



# Sustainable Business

March 2024







## Sustainable business

Dalata believes you need more than an ESG strategy to have a significant and sustainable impact. Instead, we have a business strategy, purpose-built to be economically, environmentally, and socially sustainable.

We believe that doing the right thing needs to be baked into every facet of our business, not just an addendum or an afterthought.

### Dalata for people

At Dalata, our ambition is to be as welcoming and rewarding to our staff as we are to our guests. Our people drive our success, reflect our culture, and create our customer experience. Our employees are given opportunities to learn and grow further throughout their careers. With all our new hotels, and extensions to existing hotels currently under construction, there are real career development and promotion opportunities on offer. We take care of our people at Dalata and take health and wellbeing very seriously.

### Dalata for the planet

Living Green is our environmental movement which inspires care for our planet as a way of life throughout our hotels; for our people, our guests, and our society. Across the Group, we question and consider the impact of our day-to-day business decisions on the environment and our sustainability goals. These concerns are not the sole responsibility of dedicated committees and forums. They are issues for everyone to contribute positively towards.

### Dalata for society

Dalata aims to be a responsible business that takes an active role in the communities in which it operates, while promoting sustainable values and a commitment to people. We conduct and act on research to discover what people value the most from their hotel experience. We work with employment support organisations in local communities.

### Our responsibility

The standards we uphold in terms of responsibility start at board level and are reflected in the actions of all our colleagues, whether in one of our hotels or in central office. There are many examples of these standards evident throughout the group.

### Our culture and values

Ours is a culture of integrity, fairness and inclusion. We're a company where people can flourish and have the opportunity to develop their talents, be recognised and rewarded and pursue a fulfilling career. We strive for success, are enthusiastic about what we do, and take responsibility for doing things right.

# Our people

Our people drive our success, reflect our culture, and create our customer experience.

## Our ambition

At Dalata, our ambition is to be as welcoming and rewarding to our staff as we are to our guests. To make this happen we have four main areas of focus. We are committed to putting policies and practices in place that reward employees and look after all aspects of their wellbeing, physical, mental, and financial. We're proud to offer modern and effective approaches to diversity and inclusion, health and safety, and adhere tightly to industry-leading labour practices.



### NURTURE

We develop and grow our talent.



### PRIORITISE

We put people first through inclusion, diversity and innovation.



### CARE

We take care of people like nobody else in our industry.



### EMPOWER

We have a decentralised model that empowers, at scale.

## Inclusion and diversity

At Dalata we embrace and celebrate diversity at all levels. Our priority is to continue to nurture an inclusive culture, creating a workplace where everyone feels valued, can contribute equally, and can succeed and progress in their careers, without any barriers.

We have been recognised for our inclusion and diversity journey by achieving the Investors in Diversity Bronze Award in 2022 and Silver Award in 2023 and have also been shortlisted for several relevant business awards.

## Learning, development and succession

At Dalata, our people are our priority, and we put great emphasis on learning, development, and career progression at all levels, and across all functions of the business.

We understand that we all have different learning needs, and we ensure there are many different ways to develop through tailored training plans that combine on-the-job training with mentoring, training workshops, and innovative digital learning.

## Health, safety and security

Our Safety Promise Programme is robustly tested by Bureau Veritas, world leaders in testing, inspection and certification in health and safety practices around the world. Each hotel received the certification award in 2022.

## Labour practices

Dalata Hotel Group adheres to all labour practices in accordance with the relevant legislation in the countries that we operate in, and are guided by our core values of Our People, Fairness, Service, and Individuality.

## Employee wellness

Caring for our people's wellbeing is at the forefront of our people agenda, and this has been demonstrated with the appointment of the role of Group Engagement & Wellbeing Manager.

We've increased our focus on good mental health in the workplace and continue to provide mental health first aid training for our managers. Telus (Employee Assistance Programme) is a wellbeing solution available to all our people that provides resources, support, and advice across a range of topics such as family, health, money, and work.

### SOME OF OUR INITIATIVES INCLUDE:

- Supporting our people's overall mental fitness
- Rolling out a wellbeing policy
- Starting our journey to earning a Workplace Wellbeing accreditation
- Continue to provide mental health first aid training



## The planet

Living Green is our environmental movement which inspires care for our planet as a way of life throughout our hotels; for our people, our guests, and our society.

Across the Group, we question and consider the impact of our day-to-day business decisions on the environment and our sustainability goals.

### What is the Green Meetings Standard?

The Green Meetings Standard is a certification specific to the meetings and events industry. It was created to provide reassurance to corporate buyers who wanted the reassurance of third-party certification when choosing suppliers and to provide meetings and event venues with a way of evidencing their sustainability credentials. Green Meetings looks at 15 distinct areas from energy waste and chemicals, to travel and communication. These are grouped broadly under People, Places and Planet. Each criteria contains questions selected by our sustainability experts to represent best practice in the meetings and events sector. Every assessment is verified by Green Tourism's expert assessors, giving reassurance to your buyers that you are genuinely invested in sustainable operations and practices. That's why it's the benchmark everyone trusts.

