of service.

SAP module: TMS4 Customer Care

This is a module that lets any interaction with customers be recorded, from the time the complaint is received. Customers can manage their complaints through multiple channels: email, telephone, website, hotels, social media. The types of contact range from comments or suggestions to complaints, congratulations, requests, claims or technical incidents.

Quality Focus

Every week, data is drawn from the satisfaction surveys received, identifying those that will be managed by Customer Care. Depending on the type of comment received, the type of response varies from direct interaction with the customer, by email or telephone, to a standard email response for neutral and positive comments.

Zendesk

This is a tool that lets customers send private comments on social media (Facebook, Twitter) and a reply is sent to the customer on the same platform or, in some cases, we tell the customer to send all comments to the Customer Care email address if more information is required to handle their query, complaint or any other comment.

In 2022, the Customer Care area handled a total of 29,843 contacts from the Customer Care Center (whether congratulations, requests, suggestions, complaints...); this represents an increase of approximately 5,818 contacts compared to 2021.

Complaints are handled by sending a letter of apology, response by the hotel or the legal department, providing the solution. Responses have been given within the established time in the vast majority of cases, except on certain occasions where there have been upticks in emails received (in relation to the program migration or simply asking for information) which have had a negative effect on the response time. However, the Company continues to focus on customers and customer satisfaction.

It should be noted that in 2022 the Single Customer Service Center has played a key role in assuming the increased contact with customers, being an essential point of contact for the Company due to the implementation of the new Loyalty program. The increase in the number of complaints this year has been caused by this implementation, which has resulted in customers having more doubts and questions than in the previous year.

In addition to the tools referred to above, the Company also has official complaints forms in accordance with ruling legislation in each country.



CONTACTS RECEIVED BY CUSTOMER CARE*

	2022		2021	
	Number	% of total	Number	% of total
Direct contacts (SAP)				
Comments/Suggestions	1,412	5.7	346	1.80
Congratulations	14	0.1	16	0.10
Technical incidents	137	0.5	397	2.10
Complaints / Claims	7,409	30.1	4,772	24.90
Requests	15,648	63.5	13,630	71.10
Total SAP (except QF)	24,620		19,161	
Customer survey contacts (Quality Focus)				
Comments/Suggestions	741	63.2	466	53.80
Congratulations	1	0.1	1	0.10
Technical incidents	0	0.0	1	0.10
Complaints / Claims	320	27.3	235	27.10
Requests	111	9.5	163	18.80
Total QF in SAP	1,173	100	866	100
Total QF survey managed by Customer Care	5,599		3,827	
Total QF manual contacts, registered with SAP**	1,017		703	
Total QF automatic contacts	4,574		3,106	
Total assigned to Customer Care QF and contacted by hotel	8		18	
Answers SAP to automatic contacts of QF **	156		163	
Total requests received (Total SAP (except QF) + Total QF in SAP + Total automatic contacts QF)	30,367		23,133	

(*) The scope of these figures includes hotels under ownership, lease and management, as many of the claims and complaints received cannot be assigned to a hotel.

(**) The data for 2021 has been recalculated to include all claims, regardless of the source from which they were received.

COMPLAINTS RECEIVED BY SOLUTION PROVIDED

Solution	Consolidated perimeter		Corporate perimeter	
	2022	2021	2022	2021
Reply to suggestion/request/comments	10,552	8,037	22,016	16,535
Compensation NH Rewards points/ D\$	93	295	117	489
Charge of NH Rewards points	333	554	419	745
Letter of apology	954	717	1,120	851
Response from the hotel	215	334	269	432
Refund	76	49	86	54
Discount voucher	216	191	284	232
Letter of thanks	4	13	9	14
Free upgrade	2	6	16	91
Free night	2	1	2	1
Free breakfast	1	1	1	1
Response from legal department	1	1	1	3
Other	264	42	876	510
Error*	31	20	66	44
None**	313	21	511	25
Total	13,057	10,282	25,793	20,027

(*) Duplications.

(**) Technical incidents - solution provided by IT.

(***) Includes comments on internal policies, reservations and other services that depend on HQ and not on any hotel.



Communication with customers

In its commitment to sustainability, NH Hotel Group seeks to include and engage customers in its sustainable initiatives, whether by generating opportunities to contribute socially or by promoting environmentally responsible behavior.

