

Mövenpick Hotel Tallinn Sustainability Management Plan

Duco Hotels

Duco Hotels is a hotel operator managing ibis Tallinn Center, Mövenpick Hotel Tallinn, and ibis Styles Tallinn hotels. Our journey began with the understanding that successful hospitality is not just about providing accommodation but creating memorable experiences for guests.

ibis Tallinn Center, opened in 2019, is a modern hotel located in the heart of Tallinn, offering comfortable and affordable accommodations for both business and leisure travelers. Since October 2023, the L'Embitu Hotel has been rebranded and is now known as Mövenpick, a premium brand of the Accor Group. The L'Ermitage Hotel is currently under renovation and has reopened as ibis Styles Tallinn in spring 2025 as one of the most distinctive economy brands of the Accor Group.

This comprehensive approach enables Duco to deliver high-quality services and management expertise in the hospitality sector, leveraging the strength and reputation of international brands.

The business philosophy of Duco Hotels—comprising ibis Tallinn Center (Juhkentali Hotel OÜ), Mövenpick Hotel Tallinn (Duco MP OÜ), and ibis Styles Tallinn (Duco Styles OÜ)—is built on the core values of Duco OÜ. These values play a decisive role in the development of the organization and the achievement of results.

Mövenpick Hotel Tallinn

The Mövenpick Hotel Tallinn has been proudly operating under its current name since October 1, 2023, having previously been known as L'Embitu Hotel Tallinn.

Our signature restaurant, ROOF, is located on the sixth floor and welcomes guests for breakfast, lunch, and dinner. The restaurant offers both an à la carte selection and specially curated group menus, with a strong emphasis on fresh, locally sourced ingredients.

For business and private gatherings, the hotel also features a modern Conference and Events Centre on the seventh floor, comprising three versatile meeting rooms. In addition, a smaller meeting room is conveniently available on the first floor in hand with a cosy Wine & Tapas area, providing flexible options for a variety of events.

Exceptional Attention to Service

Mövenpick's hospitality is centered on transforming small gestures into heartwarming moments—making ordinary things extraordinary. We place great emphasis on service, anticipating guest needs, and creating special moments for everyone.

Food and Beverages

Food and beverages have been at the core of the Mövenpick brand for over 70 years. We offer a rich and innovative culinary experience, delighting guests with both healthy and flavorful choices that suit their preferences.

Our Values

We base our activities on Accor Group's Corporate Social Responsibility (CSR) policy and its values.

The principles of business ethics are designed to support our values and ensure that both managers and employees understand the minimum requirements set for the group's operations and are aware of the expectations of our owners, clients, and stakeholders.

Our employees reflect our values; therefore, we ask managers to consistently demonstrate their personal commitment by applying the principles of business ethics and ensuring that activities within their areas of responsibility comply with these principles. Managers play a key role in conveying a respectful attitude to the employees of their departments.

We take the stated requirements very seriously, continuously monitor compliance throughout the organization, and are prepared to take necessary measures if it becomes evident that they are not being met.

Passion for the Guest Experience

The guest is our top priority. We listen to their wishes and needs and strive to meet them in the best possible way. We take joy in creating exceptional guest experiences.

Responsible Approach

We believe the hospitality sector plays a significant role in building a better future. We care for and support our community and the environment.

Innovation

We encourage and promote innovative approaches to achieving the best results more efficiently.

Trust

Hospitality is teamwork, and we believe that by trusting and supporting each other, we achieve the best results. We value sincerity, respect, and the uniqueness of every individual.

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1. Purpose of the ESG Strategic Document

- The purpose of the document is to enhance corporate transparency and consolidate information related to ESG (Environmental, Social, and Governance).
- It gathers clear strategic directions and goals to improve knowledge in the ESG field.
- The strategy has been approved by the company's management and is communicated to all employees.
- The ESG strategy document is dynamic and subject to ongoing updates, with the company reserving the right to amend it at any time.

2. Scope

This plan applies to all hotel operations, including guest services, food and beverage, housekeeping, procurement, and facility management.

