

June 2025



IBB HOTEL
COLLECTION

ESG REPORT 2024

An aerial photograph of a dense green forest. In the center of the image, there is a large, irregularly shaped pond that forms a five-pointed star. The pond is surrounded by thick, lush trees. The overall tone of the image is dark green and moody, with some mist or fog visible in the lower half.

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INTRODUCTION

MOVING OUR WINGS – HOSPITALITY FOR TOMORROW

At IBB Hotel Collection, sustainability is a cornerstone of our long-term strategy. We are deeply committed to ethical business conduct, environmental stewardship, and creating positive social impact, ensuring our hospitality operations contribute to both economic growth and meaningful change in the communities we serve.

At IBB Hotel Collection, our ESG goals are embedded in our strategic vision, guiding us as we implement responsible and forward-looking practices across all aspects of hotel operations. By integrating sustainability into our decision-making, we enhance resilience, create long-term value, and contribute to a better future for our guests, employees, partners, and communities.

This marks the **first time we are issuing a standalone ESG Report for IBB Hotel Collection**, a milestone that underscores our growing commitment to transparency, accountability, and continuous improvement. This report, sets the foundation for tracking progress, setting ambitious goals, and sharing the positive impact we aim to make across the hospitality industry.

We are actively taking steps to reduce our carbon footprint, with a clear long-term goal of achieving net-zero emissions by 2050. Our continued investment in people, strong partnerships, and community engagement remains at the heart of our strategy, ensuring that our growth delivers shared value for all stakeholders.

We are also reinforcing our governance frameworks to better manage ESG-related risks and seize emerging opportunities. As we move forward, we remain dedicated to advancing our ESG journey, confident that these efforts will generate lasting value for our business, our communities, and the planet. By staying focused and consistent, we are poised to drive meaningful, sustainable progress.



HIGHLIGHTS

ENVIRONMENT



We **reduced** our Scope 3 emissions per square meter by **-7.12%** since 2023



We **reduced** emissions by our suppliers by - **49.68%**



Redefined our **base year to 2023** & our climate goals to **intensity targets**



Planted **2,699 trees**, absorbing **294.19 tonnes of CO₂** and reforesting **18,002.33m²** of land

SOCIAL



50% of managerial positions in the company are **held by women**



Achieved a **78%** in overall **employee satisfaction**



50:50 split of female and male employees



We have made multiple **charitable donations** & participated in **volunteering initiatives**

GOVERNANCE



We are guided by a dedicated **ESG Committee**



Conducted an internal **ESG risk assessment**



Our owning company joined the **UN Global Compact**



Introduced rigid company-wide **Cybersecurity** measures

AN OVERVIEW

SUSTAINABLE HOSPITALITY AS A PATH TO GROWTH AND MEANINGFUL IMPACT

IBB Hotel Collection is a forward-thinking hospitality group with a strong commitment to sustainable growth and exceptional guest experiences. With a presence in key destinations across **Poland, Germany, and Malta**, our focus is on unlocking potential and creating long-term value for our guests, teams, partners, and communities.

Our approach centres on developing, acquiring, and operating high-potential hotel properties, transforming them into vibrant destinations that reflect local character and global standards. Through thoughtful design, operational efficiency, and guest-centric innovation, we breathe new life into spaces, contributing to sustainable urban development and tourism growth.

Guided by our core values, we are passionate about empowering our people and nurturing meaningful partnerships. We foster a culture of excellence, creativity, and continuous learning, ensuring our teams are equipped to deliver outstanding service and grow professionally.

We invest in the long-term sustainability of our portfolio, enhancing environmental performance, improving energy efficiency, and extending the lifecycle of our assets. By providing tailored hospitality experiences and high-quality service, we support our guests in creating memorable stays while delivering lasting social and economic value.

As we advance our ESG commitments, we remain dedicated to responsible hotel management strategies that align with our sustainability goals, driving positive impact across the hospitality sector and the communities we serve.

- IBB Hotel Collection was **founded in 1990**
- **72 employees** across **3 countries**
- A total Gross Area of **33,160 sqm of Hotel Operations** across Europe
- **90%** in average **guest satisfaction**
- The IBB Hotel Collection has over **300 hotel rooms** across Europe and welcomes over **100,000 guests per year**

A WORD FROM OUR CEO

ACHIEVING OUR SUSTAINABILITY GOALS

“We are proud to present our first standalone ESG Report for IBB Hotel Collection, showcasing the progress we’ve made on our sustainability journey.

At IBB Hotel Collection, ESG is a foundational pillar of our business strategy, driving resilience, growth, and innovation across our hotels and operations. Sustainability is a leadership priority, closely aligned with our values and long-term vision for responsible hospitality. Our ESG programme is grounded in data-driven action, focused on delivering real, lasting impact by:

- **Empowering our teams** through development, well-being, and an inclusive workplace culture.
- **Enhancing guest experiences** in sustainably operated hotels with a strong focus on engagement and service excellence.
- **Supporting local communities** through employment, partnerships, and meaningful outreach initiatives.
- **Creating long-term value** for stakeholders through robust ESG governance and transparent reporting.
- **Reducing our environmental footprint** by improving energy efficiency, minimising waste, and increasing the use of renewable energy.

While we’ve made strong progress, our journey is ongoing. We remain committed to evolving our ESG strategy and driving positive change across every part of our operations.”



Samuel Santos Gordillo
CEO, IBB & Cugó Gran Collections

OUR VALUES



We've been expecting you

We create a personalised, welcoming experience by paying extra attention to guests' needs.



We focus on efficiency

Disciplined with reaching targets, we invest time and energy wisely.



We lead with integrity

Honesty and reliability are of utmost importance.



We live empowerment

We pride ourselves in our team spirit but we are all the owners of our actions. We develop, empower and provide opportunities.



We are versatile

Innovative, open-minded and not afraid of change.



We are IBB

Genuine
Trustworthy
Respectful
Fair

OUR MISSION

We are a dynamic hospitality company creating memorable moments with passion.

OUR VISION

To be the hospitality group of choice, renowned for creating customer experiences that are true to cultural heritage, tradition and values of where we operate.