Direct contact with customers is key in order to offer them personalized services and make their experience with NH better and better. In 2022, more than 97 million emails were sent to customers.

Responsible guests

NH Hotel Group seeks to include and engage its customers in its sustainable initiatives, whether by generating opportunities to contribute socially or by promoting environmentally responsible behavior.

To respond both to the challenges presented by the pandemic and to the rapid digitalization and need to save the use of printed material, guests are invited to use the Mobile Guest Service digital app using QR codes to obtain information on the hotel's services, communicate their needs to hotel staff or make reservations in the hotel restaurants during their stay.

With the goal of continuing to aid sustainable goals and join in the common challenge to combat climate change worldwide, Stay Green aspires to align the Company's activity with the guidelines defined at European and international level.

NH Hotel Group has extended its "Green Stay" initiative to most of its 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.

Communication materials concerning rooms and bathrooms have also been updated and have added QR codes referring to the use of towels and articles of personal use. This contributes to energy savings and at the same time promotes a faster, more transparent and effective digital communication.

In F&B areas, the hotels continue to promote the recovery of cork, a sustainable and recyclable material, through displays and specific units so that both employees and guests can contribute to this action which has been developed in the framework of Cork2Cork.

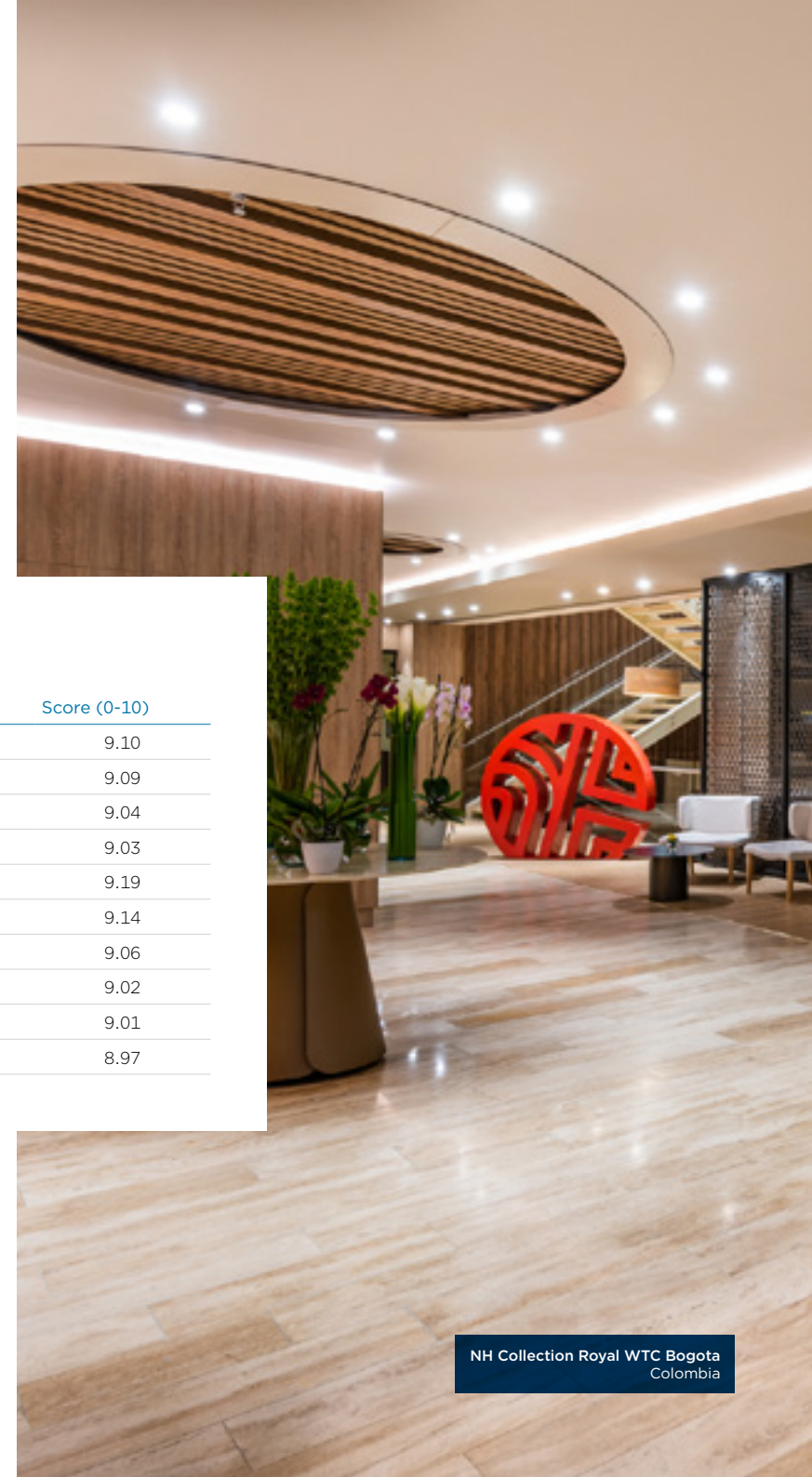
Customer satisfaction with environmental sustainability

