

SUSTAINABILITY POLICY

Our Commitment

At ALH, we are **committed to** continually assessing and improving our environmental and social performance. To conduct our business in a sustainable manner is our responsibility. We acknowledge the potential of sustainability to excel in guest and employee satisfaction, strengthen our relationships with partners, suppliers, shareholders, and the local community and establish processes of continuous improvement. We conduct our sustainability activities with sincerity, honesty and authenticity and structure them along with six action fields based on our eight sustainability pillars.

NATURE AND ENVIRONMENT: We are **committed to** the active protection of our natural habitat. We are dedicated to managing and reducing our negative impact and increasing our positive impact on nature, particularly on the climate, ecosystems and species. We assess and reduce our carbon emissions, energy and water consumption and minimize the waste we generate. We consider animal welfare and soil health priorities when selecting natural produce and products.

GUESTS: We are **committed to** creating sustainable, unique and highly personalized guest experiences and satisfaction. We educate and empower our guests to create a meaningful connection to the beauty and energy of our traditions and heritage, our natural products and surroundings and, of course, to our local community. Excellent service and the highest quality are what we deliver every day while ensuring to remain a sustainability-conscious business. We want to inspire our guests through sustainability to support our efforts and create awareness.

EMPLOYEES: We are **committed to** the well-being of our employees. We actively create a safe and inspiring work environment whilst nurturing a culture of respect, community, appreciation and recognition. We invest in the skills and know-how of our employees and ensure equal opportunities and their personal growth.

COMMUNITY AND HERITAGE: We are **committed to** supporting and preserving the cities, communities, heritage, traditions and cultures we operate in. Our management approach recognizes and safeguards our people and regional particularities which we consider our most valuable assets. We actively create business opportunities, engage in local development projects, sponsorships and donations and cooperate with local organizations to support sustainable livelihoods while protecting the environment and natural resources at the same time.

PARTNERS: We are **committed to** lasting and mutually beneficial partnerships. We collaborate for our wider business purposes with sustainability always at the forefront of our thinking and actions. We treat our partners with the utmost respect and select them based on a fair and transparent process assessing different aspects from quality and reliability to sustainability as well as economic factors. Other factors being equal, we will favour the more sustainable products and suppliers as well as those with higher contributions to local economic development and with the least damaging effects on the environment and human health.

MINDFUL GROWTH: We are committed to a sustainable approach toward revenue and profit growth. We put our responsibilities to society first and actively engage with different stakeholder groups to remain on top of our significant material topics. The sustainability management we engage in consists of skilled and trained people, robust processes and a clear and transparent agenda. Excellence and commitment are at the heart of everything we do.

In Dubrovnik, February 28th, 2022

Dåvid James Taylor President of the Management Board