Our vision is to continue to grow efficiently in core locations around the globe and to become the employers of choice by creating a meaningful employee experience.

ESG OVERVIEW

OUR ESG APPROACH

At IBB Hotel Collection, we recognise that **Environmental, Social, and Governance (ESG)** factors are essential to assessing our long-term value and sustainability. Our focus includes reducing our carbon footprint, enhancing energy efficiency, promoting employee well-being, and supporting our guests and local communities.

To steer our efforts, we have established strategic ESG goals based on our first materiality assessment in 2022, identifying key areas where we can make the greatest impact while protecting our business's future. This year, we updated our baseline year to 2023 to better reflect typical business operations.

As ESG regulations and expectations evolve, we remain committed to aligning our initiatives with the priorities of our stakeholders. We are conducting fresh ESG materiality assessments involving internal and external engagement to ensure this alignment.

Though not yet required to report, we voluntarily follow frameworks such as the Corporate Sustainability Reporting Directive (CSRD), European Financial Reporting Advisory Group (EFRAG) recommendations, and the International Sustainability Standards Board (ISSB) guidelines. The insights from these assessments will help us continuously refine our ESG approach.

Our Commitment to the SDGs

Better for the Environment, Stronger for Business

We fully embrace the United Nations Sustainable Development Goals (SDGs) as a framework for creating positive impact. These goals not only benefit people and the planet but also align closely with our business priorities.

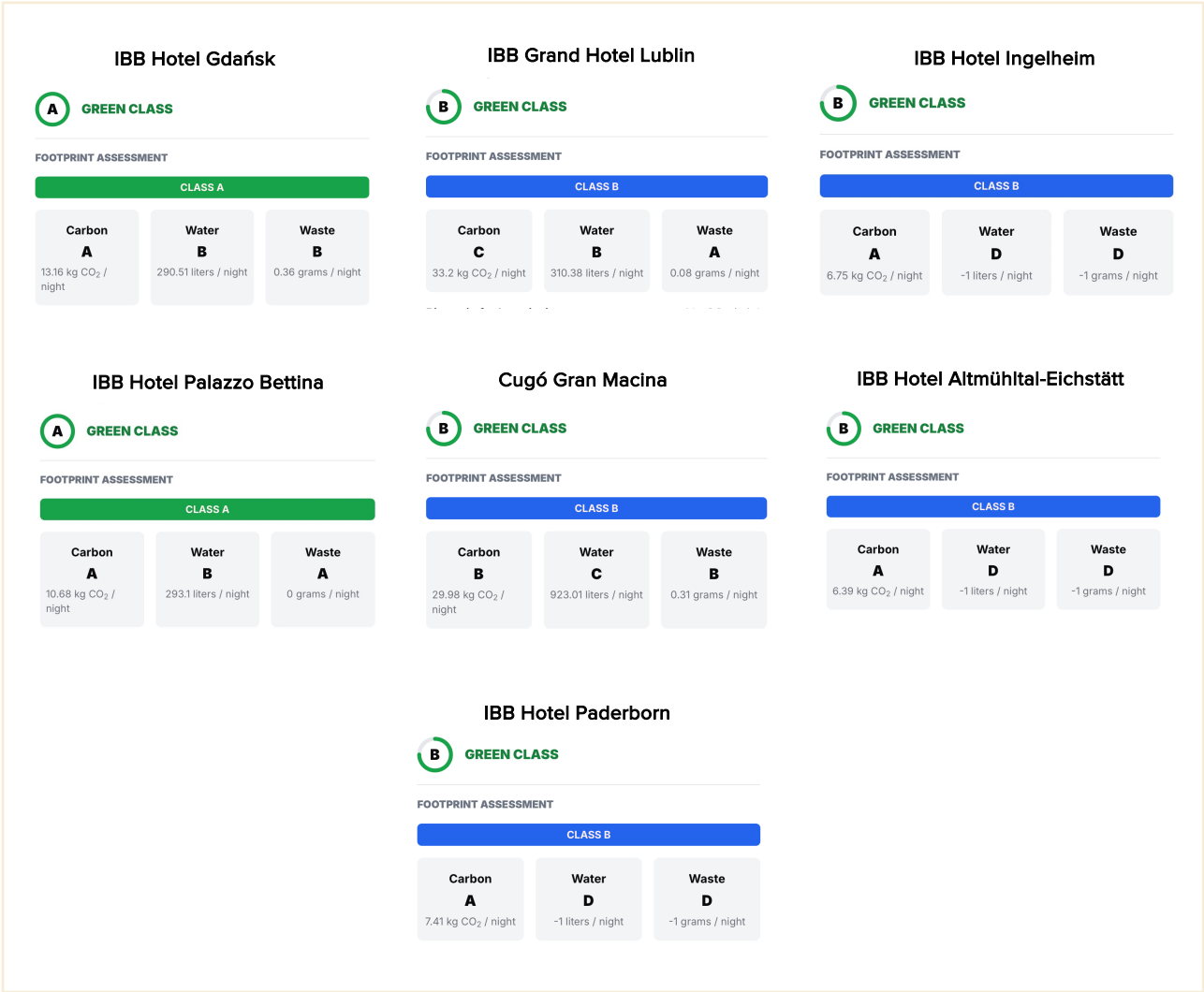
The following SDGs are the most relevant and material to IBB Hotel Collection's mission and operations:



ESG OVERVIEW

HRS GREEN STAY CERTIFIED

IBB Hotel Collection has joined the HRS Green Stay Initiative, reinforcing its commitment to sustainable hospitality. By aligning with this global platform, IBB Hotel Collection aims to enhance its environmental performance through measurable actions such as reducing energy consumption, minimising waste, and improving water efficiency. All hotels have been certified with the Advanced Certification apart from IBB Hotel Passau-Süd, which has the Basic Certification. The Green Stay Initiative, driven by HRS, enables corporate clients to make more eco-conscious travel choices by providing transparency on hotels’ sustainability practices. This partnership not only reflects IBB Hotel Collection's dedication to environmental responsibility but also positions it favourably among environmentally conscious travellers and businesses seeking greener accommodation options.