NH Hotel Group measures customer satisfaction regarding environmental management. This satisfaction is calculated on the basis of the annual number of opinions and the score given in them by the internal Quality Focus tool.

TOP 10 NH HOTEL GROUP HOTELS RATED IN TERMS OF CUSTOMER SUSTAINABILITY

Business Unit	Hotel Name	Score (0-10)
America Business Unit	NH Collection Mexico City Centro Histórico	9.10
	NH Collection Royal WTC Bogotá	9.09
	NH Royal La Boheme	9.04
	NH Collection Royal Terra 100	9.03
Southern Europe Business Unit	NH Collection Grand Hotel Convento di Amalfi	9.19
	NH Collection Porta Rossa	9.14
	NH Collection Paseo del Prado	9.06
	NH Collection Palazzo Verona	9.02
	NH Collection Palazzo Cinquecento	9.01
	NH Collection Firenze Palazzo Gaddi	8.97

The table above shows the 10 hotels that received the best rating from customers. It has been drawn up using the indicator that relates the number of opinions with the rating given so as to reflect the reality of the customer's perception.





NH Collection Palazzo Verona
Italy

Gastronomic innovation

NH Hotel Group is firmly committed to high quality gastronomy, innovation and the application of the latest trends in the sector, and therefore the Company is constantly in the process of innovating and developing exclusive gastronomic standards.

The Company currently maintains an exceptional gastronomic offer offered by chefs awarded with 10 Michelin stars between them:

- Dabiz Muñoz, 3 Michelin stars, with DiverXO at NH Collection Eurobuilding and GoXo at NH Collection Barcelona Constanza.
- Paco Roncero, 2 Michelin stars with Paco Roncero Restaurante.
- Randy Karman, 1 Michelin stars, with White Room at NH Collection Grand Hotel Krasnapolsky.
- Marcos Morán, 1 Michelin stars, consulting chef at Hispania Brussels, NH Collection Grand Sablon.
- Joachim Koerper, 1 Michelin stars, with Seteis, at Tivoli Palácio de Seteais in Portugal.
- Tristán De Boer, 1 Michelin stars, with his The White Room, at Anantara Grand Hotel Krasnapolsky Amsterdam in Netherlands.
- Oliver Da Costa, 1 Michelin stars in Seen Lisboa, at Tivoli Avenida Portugal.

In its quest to convey the sustainability of its products and standards, NH Hotel Group has carried out different initiatives in in F&B, such as the implementation of a new process which increases the efficiency of resource management and use of surplus kitchen production.

This has involved collaborating with a number of food start-ups that reuse the food products that have not been consumed in the hotel.

In line with the commitment to promote sustainability with its customers, NH Hotel Group offers food and beverages aware of the demands of its customers and of the planet. For 2023, the F&B department will implement a fortnightly plan to monitor the following products in all business units:

- Km0 products.
- Promotion of seasonal products.
- Promotion of Health Food.
- Use of ecological packaging.
- Promotion of vegan cuisine.
- Adoption of Free Food (intolerance, trans fat and sugar-free products).



Improvement in direct sales channels

NH Hotel Group relies on direct and indirect channels for the marketing of its products. Direct channels include hotels, the Call Center and the web. The latter has helped in 2022 to market its products through 41 sites and microsites, using 17 languages and/or language localizations.

Throughout 2022, the business generated through NH Hotel Group's website has continued to grow and consolidate itself as one of the company's main channels, almost doubling profits with a growth of almost 100% compared to the previous year, even after experiencing the impact of Omicron during the first months of the fiscal year.