### What does it mean to be Gold?

Gold businesses have a strong environmental ethos and can provide excellent examples of best practice across all the sustainability goals. They have made significant changes to their working practices, and continue to review and maintain them.

### Green tourism

All our hotels undergo an annual assessment and accreditation process with Green Tourism. Green Tourism operates an awards certification programme that recognises the commitment of tourism businesses which are actively working to become more sustainable.

### Targets

We are currently assessing the adoption of science-based targets, but in the meantime we have set the following short-term targets in key areas:

#### ENERGY

Reduce energy-related emissions 20% per room by 2026 from 2019 baseline.

#### WASTE

100% waste diverted from landfill by 2024. Reduce food waste 15% per sleeper by 2026 from a 2019 baseline.

#### WATER

Reduce water consumption per sleeper 15% by 2026 from a 2019 baseline.

#### SUPPLIER

Collect carbon emissions Scope 1 & 2 data from 100% of Tier 1 suppliers by 2024.

# Our initiatives



## Carbon emissions

We develop high-quality, modern, energy-efficient hotels. Dalata-built hotels are constructed in line with the BREEAM Very Good rating, placing them in the top quarter of new UK non-domestic buildings. We also undertake initiatives to support the decarbonisation of existing properties, reporting to the Carbon Disclosure Project (currently scoring a B).

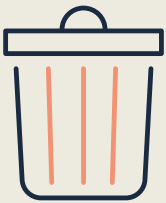


## Energy management

Our hotels are actively challenged to reduce energy consumption against targets and peer hotel benchmarks. A culture of shared best practice has evolved across our business. The availability of real-time data and reporting to our hotels is allowing immediate action, and we have seen significant reductions in energy consumption as a result.

Some of our well-advanced projects include the following:

- Introducing LED lighting solutions across all our hotels
- Meeting the changing demands of our customers with the installation of EV charging points to our hotel car parks



## Waste management

We are committed to tracking all waste generation, focusing on renewable destinations and zero-to-landfill. In 2022, we achieved our target to divert 100% of waste from landfill. We have also engaged with waste processing suppliers that give us the facility to accurately report the volume of food waste across our portfolio and we remain committed to reducing food waste by 15% per sleeper by 2026. Some notable waste management projects include:

- Moving away from single use plastics and plastic-backed drinks coasters, also continuing to reduce the use of plastic in packaging and packaging waste in general
- All takeaway coffee cups and lids are 100% recyclable
- All food waste is converted to a fertiliser digestate using an anaerobic digestion process



## Water stewardship

We have installed electronic meters at over 90% of our hotels which will allow us to measure consumption accurately, identify spikes and areas in need of improvement. New hotels are built to be water-efficient in their use and reuse of water, from choosing showers over baths to using rainwater to flush toilets.



## Biodiversity

As part of the planning process for our new build hotels, we assess for sensitive ecosystems to ensure they are protected and enhanced. Where our existing hotels are concerned, we support the Irish National Pollinator Plan, and respective pollinator plans in the United Kingdom. The All-Ireland Pollinator Plan sets a five-year road map that aims to help bees, other pollinating insects, and our wider biodiversity.





## The society

We're committed to giving back, both to local areas and to our charity partners such as the Marie Keating Foundation, Leukaemia Care, and Air Ambulance Northern Ireland. We work with employment support organisations in local communities.

In total, over the last seven years we have fundraised over €1.36 million for our charity partners, with a total of over €1.77 million when you include matching corporate donations. The Marie Keating Foundation is our Republic of Ireland partner, Leukaemia Care is our partner in Great Britain and Air Ambulance NI in Northern Ireland. Together we are partnering to save lives.

### Governance

Strong governance is a pillar of any successful business, and we are proud of the standards we uphold. Dalata complies with the UK Corporate Governance Code ("The Code") 2018, and with the Irish Corporate Governance Annex published by Euronext Dublin. Remaining compliant is a top priority, so we monitored the updates to the Code in 2018 and remain conscious of adjustments that we may be required to make in future and we have a number of policies we implement to ensure we are always striving for excellence in all areas.

#### BOARD DIVERSITY POLICY

Fifty per cent of the Board of Directors are female.

#### CONFIDENTIAL DISCLOSURE POLICY

Our protected disclosures mechanism – Speak Up – allows our employees to speak up in confidence should an issue arise.

#### MODERN SLAVERY POLICY

We adopt a zero-tolerance approach to modern slavery and human trafficking. We are committed to ensuring that these practices do not exist within our business or supply chains.



# Our commitment

## Community engagement

Each of our hotels and central office support their local community to create a positive social impact and promote economic opportunity for all in their local area.