ESG OVERVIEW

ESG STRATEGY

ENVIRONMENT

Reduce our carbon footprint and foster positive environmental outcomes throughout our operations and value chain.

- **Develop an Emissions Reduction Plan:** Establish a comprehensive strategy to reduce emissions across the collection, alongside setting tailored emissions targets for each hotel.
- **Integrate ESG in Growth Activities:** Ensure environmental and social factors are considered in all development, refurbishment, and asset acquisition decisions.
- **Optimise Resource Management:** Promote the efficient use and reduction of energy, water, and waste across all operations.
- **Support Biodiversity:** Protect, enhance, and actively promote biodiversity throughout the portfolio and surrounding environments.

SOCIAL

We are dedicated to cultivating a culture of continuous growth by investing in the training, development, and well-being of our people, while strengthening our positive impact on the communities we serve.

- **Support Personal and Professional Growth:** Implement a comprehensive training and development programme to empower individuals at all levels.
- **Prioritise Well-being:** Integrate well-being considerations into all aspects of operations and workplace practices.
- **Champion Diversity and Inclusion:** Foster a positive and inclusive work culture through a clear and actionable diversity and inclusion programme.
- **Strengthen Community Impact:** Contribute meaningfully to the economic and social well-being of local communities through engagement and support initiatives.

GOVERNANCE

We aim to enhance our governance frameworks and policies to align with our long-term vision, ensuring robust identification and management of ESG risks and opportunities, while driving sustainable and responsible growth.

- **Establish Risk & Opportunity Frameworks:** Develop structured processes to identify, assess, and address ESG-related risks and opportunities across the organisation.
- **Engage Stakeholders Proactively:** Collaborate with stakeholders to advance ESG objectives and align ambitions through transparent dialogue and shared action.
- **Embed ESG into Governance Structures:** Promote and support the integration of ESG considerations into relevant organisational frameworks, policies, and programmes.
- **Ensure Transparent Reporting:** Commit to clear, accurate, and regulation-aligned ESG reporting to uphold accountability and build trust.



IBB HOTEL
COLLECTION

ENVIRONMENT

We're committed to ESG not only because caring for our planet is essential, but because it's a smart, strategic choice for our business.

Our Strategic Goal

To minimise our carbon footprint and generate a positive environmental impact across our entire portfolio and value chain.

At **IBB Hotel Collection**, we are committed to sustainability by modernising existing properties and incorporating environmentally responsible practices into new hotel developments. These initiatives help reduce our environmental impact while enhancing our operational efficiency and guest experience.

Our decarbonisation strategy is already delivering results, and we are targeting a **40% reduction in emissions per square meter by 2030**. Given that **Scope 3 emissions** represent the largest share of our carbon footprint, we are focusing on reducing these first, particularly in our supply chain and service operations.

As we move forward, we remain dedicated to aligning environmental responsibility with strong business performance, ensuring sustainable growth for our guests, teams, and stakeholders.

ENVIRONMENT

OUR ENVIRONMENTAL GOALS

By analysing our greenhouse gas (GHG) emissions inventory, including Scope 1, Scope 2, and Scope 3 emissions, we gain a comprehensive understanding of both our direct footprint and the broader impact across our value chain. Scope 3 emissions, represent the largest share of our total emissions and are therefore a central focus of our decarbonisation strategy.

We are firmly committed to achieving net zero greenhouse gas emissions across the Collection by 2050, in alignment with European sustainability targets. In the near term, we are prioritising the implementation of a targeted decarbonisation strategy through to 2030.

We are committed to reviewing our emissions reduction targets on an annual basis, taking into account the complexity of our diverse portfolio, which includes properties of varying ages, sizes, and uses. As part of this review, we will continue to enhance our data quality and assessment processes to ensure our carbon reduction strategy remains both practical and achievable.

As our decarbonisation pathway evolves, we will remain responsive to regulatory developments, science-based guidelines, and changes in national grid emissions intensity. We will also reassess our targets in line with portfolio changes resulting from acquisitions or disposals.

Our understanding of Scope 3 emissions will continue to improve as more data becomes available. While investment requirements may shift over time, we anticipate these costs will be incorporated into our ongoing planning and budgeting processes to support our long-term sustainability goals.



Our goal is to reduce our **carbon emissions intensity per square meter** by **40% by 2030** using 2023 as our base year

ENVIRONMENT

OUR ENVIRONMENTAL GOALS CONT

Since 2023, the **IBB Hotel Collection** has achieved a **4.12% reduction in total emissions per square meter**, thanks to ongoing energy efficiency initiatives across our hotels. As we continue to grow our portfolio, sustainable development remains central to accelerating our progress in reducing emissions and minimising our environmental impact.

Our Progress Over the Past Year

- Continued transitioning from conventional lighting to energy-efficient LEDs across our owned properties
- Conducted comprehensive reviews of waste and water management processes
- Completed an energy study at one of our key properties, the Cugó Gran Macina, aiming to implement energy retrofits there and at other owned hotels
- Optimised heating and cooling systems and settings to improve efficiency
- Advanced the implementation of renewable energy solutions wherever possible



Optimising our heating and cooling systems & settings for greater energy efficiency. This has already led to notable results in certain hotels. The same also goes for optimising our water use, with significant reductions already occurring in a few of our hotels.



Site-level technology investments are helping the Collection better monitor energy use. Additional measures include upgrading inefficient systems with energy-efficient solutions like heat pumps, smart thermostats, LED lighting, occupancy sensors, enhanced HVAC, shutdown sockets, and improved insulation.



Installation of renewable energy systems at properties that are owned by the Group.



Eco-friendly products are used, staff and guests are encouraged to reduce water and food waste, and single-use plastics will be phased out by 2030.

ENVIRONMENT

OUR ENVIRONMENTAL GOALS CONT

DATA COLLECTION

Our Goal: To integrate environmental and social factors into the modernisation, refurbishment, and acquisition of our hotels.

At IBB Hotel Collection, we are committed to continuously improving our data collection and integration processes, especially within our Greenhouse Gas (GHG) measurement systems.

