



ENVIRONMENTAL POLICY

This policy was adopted by Scandic's Board of Directors with the purpose of ensuring that Scandic's operations are conducted in a manner that inspires confidence and complies with the legislation and best practices for listed companies. The Environmental Policy is an underlying policy to Scandic's Code of Conduct. The Environmental Policy shall be revised annually or more often if needed. The Senior Vice President Human Resources & Sustainability is the owner of this policy. Each EC member has the operational responsibility for implementing the policy within their area of responsibility.

SCOPE, COMPLIANCE AND RESPONSIBILITIES

The Environmental Policy applies to all hotels, Scandic's management and employees. All supervisors and managers are responsible for ensuring that both the contents and the spirit permeating this Environmental Policy are communicated, understood and complied with in the working groups.

Scandic shall ensure that its employees have the information, skills and tools required for compliance with this Environmental Policy in the daily operations.

Employees shall contact their immediate manager or the Director Sustainable Business (sustainability@scandichotels.com) if any issues arise regarding the interpretation of this policy.

GUIDING PRINCIPLES

Scandic works continually to reduce the company's negative impact on the environment. We apply the precautionary principle in our assessment of substances and processes that may harm the environment. Scandic advocates environmental responsibility within the company and supports the development and promotion of environmentally friendly technology.

Scandic supports the transition to a low-carbon society and has a holistic view of the environment in which environmental and human welfare are understood in relation to each other. Measures for sustainable development include reducing greenhouse gases at the same time as countering other types of pollution. Scandic is a signatory of the UN Global Compact and follows its policies including the three related to the environment:

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ENERGY

Scandic works continually to reduce its energy consumption. Scandic's hotels are monitored regularly to identify where and how the greatest energy savings can be achieved. New agreements with property owners should clarify the responsibilities of energy-saving measures. Heating and cooling hotels is energy intensive, why both comfort and environmental impact are taken into consideration for the optimal indoor temperatures. Equipment under Scandic's control at hotels has a high energy standard and light sources are replaced with low-energy lighting.

GREENHOUSE GASES

Scandic works continually to reduce carbon dioxide emissions by, for example, systematically measuring emissions and establishing emission reduction goals. We make informed choices when purchasing energy. Fossil fuels used under Scandic's control are being phased out and replaced by energy from renewable sources.

TRANSPORTATION AND TRAVEL

When choosing methods of transportation and travel, Scandic takes environmental impact into account. We prioritize company cars and defined-benefit vehicles that demonstrate low carbon dioxide emissions. When ordering services that include transport, we consider environmental impact.

SUSTAINABLE DESIGN

Renovation and interiors under Scandic's control shall to the greatest extent possible ensure energy efficiency and the use of materials with a low environmental impact. Solutions that enable low resource use shall be prioritized.

MATERIALS

Scandic uses a great variety of materials. We ensure that the materials used in our products are as environmentally sustainable as possible. When evaluating products, we consider the product life cycle, that is, products shall preferably be made from renewable raw materials and/or recycled materials, the use of resources and energy in their production shall be minimized and that the life of the product shall be taken into account. The use of wood from virgin forests and rainforests is prohibited.

When hotels are renovated, surplus materials should be recovered. Scandic aims to contribute to a circular economy and the long-term goal is to minimize the amount of waste we generate.

ENDANGERED SPECIES AND BIODIVERSITY

Products purchased by Scandic shall not contain materials from endangered species or use materials the production of which has a direct impact on endangered species. Endangered species refers to both animals and plants. This means that we evaluate our suppliers to ensure that they live up to our Code of Conduct for Suppliers. Scandic does not serve fish or seafood that is listed as endangered or comes from a fish source near collapse. In these matters, we are guided by the WWF (World Wildlife Fund) Sustainable Seafood Guide. Palm oil shall be avoided as far as possible. Where palm oil is used, it shall be certified in accordance with the standard from the Roundtable on Sustainable Palm Oil.

WASTE

Operating hotels generates a substantial amount of waste. Scandic continually measures the amount of waste generated in our operations and analyzes how it can be minimized. We work to limit the use of packaging materials and unnecessary materials, for example, single-use disposables. We also strive to recycle and reuse products and materials to the greatest extent possible. The waste arising from Scandic's operations is sent to recycling or modern waste management facilities to minimize environmental impact.

Scandic shall minimize the amount of food waste from our facilities and unavoidable food waste shall be composted or used for biogas to the greatest extent possible.

WATER USE

Scandic aims to reduce water use by measuring consumption and analyzing what can be done to reduce it. For example, we use water-efficient dish washers and showerheads.

CHEMICALS AND HAZARDOUS SUBSTANCES

Scandic uses a minimum amount of chemicals and dangerous substances. These are handled safely and properly to protect human health and the environment. Our goal is to always use the least dangerous option and we give priority to eco-labeled products.

Through wastewater, chemicals and pollutants can reach our land and water systems. Scandic works to reduce the amount of chemicals and waste that reaches wastewater, for example, through automatic dosing of cleaning products.

RESPONSIBLE PROCUREMENT

Before an agreement is signed between Scandic and a supplier, the supplier undergoes screening to ensure that it meets the requirements of Scandic's Code of Conduct for Suppliers. Our suppliers and partners are required to sign Scandic's Code of Conduct for Suppliers. Employees who have responsibility for procurement are trained in responsible procurement methods.

CERTIFICATION AND LABELING

All hotels in Norway, Sweden, Denmark and Finland are certified according to the Nordic Ecolabel. Hotels in other countries are certified according to similar certification, for example EU Ecolabel or Green Globe.