## Sustainable procurement

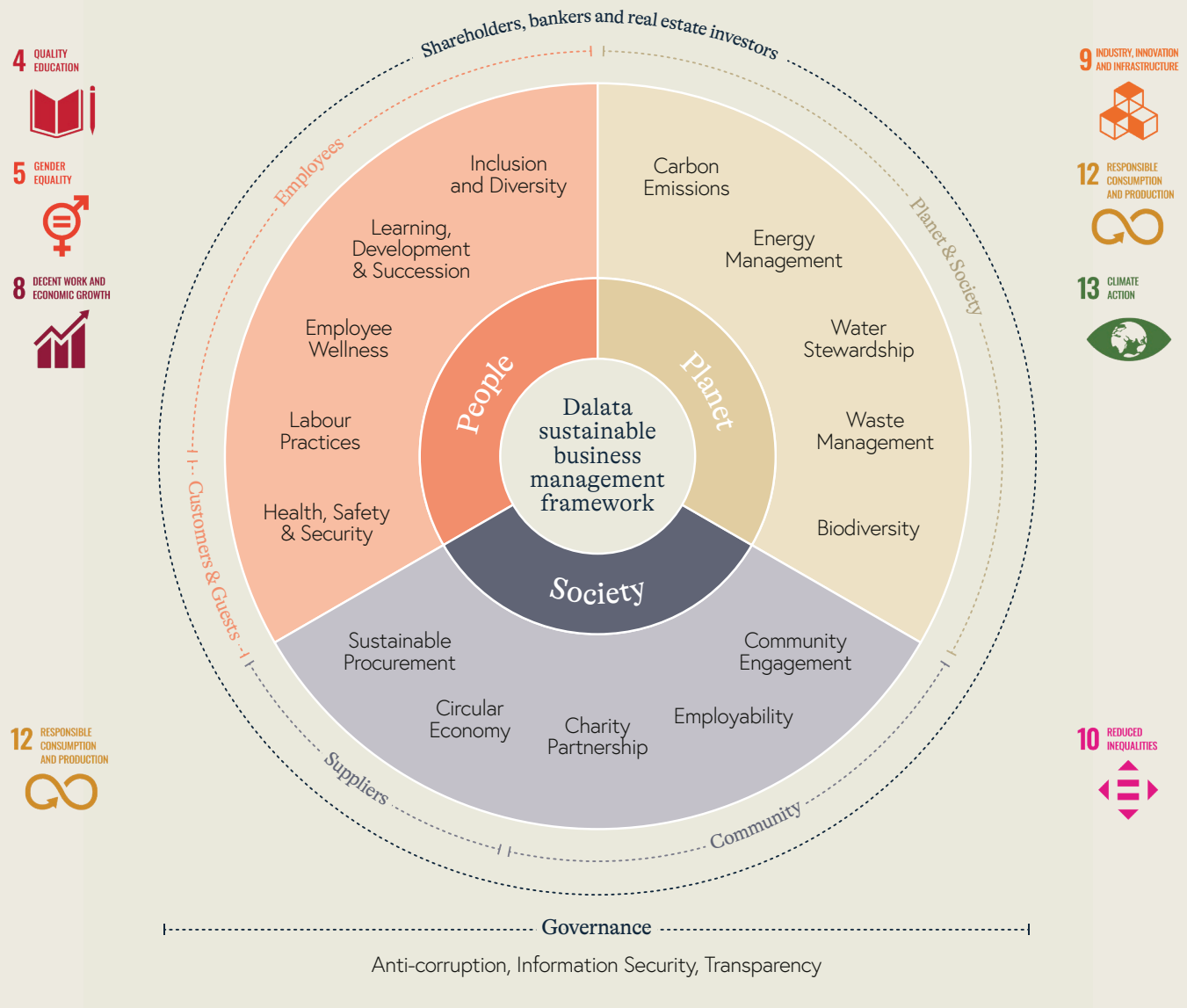
All main supply contracts are awarded following a thorough and complete tender process in which sustainable procurement is a key requirement.

## Employability

We demonstrate our commitment to marginalised groups as signatories of the Valuable 500 pledge. In 2022, there were 49 partnerships between our hotels and local employment support organisations. From those partnerships, 36 people gained employment.

## Circular economy

Where circular economy principles are concerned, we are really only at the start of our journey, and we are aiming to initiate a pilot project on this theme before the end of 2024.



## Sustainable Business Framework

Our drive for more integrated sustainability decision-making is supported by steering groups set up at all levels – from the boardroom to the hotel floor – supported by external expert advice. Our Sustainable Business Framework helps us focus on the right priorities to ensure sustainable management is deeply embedded in our business.

Our sustainable business management framework is dynamic and reflects our environmental and social priorities in relation to each of our stakeholders.





## The *heart* of hospitality.

For more information please contact:

**General queries:** [info@dalatahotelgroup.com](mailto:info@dalatahotelgroup.com)

**Investor queries:** [investorrelations@dalatahotelgroup.com](mailto:investorrelations@dalatahotelgroup.com)

**Telephone:** + 353 (0)1 206 9400

**Address:** Termini, 3 Arkle Road, Sandyford Business Park, Dublin 18, D18 C9C5

Our brands:

