

## PLAYA HOTELS & RESORTS N.V.

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### **Environmental Policy**

At Playa Hotels & Resorts N.V. (together with its subsidiaries, the “Company”), we recognize that environmental stewardship is vital to the success of our business. We are committed to reducing our environmental footprint and making a positive environmental and cultural impact by optimal use of natural resources, contributing toward the preservation and maintenance of essential ecological processes, and helping to protect and conserve biodiversity.

#### **Legal Compliance**

The Company complies with all applicable environmental laws and regulations and expects the same of its vendors and business partners. We strive to engage our guests, associates, vendors, business partners and local communities in our efforts toward environmental stewardship.

#### **Risks and Strategy**

As a resort owner and operator in the Caribbean and Mexico, we are aware that environmental issues if left unaddressed could pose significant risks to the local travel and tourism industry. These risks include:

- Climate change contributes to sea level rise, coastal erosion, and an increase in the frequency and intensity of Sargassum seaweed blooms, coral bleaching events, floods and droughts – all of which are detrimental to local tourism and the local community.
- Increasing pressures on water and energy resources, as well as marine pollution and degradation arising from improper waste management, have repercussions on the ability of ecosystems to provide services that are essential for human wellbeing.
- Introduction of further regulations and stricter standards to strengthen environmental protection present financial consequences to businesses that are slow to change.
- Societal and market expectations of sustainable business practices are rising, and guests are likely to steer away from resorts with poorer sustainability performance.

To address these risks, the Company has a sustainability management system in place that focuses on the following key areas:

1. Energy & Carbon Management;
2. Water Management;
3. Waste Management;
4. Flora & Fauna Conservation; and
5. Sustainable Procurement.

#### **Governance**

Our ESG Committee oversees our environmental sustainability strategy, objectives, policies and procedures, with support in implementation from our associates at our corporate offices and dedicated teams at each resort.

Our sustainability management system helps us to monitor legal compliance and facilitates continual improvement in our environmental performance across the Company’s entire operations and throughout our asset life cycle. This management system is informed by international standards including the UN World

Tourism Organization's principles of sustainable tourism, Global Sustainable Tourism Council (GSTC) Industry Criteria and World Health Organization's Protocols.

The five areas of our sustainability management system are each addressed by nine components – policies and standards; compliance matrix evaluation; communication and internal training programs; development and help to the community; environmental improvement projects; calibrations; records and evidence; document measurement and control; and progress reporting.

## **Energy & Carbon Management**

We endeavor to reduce our energy and carbon footprint by taking the following actions:

- Set, monitor, and report energy and carbon emissions against reduction targets
- Favor the use of clean and renewable energy
- Invest in energy efficient equipment and adopt energy efficient practices
- Retrofit existing buildings to improve energy efficiency
- Promote the use of resource-efficient transportation modes by guests and associates
- Encourage suppliers to adopt the use of resource-efficient transportation options and clean fuels in delivery and shipping
- Conduct preventive and adaptive maintenance activities to increase climate resilience of assets
- Disclose and manage climate related risks and opportunities based on the Task Force on Climate-Related Financial Disclosures (TCFD) framework

## **Water Management**

We endeavor to reduce our water footprint and practice sound water stewardship by taking the following actions:

- Assess water risks as part of due diligence prior to asset acquisition, including the sustainability of water source
- Set, monitor, and report water usage against reduction targets
- Prioritize water stewardship projects in high water stress areas
- Invest in water efficient equipment and adopt water conservation practices, such as greywater recycling and rainwater harvesting
- Retrofit existing buildings to improve water efficiency
- Favor the use of drought tolerant plant species for landscaping

## **Waste Management**

We endeavor to reduce our waste footprint by taking the following actions:

- Set, monitor and report waste intensity and diversion rate against improvement targets
- Reduce waste by adopting a circular economy approach – sourcing, reusing, recycling, upcycling, and composting, etc. – whenever possible
- Ensure proper disposal of any residual waste and manage all storage, use, handling, and disposal of chemicals appropriately
- Invest in waste reduction and diversion equipment
- Minimize the use of harmful chemical substances and replacing them by innocuous alternatives, whenever possible

- Deploy measures to monitor and minimize any pollution from noise, light, runoff, erosion, ozone-depleting substances, and air, water, and soil contaminants
- Promote healthy work environments, including noise and air pollution reduction measures
- Identify opportunities to reduce construction and demolition waste through reclamation and reuse of materials

### **Flora & Fauna Conservation**

We endeavor to protect and conserve biodiversity by taking the following actions:

- Assess biodiversity risks as part of due diligence prior to asset acquisition
- Comply with all laws and regulations related to wildlife harvesting and trade
- Improve knowledge of and avoid procuring endangered and non-renewable items
- Monitor and mitigate activities with the potential to disturb wildlife and habitats
- Favor the use of native plant species for landscaping and restoration and avoid introducing invasive species
- Promote guest awareness and respect for natural sites by sharing appropriate guidelines
- Contribute to biodiversity conservation in the local area

### **Sustainable Procurement**

We endeavor to minimize environmental impacts across our value chain by taking the following actions:

- Favor environmentally sustainable vendors and products
- Favor local and fair-trade vendors and products
- Favor environmentally sustainable building materials and technologies during construction and renovation
- Avoid products made from non-renewable resources, whenever possible
- Favor reusable, returnable and recycled products
- Avoid single use products, especially those made of plastic
- Encourage vendors to use environmentally sustainable packaging and avoid unnecessary packaging

**Approved: September 23, 2021**