We focus on modernising and extending the life of older buildings through sustainable retrofitting, energy-efficient technologies, and the preservation of architectural heritage within our hotel portfolio.

Our aim is to promote environmental responsibility, increase awareness of our sustainability initiatives, and consider the needs of our guests and tenants when planning key projects such as renewable energy production, emissions reduction and biodiversity enhancement. We also regularly review and update our procurement and tender policies to ensure they reflect ESG (Environmental, Social, and Governance) standards.



We have been using *Measurabl* since 2021/22 to calculate our carbon footprint across our portfolio. The platform takes data from our bills to calculate our energy & water consumption, track our waste management and calculate our carbon footprint for the entire portfolio as well as per hotel.



1,260

MTCO₂e
FY 2021

1,290

MTCO₂e
FY 2022

1,288

MTCO₂e
FY 2023

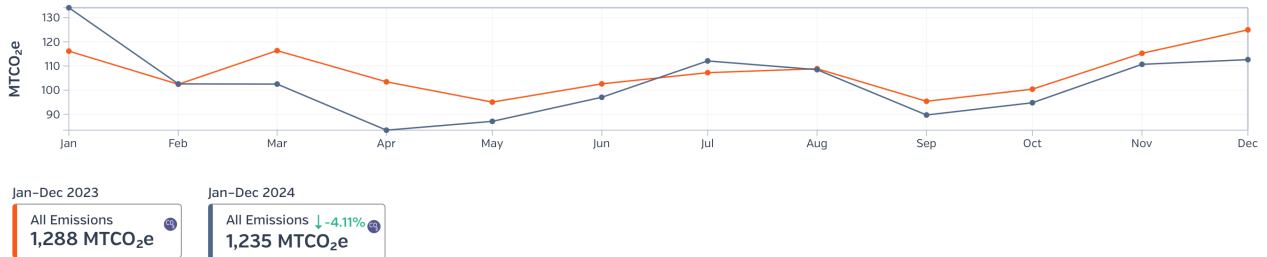
1,235

MTCO₂e
FY 2024

ENVIRONMENT

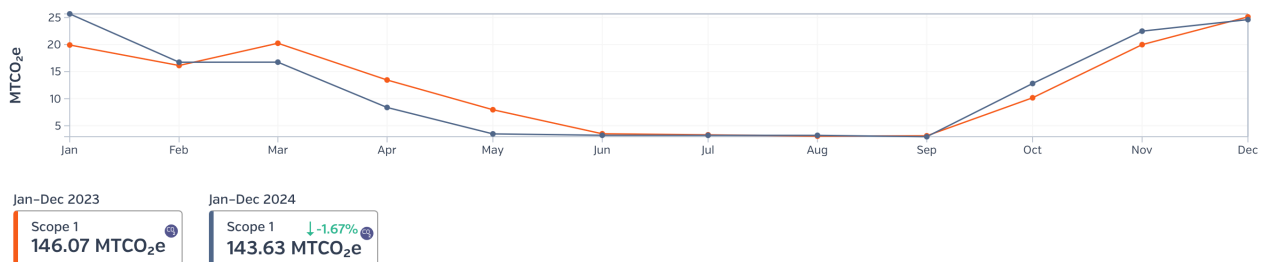
TOTAL GHG EMISSIONS

The decrease in total emissions from 2023 to 2024 can be explained by energy reduction & efficiency measures taking effect 2024, despite high operational activity.



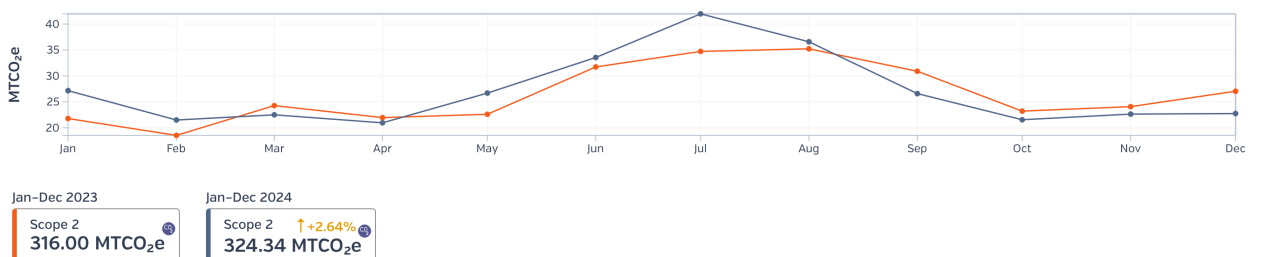
SCOPE 1 EMISSIONS

The decline in Scope 1 emissions across the Collections from 2023 to 2024 can be attributed to energy saving measures, such as cooling and heating limits and lighting controls, being implemented in the hotels.



SCOPE 2 EMISSIONS

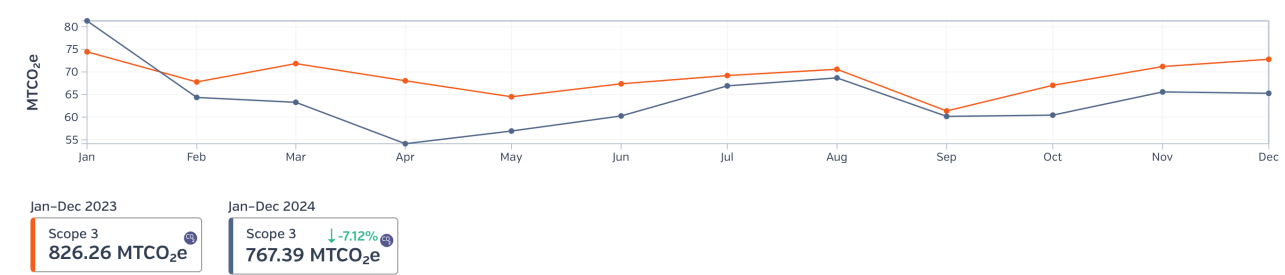
There was a slight increase in Scope 2 emissions from 2023 to 2024, possibly due to July being a very hot month (meaning more cooling unit use) with high operational activity at our hospitality operations.



ENVIRONMENT

SCOPE 3 EMISSIONS

The decline in Scope 3 emissions across the Collections from 2023 to 2024 can be attributed to energy saving measures, such as cooling and heating limits and lighting controls, being implemented in the hotels.



OTHER SCOPE 3 EMISSIONS

Criteria	Data
Total number of suppliers	173
Total number of suppliers located within a 50km radius	129
Total percentage of suppliers located within a 50km radius	74.57%
Total other Scope 3 emissions	45,183.44 kgCO ₂ e*

The **IBB Hotel Collection** also discloses certain Scope 3 emissions, indirect emissions from activities not covered under Scope 2. These include business travel, employee commuting, waste management, and emissions from third-party deliveries and suppliers providing products and services to our hotels.

***Calculation Method:**

((Distance to supplier x 2) x Number of times supplied in 2023) x 0.121 kgCO₂e

Assumption: Suppliers need to travel there and back to deliver products and services (so distance to the supplier base from the hotel x2).

0.121 kgCO₂e is the average emissions per km by the average petrol road vehicle.

In 2023, the IBB Hotel Collection initiated a full supply chain audit on the hospitality side, beginning the assessment of suppliers against key environmental and social criteria. As part of this process, we have started to measure Scope 3 emissions related to the distance travelled by suppliers delivering goods and services to our hotels.**

Between 2023 and 2024, we successfully reduced these emissions by **49.68%** and increased the share of suppliers located within a 50 km radius from **50.64% to 74.57%**. This progress supports our goal of shortening supply distances and reducing our overall carbon footprint by prioritising local and regional partnerships.

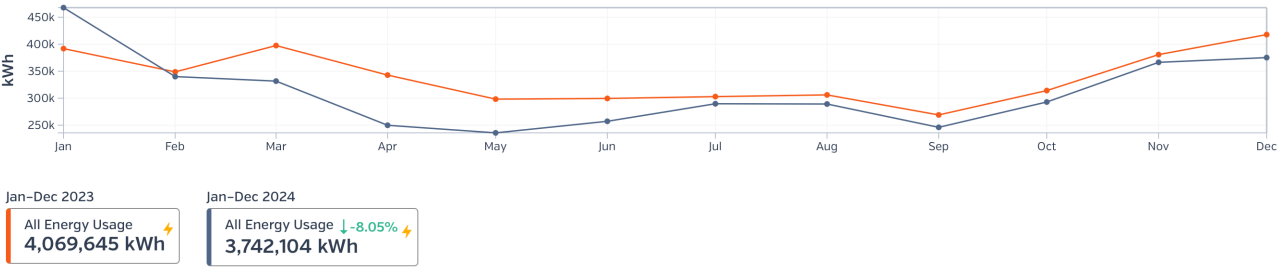
Business travel by employees is not included in this year’s emissions report and will be addressed in future disclosures.

**Excludes IBB Hotel Altmühltal-Eichstätt as no information was gathered, IBB Hotel Paderborn, IBB Hotel Berlin Airport and IBB Hotel Passau-Süd as the hotels were taken out of the portfolio over the course of 2024.

ENVIRONMENT

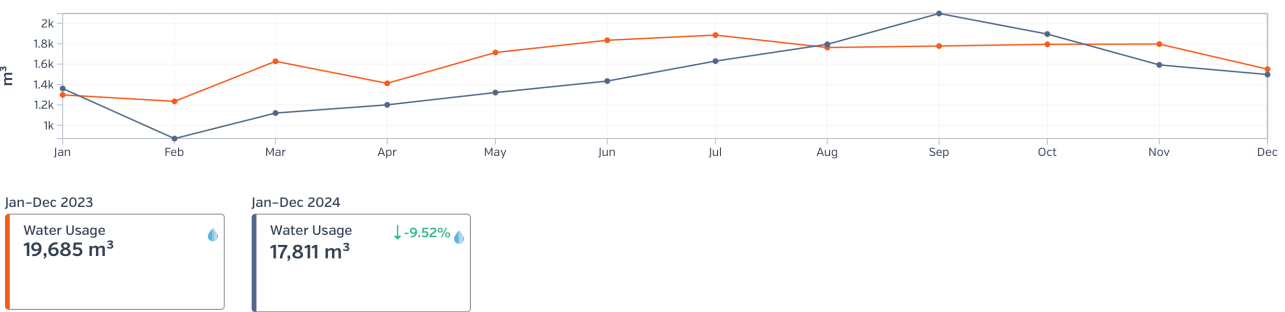
ENERGY CONSUMPTION

The decline in energy consumption across the Collections from 2023 to 2024 can be attributed to energy saving measures being implemented in the hotels. This is also despite adding a further property to the portfolio in 2023 (IBB Hotel Palazzo Bettina) and it being fully operational in 2024. On the other hand, one hotel (IBB Hotel Berlin Airport) was taken out of the portfolio at the beginning of 2024, along with two further hotels (IBB Hotel Paderborn and IBB Hotel Passau-Süd later in the year).



WATER CONSUMPTION

The decrease in water consumption from 2023 to 2024 can be explained partly by data gaps, however, also because water saving measures have been implemented across the hotels.





IBB HOTEL
COLLECTION

SOCIAL

To achieve exceptional results, we must empower our employees and leaders with the resources, support, and environment they need to thrive.

Our Strategic Goal

We are committed to fostering a culture of growth by investing in the training, development, and well-being of our people, while strengthening our positive impact on the communities we serve.

At **IBB Hotel Collection**, we prioritise creating meaningful social value through the way we engage with our team members, guests, and the communities surrounding our hotels. We believe that well-designed hospitality spaces contribute not only to guest satisfaction but also to the environmental, economic, and social well-being of the wider community.

That's why we are committed to investing in our people, fostering strong relationships with our partners, and deepening our involvement in local communities, to maximise our positive social impact and create long-term value.

SOCIAL

OUR SOCIAL GOALS

Our Goal: Foster personal and professional growth through a comprehensive training and development programme.

At IBB Hotel Collection, we are dedicated to offering fulfilling careers and nurturing career growth. Supporting personal and professional development is key to our success, helping us be not just a great employer, but an employer of choice.