The effect of the pandemic in early 2022, as well as changes in consumer habits in both the B2C and B2B segments, affected all regions, channels, segments, brands and domains. The B2B segment has experienced a strong acceleration since May, reaching levels very close to 2019. The B2C segment has also gained weight and the direct web

channel has evolved more dynamically than the intermediated channels. All this has led to very high levels of contribution in a historic year for the company, exceeding the contribution of 2019. We should also highlight the importance of the web channel, where at year-end it accounted for almost 22% of the Company's total sales over the B2C segment.

Our spirit, apart from innovating, is to be able to adapt and personalize the experiences of the millions of customers who visit us through the web and the app to improve service and usability. It is personalization, combined with the systematic application of techniques to improve conversion and usability, with more than 300 active experiments during 2022, that has led to double-digit web conversion improvements in certain periods.

Loyalty program: NH DISCOVERY

Importance of loyalty programs

Loyalty programs, which were already a key incentive before the pandemic, have now become consolidated as an important business tool. According to one of our most recent market studies, 75% of travelers in Europe consider loyalty programs to be a factor that influences totally or considerably when choosing a hotel. For us, this is an excellent way to cultivate the relationship with our customers and, at the same time, help us to make our business grow.

Benefits of NH DISCOVERY

NH Hotel Group had a successful loyalty program, NH Rewards. Since June 2022, NH Hotel Group has participated with its NH DISCOVERY program in the GLOBAL HOTEL ALLIANCE (GHA) and its GHA DISCOVERY loyalty program.

In this way, the 10 million members and over 350 hotels in 30 countries are now part of one of the ten biggest hotel loyalty programs worldwide, counting more than 23 million members and 800 hotels.

The program has four categories: Silver, Gold, Platinum and Titanium, and many ways of progressing and benefits from the very first stay, where members can accumulate and redeem DISCOVERY Dollars (D\$), which is the global reward system where 1 D\$ equals 1 USA \$.

This alliance will also allow members to access “Live Local”, which is the Local Offers & Experiences proposition, offering unique and exclusive moments that go beyond the destination and which are now available throughout the entire portfolio of NH Hotel Group hotels. Members can enjoy the same benefits, in 35 brands, in more than 800 hotels and 100 countries.

With the support of GHA DISCOVERY, access is provided to a new customer base and cross-brand revenue opportunities, while at the same

time we offer new travel experiences to program members. The integration in GHA will also help the Company’s positioning in the upper-up-scale and luxury segment, where we are growing.

NH Hotel Group app

The NH Hotel Group app and its approach go beyond being a basic service tool for customers.

In addition, during their stay, guests can continue to use and “StayApp”, an app specially designed for a better enjoyment of their stay.

In line with the Company’s innovative spirit, the mobile app is used as a key differential tool and, as a laboratory, to then launch new concepts massively on multiple devices, such as the launch of the FASTPASS service, where you can check in online and choose your room from a virtual map of the hotel, as described above.



Customer Health and Safety

NH Hotel Group continues to maintain its commitment to guarantee food health and safety at global level, in each of its hotels and restaurants. Thus, the Company ensures that all food preparation and service procedures comply with international regulations on hazard analysis and critical control points (HACCP) for food and beverages. Finally, the kitchens and kitchen equipment are cleaned following hospital protocols, to assure proper disinfection and decontamination at all times. For this purpose the Company has an international agreement with an external company specializing in food health and safety (Diversey), which audits, verifies and guarantees compliance with these regulations, as well as the mandatory legal registrations, laboratory analysis of food, continuous training of personnel in relation to food health and safety and specific hygiene manuals for each establishment.

These processes are audited continuously in all NH Hotel Group restaurants and kitchens. All hotels undergo periodic food health controls conducted by Diversey and any failure by a supplier means, without going into criminal consequences, that the supplier in question must correct it or face automatic rescission of the contract with NH Hotel Group.



CUSTOMER HEALTH AND SAFETY MEASURES

Prevention of legionnaires' disease	Cleaning, tests, analyses, etc. are performed in accordance with local legislation.
Analysis of safety of water supply for human consumptions	Annual testing at different consumption and accumulation points of the hotel.
Indoor Air Quality (IAQ) Testing	Indoor Air Quality tests are carried out in some hotels.
Maintenance of elevators	All elevators undergo monthly maintenance and every two years they are subject to legal inspections by an authorized entity.
Maintenance of fire protection installations	Fire protection installations undergo quarterly maintenance, in addition to the periodic legal inspections carried out by an authorized entity.
Maintenance of boiler rooms and heating and air-conditioning installations	Boiler rooms and heating and air-conditioning installations undergo monthly maintenance.
Maintenance of low voltage installations	These installations undergo annual maintenance, in addition to legal inspections that are carried out every five years by an authorized entity.