3. Introduction to the ESG Strategic Document

- Principles of environmental, social, and governance (ESG) are increasingly becoming a focus for companies aiming to be sustainable. As a hotel, we recognize our impact in the ESG domain and therefore find it essential to have a strategic document to implement actions.
- This document outlines our strategic directions, objectives, and actions in the ESG domain. It
 includes principles for reporting, business practices, investments, management activities, and
 stakeholder engagement opportunities.
- The document is not final and will be updated over time. It provides a roadmap to which new actions and directions will be added as they emerge.

4. Responsible Parties for the Document

- The company's management has designated the hotel manager as directly responsible for implementing the ESG policy. All proposals related to the document and the ESG domain must be submitted to the hotel manager.
- Department heads are accountable for the activities and goals within their departments, with oversight by the hotel manager.
- The document is reviewed and evaluated annually under the responsibility of the hotel manager. The management team is responsible for approving and finalizing the document.

5. Contribution to ESG Implementation

We aim to create sustainable, fair, and safe working and client relationships through the implementation of ESG principles. Our goal is to develop innovative solutions and be a modern partner for both employees and guests. Successful implementation of ESG principles enhances corporate transparency and informs the public about our bu00siness operations and service planning. The company's management operates openly, with consistent collaboration with stakeholders.

The ESG strategic document outlines the approach to sustainability. The policy emphasizes company culture and values, ensuring the successful operation of the business.

6. Environmental Principles

- We adhere to applicable environmental laws and regulations. Our activities align with sustainable development goals (SDGs) and support the objectives of the Paris Climate Agreement.
- Operational planning prioritizes the prevention of negative environmental impacts and the enhancement of positive outcomes.
- Detailed activities and goals are reflected in the document "Mövenpick Hotel Environmental Goals and Activities", and the file is updated regularly throughout the year.
- We regularly measure the components of our carbon footprint (Scope 1 and Scope 2) and transparently disclose the results. Efforts are made to reduce and fully measure the carbon footprint.
- We draw attention to environmental issues among our clients and suppliers, setting environmental principles for them to follow. Detailed policy for our suppliers is available in a document "Responsible Purchasing Policy".
 - In alignment with the "Responsible Purchasing Policy," suppliers are expected to demonstrate a commitment to sustainability. Internally, this policy also requires us to prioritize suppliers with a stronger environmental focus during the procurement process.
- We promote environmental awareness among employees and ensure opportunities for participation in environmental training for all employees.
- We aim for the company's operations to be carbon neutral by 2050, following the global Accor Group target.

7. Ethical Governance

- Mövenpick Tallinn Hotel's management culture is transparent, modern, and clear.
- The company has an employee handbook that is updated and improved over time. Management ensures that all employees are familiar with and adhere to the code of ethics.
- The company avoids conflicts of interest. Bribery and unfair practices for gaining business advantages are prohibited. Favoritism, including preferring family members, friends, or acquaintances over others, is not tolerated.
- Mövenpick Tallinn Hotel collaborates with stakeholders, understands their expectations, and makes improvements to be the best partner.
- The company has a risk management system in place, with defined processes to prevent, identify, resolve, and analyze risks.
- The company is responsible for its sustainable operation and sets strategic, long-term goals to ensure financial sustainability. Business activities are managed at all levels of governance.
- The hotel always competes vigorously but in a fair and ethical manner. Competitive success depends on a good balance between price and quality, as well as an excellent level of service. We do not disparage our competitors, and when interacting with them, our employees are required to avoid discussing confidential information. They are strictly prohibited from using unauthorized and unethical means to obtain competitors' trade secrets or confidential information. Employees are also forbidden from discussing pricing principles or engaging in activities or actions that conflict with the laws applicable to the company.

8. Social Responsibility

- Focus is placed on increasing collaboration with various stakeholders, with an emphasis on working with suppliers and partners on sustainability issues.
- All employees should feel safe at work, and we ensure their health and a safe working environment. Attention is given to accident prevention and conducting relevant training.
- Collaboration with suppliers will be enhanced, ensuring relevant principles are in place and monitored as needed. Human rights and workplace safety are prioritized throughout the supply chain.
- We continuously contribute to societal development, being a reliable employer and supporting
 the growth of future generations through university partnerships and offering internships for
 young people.
- We are committed to engaging with employees to provide a challenging, inclusive, and diverse work environment that supports professional development and promotes work-life balance.
- We measure yearly employee satisfaction and set goals to increase satisfaction score.
- We actively collaborate with the Social Insurance Board (Sotsiaalamet) by participating in various staff training programs. These initiatives aim to enhance employee and guests' wellbeing, promote inclusive workplace practices, and support continuous professional development.
- In accordance with our Code of Ethics, which all employees sign upon starting their employment, every employee has the right to file complaints regarding harassment, psychological violence, or other similar incidents. To facilitate this, a confidential ethics hotline, Speak Up, is available free of charge by writing to: speakup@duco.ee.

9. Data protection

Processing of personal data refers to any operation performed on personal data, including the collection, recording, organization, storage, modification, enabling access, conducting queries, extracting, using, transferring, cross-using, merging, closing, deleting, or destroying personal data, or performing several of the aforementioned operations, regardless of the method or tools used.

• The hotel and employees are required to adhere to the following principles when processing personal data:

- Principle of legality personal data may only be collected in a fair and lawful manner;
- Principle of purposefulness personal data may only be collected to achieve specified and lawful purposes, and the data must not be processed in a way that is incompatible with those purposes;
- Principle of use limitation personal data may only be used for other purposes with the consent of the data subject or the authorization of a competent authority;
- Principle of data quality personal data must be up-to-date, complete, and necessary for achieving the specified purpose of data processing;
- Principle of security security measures must be implemented to protect personal data from accidental or unauthorized alteration, disclosure, or destruction;
- Principle of individual participation the data subject must be informed about the data collected about them, be granted access to their data, and have the right to request the correction of inaccurate or misleading data.

Both natural and legal persons are liable for violations of legal provisions. Therefore, it is
essential that employees familiarize themselves with the above and act accordingly. A more
detailed description of responsibilities, as well as the procedures for handling, storing, and
destroying data, is provided in the relevant guidelines.

• The hotel processes personal data related to its employees for the following purposes:

- o To comply with requirements arising from the law and employment contracts;
- To pay salaries and taxes payable to the state;
- o To provide benefits related to employees or their children;
- As necessary, for purposes related to the employee's work, the hotel's business activities, or for other purposes required or permitted under data protection laws or other legislation.
- The hotel has implemented reasonable security measures to protect employees' personal data and prevent unauthorized access to such data, both from within the hotel and externally. The handling, storage, and destruction of personal data are regulated by a separate document specifically addressing this matter.
- The hotel may transfer or disclose employee personal data to a country outside the European Economic Area where the level of personal data protection is not regulated to the same standard. The hotel will take reasonable measures to ensure that such disclosure and transfer of personal data only occur in cases of absolute necessity and that the data is adequately protected.

Processing of personal data by employees:

- For all personal data processed by employees on behalf of other employees or the Mövenpick Hotel Tallinn, measures must be applied to ensure its security and confidentiality. Unauthorized access to personal data is not permitted.
- Any request made by a data subject (such as a Hotel employee) to receive a copy of their personal data held by the Hotel must be immediately forwarded to the Human Resources Department.
- All efforts must be made to ensure that the Hotel's processing of personal data does not cause significant harm or distress to anyone. It is particularly important to avoid processing personal data that contains negative, unsubstantiated comments, or opinions about individuals.
- If personal data is collected for direct marketing purposes, the data subject's consent must be obtained for its use in direct marketing. Providing consent does not prevent the data subject from later requesting to opt out of direct marketing, and such a request must be respected.

Confidentiality

- Employees are expected to ensure and respect the privacy and security of clients:
- Clients' names, room numbers, and any information concerning clients must be kept confidential;
- Everything an employee sees or hears must remain confidential unless it involves hotel property or illegal activity;
- Business-related information of the company must remain confidential and must not be shared with clients.

10. Health & Safety policy

The hotel conducts its business in a manner that ensures the protection of employees from potential health risks and hazards. Its operations are guided by applicable rules and laws. In the event of potential hazards, measures are implemented to eliminate them, and employees are informed if necessary.

• The hotel policy provides for:

- Ensuring compliance with occupational safety and health requirements for employees;
- Providing and maintaining a safe workplace, work equipment, and systems free of health risks, including the installation and maintenance of all necessary safety devices on work equipment;
- o Providing information, instructions, and supervision to employees;
- Ensuring that all employees are competent to perform their duties and providing sufficient training on work arrangements;
- Preventing accidents and work-related illnesses;
- Ensuring safe and health risk-free working conditions;
- Appointing occupational health and safety specialists, workplace safety representatives, and the workplace safety council to implement the policy;
- Establishing rules for acting in emergency situations;
- o Implementing and controlling the management system for occupational health and safety;
- o Regularly reviewing and inspecting the occupational health and safety policy.

Employee responsibilities:

o To create and maintain a safe working environment and ensure employee health, comprehensive cooperation from employees is necessary.

An employee is obligated to:

- Cooperate with line managers and supervisors on health and safety matters to ensure the successful implementation of this policy and the hotel's compliance with statutory obligations;
- o Comply with all safety instructions and orders issued by the hotel;
- Report any accident or incident that has caused or may cause injury and cooperate in its investigation;
- Not obstruct the implementation of measures aimed at ensuring employee health and safety;
- Take care of their own health and safety and that of others (including other employees, contractors, clients, and workers) who may be affected by their actions or inactions;
- Use work equipment in accordance with their training;
- Report any health risk, hazard, or malfunction to the hotel representative and/or workplace safety representative;
- Avoid spreading infectious risks to clients and colleagues.

Risk assessment

- The hotel has conducted a workplace risk assessment to identify occupational hazards. Detailed assessment is available in a document "RISKIANALÜÜS MOVENPICK". Based on the risk assessment, a written action plan has been prepared, which outlines measures to prevent or reduce health risks. If working conditions change, equipment or technology is replaced or updated, a new risk assessment will be conducted.
- Based on the risk assessment, the employer facilitates health checks. All employees are informed about workplace hazards, risk assessment results, and measures implemented to prevent health damage. The risk assessment is available for review from the occupational health specialist.
- The hotel conducts systematic internal monitoring, reviews workplace safety activities, and, if necessary, adjusts measures to respond to changing situations.

Workplace safety activities and responsibilities

- The workplace safety council is responsible for ensuring workplace safety activities. The workplace safety council consists of representatives appointed by the employer and employee representatives. Employer representatives are appointed by the employer, one of whom is the occupational health specialist.
- Employee representatives are the workplace safety representatives. The occupational health specialist is appointed by the employer and confirmed by an order. The role of the occupational health specialist is to be familiar with occupational health and safety legislation and the company's working conditions, monitor and control these, and implement measures to reduce occupational hazards.
- The occupational health specialist is obligated to temporarily stop work in a hazardous area or prohibit the use of dangerous equipment if there is an immediate danger to employees' life or health and if the danger cannot be eliminated in any other way.
- To create a safe working environment and maintain employee working capacity, the occupational health specialist cooperates with department managers, employees, workplace safety representatives, and the workplace safety council.
- Workplace safety representatives are elected at a general meeting of employees, and their term of office is up to four years.
- The rights, obligations, and tasks of the workplace safety representative have been directly adopted from the Republic of Estonia's Occupational Health and Safety Act.

11. Service quality

Mövenpick Hotel Tallinn is committed to delivering exceptional service quality that meets and exceeds guest expectations. We continuously align our operations with the brand standards of the Accor Group and Mövenpick, incorporating international hospitality best practices and guest feedback mechanisms.

We regularly evaluate our service delivery through guest satisfaction surveys, online reviews, and internal quality audits. Feedback is analyzed to identify areas for improvement, and action plans are developed accordingly. This supports a culture of continuous improvement across all departments.

- Quality objectives are clearly defined. These objectives are measurable, reviewed monthly, and aligned with guest expectations and Accor's and Mövenpick's brand promise. Indicators include:
 - TrustYou guest satisfaction score (target: ≥94%)
 - Two mystery audit scores from LQA during 1 year (LQA service target: ≥82%; Mövenpick brand target 80%; Accor core 91%)
- Guest satisfaction is measured using the TrustYou platform and Accor's internal performance tools (e.g., LQA audits) as well as through internal Logbook.
 - Monthly quality meetings are held by Front Office Manager to review feedback, define problem areas, and implement solutions. Daily feedbacks are discussed in daily in operational meetings.
 - Negative guest feedback is managed through a structured Corrective Action Plan (CAP), ensuring that all complaints are addressed promptly, transparently, and with a focus on continuous improvement.