We continually invest in training and development programmes that provide our team members with the tools and opportunities to grow and thrive. This commitment creates a dynamic learning environment that empowers our people to reach their full potential.

We are dedicated to fostering a culture of continuous learning and professional growth across the IBB Hotel Collection. Recently, our teams in Malta completed First Aid and Fire Warden training, participated in an Excel course, and attended informative sessions on LGBTQ+ awareness and sustainability.

Our development initiatives are grounded in the principles of autonomy, mastery, and purpose, empowering our people to build the skills they need to achieve their goals and advance their careers within the Collection and beyond.

Looking ahead, we aim to offer employees at all levels a diverse range of learning opportunities, from technical skills training to leadership and management development. Our holistic approach combines essential compliance training with programmes such as onboarding, managerial training, and change management, ensuring our team is fully equipped for success.



SOCIAL

OUR SOCIAL GOALS CONT

Mentoring plays a vital role in employee development at **IBB Hotel Collection**. We are planning to introduce a mentorship programme aimed at supporting career growth and fostering stronger connections within our teams.

We are also committed to integrating well-being into all aspects of our business. To promote physical and mental health, we are working on providing access to gym facilities and mental health support services for our employees.

At our Malta office, we offer a range of benefits to support and reward our team members. These include health insurance after the probation period, discount cards for selected shops and restaurants, and exclusive employee rates at our hotels and dining venues, extended to family and friends as well.

We also celebrate outstanding performance through our *Champion of the Month* programme, recognising team members who consistently go above and beyond.

Additionally, we conduct an organisational talent review using individual KPIs to ensure our workforce's skills align with our strategic goals. This initiative helps us identify areas for improvement, recognise high-potential talent, and tailor our learning and development programmes to provide targeted support where it's needed most.



SOCIAL

OUR SOCIAL GOALS CONT

At **IBB Hotel Collection**, we take great pride in fostering a positive and collaborative culture throughout our organisation. Rooted in our core values of humility, integrity, adaptability, and industriousness, this culture is reflected daily in the dedication of our people. It lies at the heart of our mission to empower our teams, enhance our properties, and enrich the communities we serve.

Ongoing engagement with employees and stakeholders is vital to nurturing this culture and supporting personal and professional growth. We achieve this through multiple channels, including annual employee and guest surveys, workshops, and other interactive events.

In our most recent survey, **78% of employees** said they would recommend IBB Hotel Collection as a great place to work. Additionally, nearly **31.94% of employees** have been with us for over five years. Looking ahead, we are committed to further enhancing employee engagement through both qualitative and quantitative improvements, ensuring our engagement scores continue to reflect a thriving, supportive workplace culture.



78%
of employees stated they would recommend our company as a **great place to work**



Employee tenure at the company

26.39%	< 1 Year
41.67%	1 - 5 Years
19.44%	5 - 10 Years
4.17%	10 - 20 Years
8.33%	> 20 Years

SOCIAL

OUR SOCIAL GOALS CONT

Our Goal: Foster a positive workplace by implementing a clear and impactful diversity and inclusion programme.

We thrive when individuals from diverse backgrounds and experiences come together. With a workforce representing many nationalities, we mirror the rich diversity of the communities we serve. We are proud of the gender balance within our teams, where women and men are equally represented, and that **50% of our senior leadership positions** are held by women.

Championing Diversity, Equity, and Inclusion

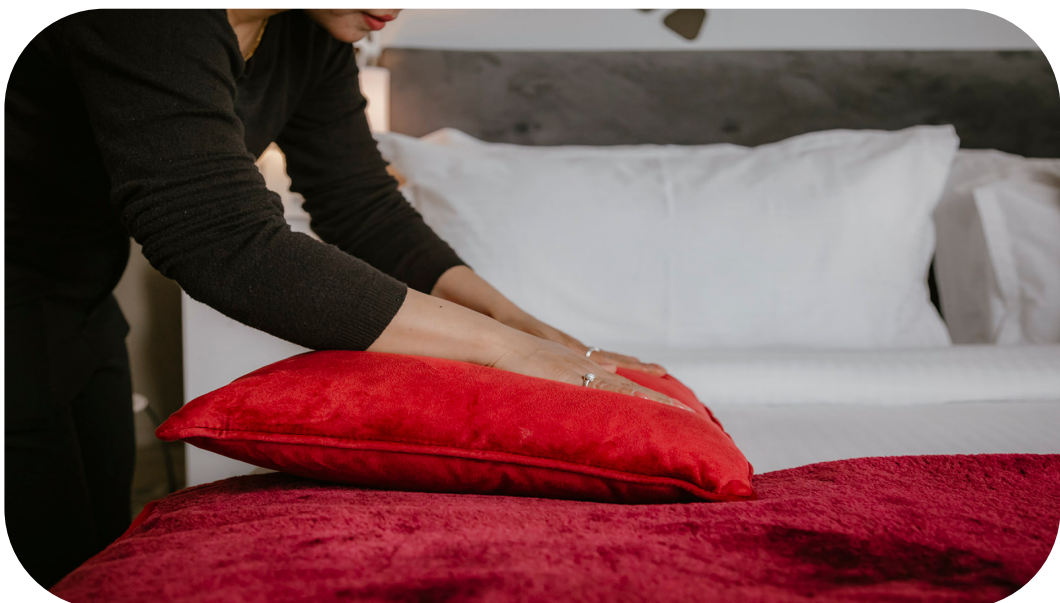
At IBB Hotel Collection, we believe that diversity, equity, and inclusion are key drivers of business success. We are committed to fostering initiatives that create meaningful impact for our employees, guests, communities, and each other.

We continuously review and refine our policies to align with our diversity goals, ensuring we maintain a safe, inclusive, and welcoming work environment where everyone feels respected, empowered, and able to thrive.



50%

of managerial positions in the Group are held by women



SOCIAL

OUR SOCIAL GOALS CONT

Our Goal: Create meaningful economic and social impact within our local communities.

At IBB Hotel Collection, we are committed to creating social value by providing and maintaining hospitality spaces that foster economic growth and community development. Our aim is to make a positive and lasting impact on the communities we serve.