Maintenance of high voltage installations	These installations undergo annual maintenance, in addition to the corresponding legal inspections carried out every three years by an authorized entity.
Cleaning of kitchen hoods, ducts, and extractor fans	Every year, all kitchen hoods, extractor ducts and fans are cleaned to prevent possible fires in the hotel kitchens.
Automatic fire extinguishing systems in kitchens	Automatic extinguishing systems have been installed in the hotel kitchens.
Contracts for disinfection, fumigation and pest and rodent control	Disinfection, fumigation and pest and rodent control procedures are carried out to avoid and prevent possible infections or infestations in the hotels.
Maintenance of automatic doors	The maintenance of automatic doors ensures that they will work in the event of evacuation to prevent injury and accidental entrapment.
Light curtains in elevator doors	Incorporation of light curtains in elevator doors to prevent the doors from hitting people as they enter elevators.

Hotels that are more accessible every day

As a result of NH Hotel Group's commitment to diversity, inclusion and accessibility for its guests, there are 344 hotels distributed over all the Business Units that have elements adapted to special needs. NH Hotel Group continues to work towards making all the Company's hotels accessible.

98% of our hotels have some kind of accessibility element

NH Hotel Group is also committed to the full integration in work of people with disabilities through responsible purchases from Special Employment Centers as suppliers of laundry services. The share that purchases from Special Employment Centers represented in 2022 was 8.4%. (Estimated with respect to the workforce in Spain, together with the Special Employment Center employees comparable to NH Hotel Group purchases).

HOTELS THAT ARE MORE ACCESSIBLE EVERY DAY

	Consolidated perimeter			Corporate perimeter		
	2022	2021	Difference (in %)	2022	2021	Difference (in %)
Number of hotels with elements adapted to special needs	292	301	3.0	344	344	0.0
Number of hotels with disabled access elevators	249	253	-1.6	290	287	1.0
Number of hotels with disabled parking	207	210	-1.4	246	240	2.5
Number of hotels with public areas adapted for people with a physical disability	270	276	-2.2	316	311	1.6
Number of rooms adapted for people with a physical disability	777	745	4.3	887	835	6.2



10.3

UP FOR PEOPLE

Communities

COMMUNITIES

UP FOR PEOPLE

NH Hotel Group seeks to create a positive social and environmental impact on the communities where it is present through key responsible alliances

One of the main goals of NH Hotel Group's sustainable business strategy is to maintain active relations with the communities where it operates, contributing to local development and serving the needs of each destination where it is present through the business itself. This ambition arose in an entirely natural way, identifying where the Company's capacity to create value in the way it works lay.

To develop stable projects that can be replicated in all Business Units, NH Hotel Group believes in building responsible and successful alliances with solidarity partners. To that end, the Company spearheads different projects through its UP FOR PEOPLE pillar, thanks to which it impacts the communities where it operates and with which it contributes to reducing social inequalities:

- Hotels with a Heart (HWH): a program offering free accommodation to families in need with sick children.
- Together with Love (TWL): the Company's corporate volunteering program at global level.
- Youth employability, for young people at risk of exclusion.

Thanks to these projects, NH Hotel Group has benefited 60,724 people during this fiscal year and the main social indicators can be seen in the following table:

HOTELS
WITH A
HEART 

TOGETHER
WITH
LOVE 


COMMUNITIES
DEVELOPMENT

CONTRIBUTION TO SOCIETY

	2022	2021	Difference (in %)
Social initiatives	28	55	-49.1
Number of NH volunteers	4,885	605	707.4
Hotels involved	136	136	0.0
Contribution of NGO Rate* (thousand €)	91	13	600
Contribution of Friend Rate + Employee Rate ** (thousand €)	179.5	131	37.0
Indirect contribution to social action (thousand €)	135.4	81	67.2

(*) NGO Rate - Application of a 30% discount on the best available rate for entities that have been previously assessed and approved by the Corporate Responsibility department. The increase in contribution by the NGO Rate is due to the reactivation of the business, which has led to more roomnights being booked by associations.