• When negative feedback is received:

- Frontline team members are empowered to resolve minor issues directly and, where appropriate, offer reasonable compensation in line with internal service recovery guidelines.
 For more serious or escalated complaints, the issue is referred to hotel management for immediate handling.
- 2. All post-stay feedback and in-stay complaints are reviewed and analyzed within 24 hours of receipt. A detailed review is conducted to determine:
- o When the issue occurred
- Who reported it
- Who was involved
- What actions were taken (if any)
- What the root cause was (using tools such as 5 Whys or direct inquiry)
- Following the analysis, a corrective action is implemented without delay to address the root cause and prevent recurrence. This may include changes to processes, retraining of staff, or adjustments to service procedures.
- 4. The affected guest is contacted within 48 hours of the feedback to:
- o Acknowledge the complaint
- o Provide information on the actions taken
- o Offer further resolution if needed to restore satisfaction

- 5. The issue is monitored over a period to ensure it does not reoccur. Where relevant, updates are provided to involved departments, and preventive actions are reviewed in team meetings or quality audits.
- This system ensures accountability, improves guest experience, ensures operational transparency, guest engagement, and continual quality improvement. Our target is to maintain a guest satisfaction score of at least 94% annually.

12. Staff Training and Service Culture

All employees receive a New employee training and departmental service training as part of their onboarding and ongoing professional development. These trainings are aligned with LQA (Leading Quality Assurance) standards.

- Frontline staff are trained in handling guest complaints, cultural sensitivity, and hospitality etiquette.
- Regular mystery shopper audits(LQA) and performance evaluations ensure high service standards are maintained.

• Standards Compliance

Service processes comply with internal SOPs (Standard Operating Procedures), which are regularly updated and created. Guest-facing procedures are designed to be inclusive and accessible.

Guest Accessibility and Inclusion

- o The hotel ensures accessibility for guests with reduced mobility.
- Team is trained to assist guests with special needs and accommodate diverse requirements respectfully.

Quality Recognition and Awards

- The hotel actively pursues relevant industry recognitions and quality labels to benchmark and motivate high performance.
- Results from audits and assessments are used to improve service delivery and motivate staff.

13. Responsible ESG Marketing

- The company's marketing and communication always comply with local laws and regulations.
- Respectful treatment of competitors is crucial; the company does not criticize competitors to promote itself.
- Marketing and communication are accurate, clear, and easily understandable. The company avoids misleading the public.
- All claims made must be verifiable with reliable sources, and Mövenpick Hotel Tallinn provides substantiating evidence upon justified requests.
- External sources used are always properly referenced.
- Hotel operations are transparent, and the public is informed about both achievements and challenges.

- Marketing and communication are inclusive, valuing diversity and avoiding discrimination against any stakeholder group.
- Sustainability is emphasized in marketing and communication, sharing goals, progress, and challenges with the community.
- Marketing and communication are environmentally conscious, avoiding paper-based materials and duplicative information dissemination.

14. Employee engagement in implementing ESG goals

- All employees must adhere to the company's established ESG procedures and policies.
 Management ensures that employees are well-informed.
- Employees are responsible for providing constructive feedback to their supervisors to enhance work quality and processes.
- Mövenpick Tallinn Hotel values community involvement and provides employees with opportunities to volunteer with organizations or projects of their interest.
- Employee development is a priority, with both mandatory and voluntary training available. Employees have the right to request training relevant to their professional growth.
- Employees must comply with environmental agreements and act in an environmentally responsible manner, as outlined in the *Employee Handbook*.

15. Guest engagement in sustainable activities

- Mövenpick Hotel Tallinn actively involves guests in its sustainability initiatives to promote environmental responsibility. Guest engagement activities include:
- Guests are informed about the hotel's sustainability efforts, including energy and water saving measures, recycling programs, and waste reduction initiatives, through in-room information materials and digital channels.
- Guests are encouraged to sort their waste using clearly marked recycling bins located throughout the hotel premises, including on the accommodation floors.
- Guests are invited to participate in linen and towel reuse programs to reduce water and energy consumption, with clear instructions provided in hotel rooms.
- The concierge provides information on local tours, cultural experiences, and activities that support the community.
- Guests are encouraged to provide feedback and suggestions on the hotel's sustainability initiatives, which are reviewed as part of the hotel's continuous improvement process.