In 2024, we supported local communities through volunteering and charity initiatives. Employees across Europe participated in activities near our operations, including clean-ups in Lublin, Poland, and the Grand Harbour in Malta. We encourage our staff to dedicate one working day annually to volunteering, with many also contributing through our volunteering leave programme. Additionally, we made donations for World Humanitarian Day to local shelters and supported local beehives on World Bee Day.

Following the Valencia floods in November 2024, we organised a GoFundMe campaign to raise funds to provide home essentials for affected families, demonstrating our commitment to supporting those in need.



SOCIAL

OUR TARGET SUMMARY



2025/2026 Targets

- Build our training and development programme
- Maintain & improve our employee satisfaction
- Launch an e-learning and digital onboarding site
- Offer physical & mental well-being programmes
- Support local communities & charities

Employee Engagement

We remain committed to enhancing our training and development programme to support continuous growth and learning across all levels of the organisation.

As part of our engagement strategy, we will conduct a new employee survey and use the insights gained to refine and strengthen our approach. Our goal is to drive both qualitative and quantitative improvements in employee engagement, ensuring our engagement score remains high and reflects a positive, inclusive, and supportive workplace culture.

Stakeholder Engagement

At IBB Hotel Collection, we are committed to strengthening engagement with our tenants and key stakeholders to maximise the impact of our ESG goals. Our focus is on supporting decarbonisation initiatives and encouraging active community involvement through meaningful collaboration.

Community Engagement

We actively engage with stakeholders to promote our support programme for local businesses, championing initiatives that create positive social impact. As part of the IBB Hotel Collection's values, we believe in building strong community ties that contribute to sustainable and inclusive growth.



IBB HOTEL
COLLECTION

GOVERNANCE

Effective governance lies at the core of our values, guiding us to make responsible decisions and uphold the trust of our stakeholders.

Our Strategic Goal

We aim to continuously strengthen our governance structures and policies to align with our long-term vision. By doing so, we ensure the effective identification and management of ESG risks and opportunities, while supporting sustainable growth across our operations

At **IBB Hotel Collection**, we recognise that strong governance and well-defined processes are essential to building a successful and resilient hospitality business. By upholding the highest standards of governance, we foster transparency, build trust with our stakeholders, and support our long-term sustainability goals.

Our management structure is designed to be both accountable and responsive, promoting a culture of responsibility across all levels of our organisation. ESG principles are fully integrated into our governance framework, guiding our decisions and reinforcing our commitment to ethical, responsible, and sustainable growth.

GOVERNANCE

OUR GOVERNANCE GOALS

Our Goal: Promote and support the integration of ESG principles through effective structures and targeted programmes.

At IBB Hotel Collection, we are committed to embedding ESG principles across our operations through strong governance and purposeful initiatives. ESG oversight is maintained at both the Board and executive levels, supported by a robust reporting structure. The newly established ESG Committee, alongside the Audit Committee, ensures continuous accountability, with regular updates delivered by the Group Head of Sustainability to the Board.

In the coming years, we aim to link environmental and social objectives to key performance indicators (KPIs), incorporate them into management reviews, and progressively integrate them into remuneration frameworks. Executive Directors and key personnel have defined ESG targets, which include commitments to our decarbonisation pathway, biodiversity initiatives, and community engagement.

Our newly formed ESG Committee is focused on improving data quality and utilisation across the Collection, enabling greater transparency, accountability, and informed decision-making as we advance our sustainability agenda.

OUR ESG COMMITTEE:



Anuschka von der Heyden
Group Head of Sustainability



Javier Errejón Sainz de la Maza
CFO & Managing Director



Tonio Fenech
Executive Director

To ensure our ESG strategy remains relevant and impactful, IBB Hotel Collection has conducted a new ESG materiality assessment. This important step helps us align our actions with the priorities of our key stakeholders and the areas where our business has the greatest social and environmental impact.

By identifying what matters most, we can better integrate these material issues into our strategy and operations, ensuring that our sustainability efforts are focused, effective, and forward-looking. We will continue to review and update these priorities regularly to stay ahead of evolving stakeholder expectations, regulatory developments, and industry trends.

GOVERNANCE

OUR GOVERNANCE GOALS CONT

Governance Spotlight: Driving decarbonisation through strong governance.

Strong Governance: The Foundation of Sustainability

At **IBB Hotel Collection**, we recognise that effective governance is the cornerstone of a successful sustainability strategy. It helps build trust, ensures accountability, and supports our long-term licence to operate responsibly.

That's why ESG remains a standing priority at Board meetings, and we continue to enhance our policies and procedures to fully embed sustainability into our daily operations.

In 2024, we established a dedicated **ESG Committee** to lead and coordinate our ESG efforts across the Collection. Reporting to the Group Head of Sustainability, this team plays a central role in driving forward our sustainability agenda, especially in overseeing our decarbonisation goals and ensuring compliance with evolving regulations.

The **ESG Committee** at IBB Hotel Collection is focused on several key areas that are central to advancing our sustainability strategy:

- **Enhancing data quality and utilisation** to enable smarter, more informed decision-making
- **Monitoring the rollout of energy retrofits** across our owned hotel properties
- **Managing and accelerating our decarbonisation programme** to reduce emissions across the portfolio
- **Scaling renewable energy initiatives** through the implementation of photovoltaic (PV) systems
- **Reviewing policies and keeping pace with ESG-related regulatory developments**
- **Overseeing social and HR initiatives** to support employee well-being and development

Beyond these responsibilities, the ESG Committee also plays a **critical role in stakeholder engagement**, ensuring that insights from guests, partners, and team members help shape operational improvements and elevate the overall customer experience. This integrated approach keeps our sustainability efforts aligned, impactful, and future-ready.

GOVERNANCE

OUR GOVERNANCE GOALS CONT

Our Goal: Implement effective processes to identify, assess, and manage ESG-related risks and opportunities.

At IBB Hotel Collection, we understand that ESG risks, both transitional and physical, can significantly impact our operations and long-term success. That's why we've integrated ESG into our overall risk management framework, with structured risk and impact assessments and defined KPIs across short-, medium-, and long-term horizons.