(**) Friend Rate and Employee Rate- - collecting 2€ and 1€ respectively of the costs of bookings made with the special rate for employees, family and friends and then using these funds in accommodation and restaurant services, special rates and scholarships in the Social Action programs of the different Business Units.

(***) The indirect contribution to social action is an estimate based on rooms with free accommodation offered by the Company to different initiatives or associations with which NH Hotel Group collaborates, taking into account the ADR of each room on the corresponding date. The reason for the increase in this investment during this year is the creation of an internal procedure for counting these rooms consistently throughout the entire Group.



Hotels with a Heart



Hotels with a Heart is an initiative that aims to ensure that children and young people who suffer from a serious illness and have to go to hospital far from their home can be accompanied by their closest family at this difficult time.

To do this, NH Hotel Group provides the families with rooms at hotels close to the hospital free of charge. With this goal, and in close collaboration with local NGOs and foundations, the Company provides accommodation to families with limited resources, so that they can accompany their loved ones.

One of the main foundations we have been collaborating with for several years is the "Menudos Corazones" Foundation, thanks to which NH Hotel Group offers 10,094 free roomnights a year, for families with children who suffer from congenital heart disease.

Another example of this is the Make a Wish Foundation, with which NH Hotel Group has a global agreement, offering free accommodation to children with serious illnesses so that their dream can be made to come true in any part of the world where we operate. Our alliance with this foundation started in 2005 and is still in force today.

Two new agreements have been signed in 2022:

- With CORALL Family Barcelona, an association that helps children who have congenital heart disease. Thanks to this agreement, NH Hotel Group will provide the association with 200 free rooms per year in the hotels in Barcelona as accommodation for families who need it.
- With Lovaas Foundation, which focuses on providing the best available treatment for children on the autism spectrum. NH Hotel Group has signed an agreement with them to provide 150 nights of free accommodation to the therapists of these children in any of our hotels in Spain and Italy.

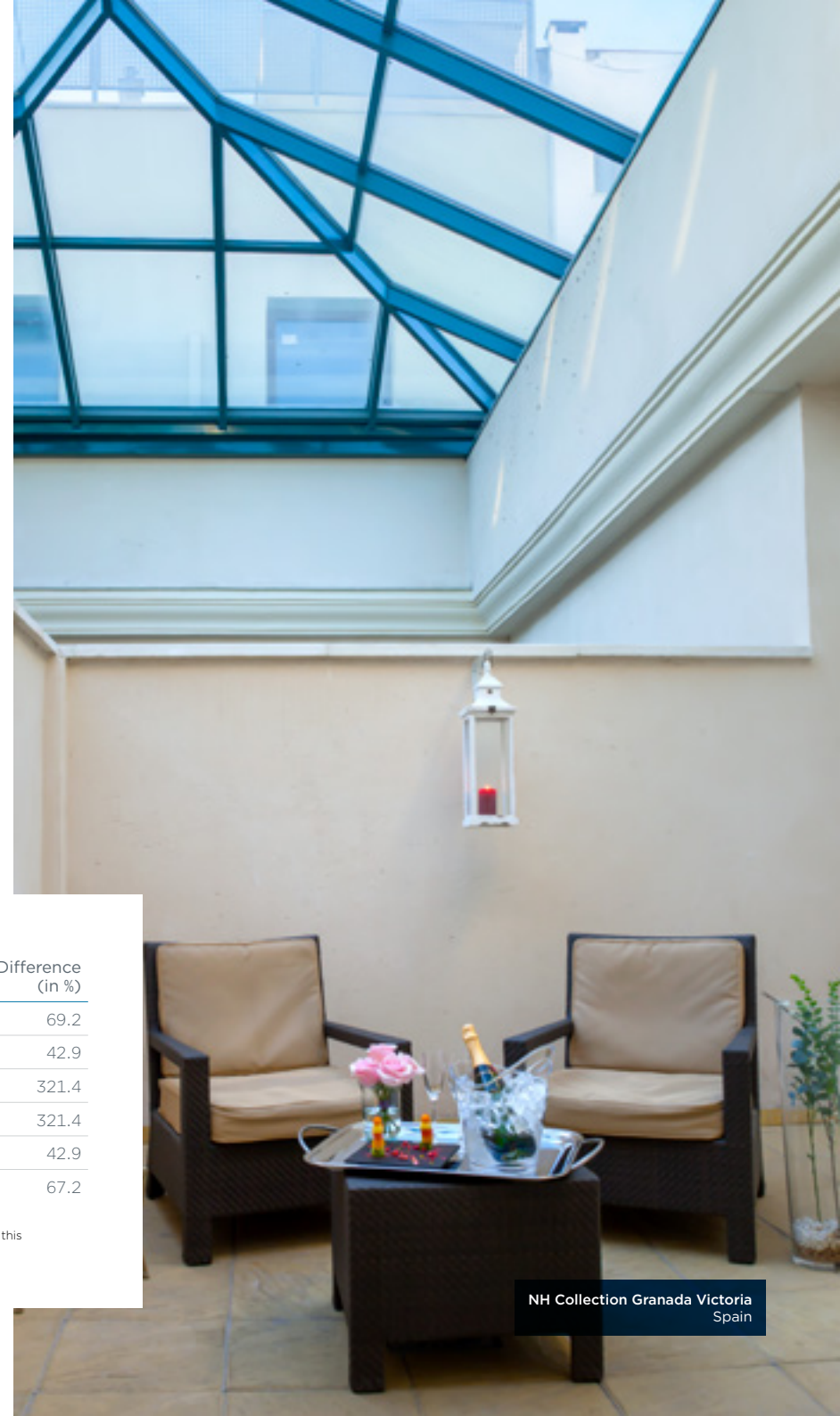
NH Hotel Group is proud to do something for these families at such difficult times. Furthermore, numerous employees of the Company participate in this initiative voluntarily and are the true hosts of these families and "Ambassadors" of the program in each of the hotels. Each hotel has a person who looks after the families, sharing their experiences and helping to make their stay at the hotel as comfortable as possible. Since the program started, more than 2,000 employees each year have become real hosts to the families, helping to make the hotel a second home for them.

Additionally, as part of the Hotels with a Heart program, NH Hotel Group collaborates throughout the year with different NGOs and associations by offering vouchers to contribute on an ad hoc basis. These requests must always reach us through formal communication channels and the contribution is made if the NGO's mission and values are in line with those of NH Hotel Group.

#HOTELSWITHAHEART (HWH)

	2022	2021	Difference (in %)
Agreements with ONG	22	13	69.2
Nights donated	1,438	1,006	42.9
Hotels involved	59	14	321.4
NH volunteers*	118	28	321.4
HwH beneficiaries	2,876	2,012	42.9
Indirect monetary contribution	135,429	81,000	67.2

(*) It is estimated that each hotel has 2 employees looking after the families that benefit from this accommodation: the GM and the FOM.





NH Collection Taormina
Italy

NH Response

In the framework of aid to the communities where we are present, we set up NH Response as the NH Hotel Group's response to exceptional situations.

The situation in Ukraine is defined as a humanitarian crisis. Although the Company does not have hotels in Ukraine, it received a great number of requests for accommodation for Ukrainian refugees, on account of the situation they were experiencing in their country and the need to emigrate to neighboring countries.

Thanks to the Hotels with a Heart program, the Company had arrangements in the hotels adapted to contribute rapidly with accommodation for Ukrainian refugees. NH Hotel Group's response did not take long in coming. Special codes were created to accommodate refugees free of charge or with a special discount, and we worked hand in hand with local associations and NGOs to guide everyone as to what to do the days after they left their country.

Procedures were also devised to standardize and collect all the requests for accommodation that were being received, independently of the country they came from. Since the start, NH Hotel Group has contributed more than 10,100 roomnights to refugees from Ukraine.

Collaboration with World Central Kitchen

Due to the Ukraine conflict, NH Hotel Group collaborated with World Central Kitchen, the association of chef José



Andrés. NH Hotel Group donated € 20,000 which turned into 9,091 meals for the Ukrainian families who needed them. A website for all the Company's employees who wanted to make a contribution was set up. Thanks to it, the employees raised a further € 5,110.

Together with Love: Corporate Volunteering



In 2022, under the motto "Together with Love", NH Hotel Group held a corporate volunteering event. This is a global initiative focused on sustainability and strengthening relations with the local communities where the Group is present, and all the Company's teams were invited to take part. In this way, NH Hotel Group has joined the volunteering initiative carried out annually by Minor International, with which it shares a firm commitment to the development of its sustainability strategy. Once again, the organized volunteering sessions have been very well received by all employees, as they have the opportunity to make a positive contribution to society.