ESG considerations are also embedded into our pre-acquisition and corporate due diligence processes, ensuring that all advanced-stage acquisitions undergo thorough ESG-specific evaluations. This enables us to make informed decisions while aligning new assets with our sustainability goals.

At IBB Hotel Collection, we are committed to transparency and accountability in our sustainability journey. We communicate our ESG goals, environmental responsibilities, and decarbonisation efforts through blogs, internal updates, and workplace posts. We also actively seek stakeholder feedback through face-to-face engagement and ESG materiality assessments, ensuring our strategy reflects the priorities of those we serve and work with.

Our Goal: Align all activities and procedures with best practices while ensuring compliance with corporate regulations and ESG codes.

To stay ahead of emerging standards, we closely monitor developments in ESG reporting frameworks, including CSRD, ESRS, TCFD, and ISSB.

While ESG reporting standards continue to evolve, our focus remains on delivering clear, relevant, and material ESG insights that reflect both our impact and our commitments across the hospitality sector.



GOVERNANCE

OUR GOVERNANCE GOALS CONT

Cybersecurity

At IBB Hotel Collection, cybersecurity is a top priority in today's digital landscape. We actively monitor and manage emerging threats, integrating strong risk and vulnerability controls. All team members complete annual training to ensure compliance with EU regulations, including GDPR. Our comprehensive Information Security Management System and policies have helped us maintain a clean record with no material breaches in the past three years.

Our cybersecurity infrastructure includes:

- **Endpoint Protection:** Deployment of advanced solutions, such as antivirus, anti-malware, and endpoint detection and response (EDR) systems, across all devices.
- **Data Encryption:** Utilisation of encryption protocols for data at rest and in transit, ensuring data integrity and confidentiality.
- **Access Control:** Enforcement of multi-factor authentication (MFA) and role-based access control (RBAC) to restrict unauthorised access.
- **Regular Audits and Updates:** Conducting regular security audits and updates to address emerging threats and vulnerabilities.

Additionally, starting from Q2 of 2024, IBB Hotel Collection adopted Von der Heyden Group's security protocols, including:

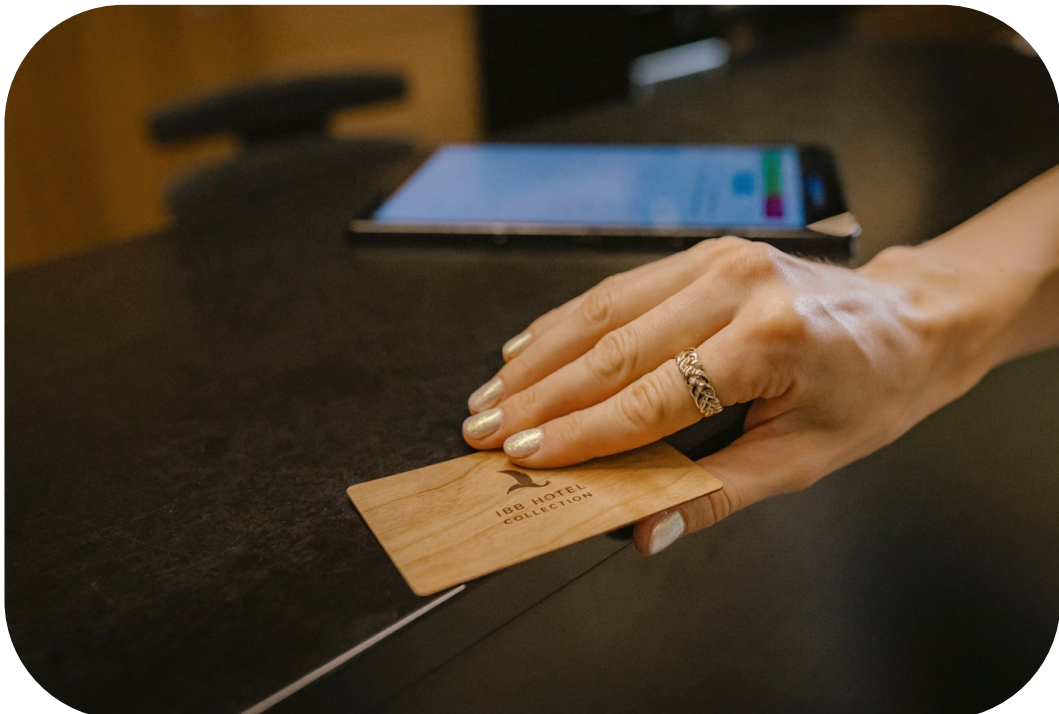
- **Email Security:** Implementation of advanced email filtering and threat detection systems to prevent phishing and malware attacks.
- **OneDrive and SharePoint:** Application of data loss prevention (DLP) policies, encryption, and secure sharing protocols to protect sensitive information.
- **Identity and Access Management (IAM):** Integration of IAM solutions to manage user identities and access rights across cloud services.

GOVERNANCE

OUR GOVERNANCE GOALS CONT

Furthermore, the Collection leverages the comprehensive security features of Microsoft 365 E5 Security, including:

- **Advanced Threat Protection:** Protection against malware and zero-day attacks.
- **Identity Security:** Multi-factor authentication, conditional access, and self-service password reset.
- **Device Security:** Endpoint protection, mobile device management (MDM), and mobile application management (MAM).
- **Data Security:** Classification and labelling of data, encryption, and data loss prevention.
- **Email Security:** Anti-phishing, anti-spam, anti-malware, safe attachments, and safe links.



GOVERNANCE

OUR GOVERNANCE GOALS CONT

Our Goal: Ensure clear, consistent, and transparent communication at IBB Hotel Collection.

We provide an annual, detailed overview of our ESG activities and progress through our Annual ESG Report and website, showcasing our achievements against key targets and KPIs.

Targets for 2025:

- Complete the ESG materiality assessment initiated in 2023/24 and align our ESG roadmap, targets, and priorities with stakeholder feedback and key material issues.
- Develop an official Sustainability Strategy that supports and aligns with IBB Hotel Collection's overall business strategy.





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