This year, over 4,800 employees participated as volunteers in numerous initiatives, chosen and led by them. To name just some of them, at headquarters the employees carried out different initiatives, including collaboration with a soup kitchen, to help cook and distribute the food. Visits to the headquarters of Madrid Food Bank, to help to organize and package all the foods requested by the different associations. A textile collection campaign was also organized, and a blood donation campaign, thanks to which 72 lives were saved.

As in previous years, NH Hotel Group once again launched NH Runners, in which volunteers from the Group raised money for meals based on the kilometers they ran, based on a conversion rate of 1km=1 meal. Based on this, the hotels of the three Business Units collaborated with different soup kitchens and local associations to which they donated meals cooked by them.

Thanks to them, throughout 2022, NH Hotel Group has donated over 48,328 meals, managing to deliver all the meals collected during the last two years.

4,767

NH VOLUNTEERS

48,328

MEALS
DELIVERED

87

HOTELS
INVOLVED

66

FOUNDATIONS AND
NGOS INVOLVED

27

INITIATIVES
CARRIED OUT

57,842

TWL
BENEFICIARIES





NH Collection Valencia Colón
Spain

Christmas charity campaigns of our NH volunteers

NH Hotel Group keeps its commitment to the most vulnerable groups in society at a time when this support is more important than ever. For the Christmas holiday period, the Company launched a special edition of its Together with Love initiative, which was a success once again thanks to the hospitality and solidarity of all the BUs, promoting corporate volunteering initiatives among their team members.

BU – AMERICA

The hotels of NH Americas celebrated Christmas with a new edition of "Together with Love" in which they offered 1,500 snacks and organized Christmas craft workshops for children at risk of social and economic exclusion. This year, as Argentina were the winners of the World Cup, caps and footballs were handed over to all the children. Thanks to this initiative, more than 1,500 children welcomed Christmas with toys, books, clothes and food. The initiative was carried out with 21 local foundations.

BU – NORTHERN EUROPE

Over the Christmas period, the NH Schiphol Airport hotel collaborated with the local foundation "Stichting Prakkie" by inviting families in need to breakfast at its greenhouse restaurant on December 24th, 25th and 26th.

BU – SOUTHERN EUROPE

The Avani & Tivoli Avenida de Liberdade hotels offered a very different afternoon to a group of pupils with special needs at the Pedro Eanes Lobato school, accompanied by their parents and teachers. We recreated professions that exist in the hotels and offered these children unforgettable moments with a genuine hotel experience. At the end, they met Santa Clause and enjoyed some delicious, sweet Christmas treats.

HQ

Once again, the Central Services Offices organized a really special action for Christmas: the employees of NH Hotel Group helped the Three Kings in their task of bringing gifts to all children.

In this way, in collaboration with the "Real Three Wise Men" project, 40 employees made dreams come true for 40 children from poor families, by buying the gifts they had asked for in their letters to Their Majesties the Kings of Orient and which otherwise they would not have received.

Employability programs: promotion of youth employment



Youth unemployment in Spain, which is more significant in groups at risk of social exclusion, requires programs focused on boosting the employability and social integration of young people.

NH Hotel Group continues to be committed to increasing the employability of such young people and aims to promote different training and work experience programs for young people at risk of exclusion and for disabled individuals at hotels in all its Business Units.

In 2022, one of the collaborations was with Tomillo Foundation, which is dedicated to fostering employability and reducing school dropout by young people at risk of exclusion, with which it has been collaborating for years. In the month of June, in the framework of this collaboration with the Foundation, the Company received several Erasmus students from different parts of Europe who were interns in 6 of our hotels in Madrid. As well as seeing the hotel facilities, the students had the opportunity to find out first hand the main duties of the professionals of a hotel and found the experience very rewarding.

In this way, the projects, which are part of the Community strategy, are also aligned with the Company's commitment to SDG 8, "Decent work and economic growth".

Alliances with Foundations and NGOs

Local impact is achieved thanks to the creation of responsible alliances with foundations and NGOs, the collaboration of volunteer employees in responsible projects and the promotion of culture. To develop social projects that can be replicated in all Business Units, NH Hotel Group believes in building responsible and successful alliances with solidarity partners. To that end, in each country where we are present, we have continued to work with different Foundations and NGOs.

