

Putting our feet on the path

Hind Management: Environment, Social and Governance Strategy & Framework

2022



Nau mai, haere mai – Welcome

In every business, the way we measure success has changed. It is no longer simply about financial performance. Truly regenerative businesses establish environmental, social, and governance (ESG) criteria that they commit to deliver on.

At Hind Management, we aim to lead the way in regenerative hospitality and leave the world in a better position than when we started. This means recognising our responsibility to the environment and to the communities we operate in.

This document is our ESG framework, a starting point for that journey, laying out the steps we intend to take as we work towards our regenerative future.

About us

Hind Management owns, operates and manages high-performing hotel, hospitality and spa businesses. We are the management company behind the consumer-facing brand of award-winning Sudima Hotels and a number of other businesses – East restaurant and Sunset rooftop bar in Auckland, Hiku restaurant in Kaikōura, The Lane restaurant in Christchurch and Moss Spa in Christchurch and Queenstown. We have built our businesses on a foundation

of honesty and integrity. Before every decision and action in our business, we ask “is this right for our guests? For our people? For our community? For our environment?”. We believe in empathy, understanding, and accommodating differences. We care about the little things that put a smile on people's faces. We take our responsibilities as an ethical business seriously and believe our 550+ strong team can make a real and wide-reaching impact.



This is
where
we start.

Sudesh Jhunjhnuwala

Tumuaki | Founder and CEO - Hind Mangagement

Message from the Tumuaki — Founder and CEO



Tēnā koutou friends, guests and partners.

Hind Management is committed to a regenerative future and our ESG strategy is a vital milestone in our evolution as a company.

This document is where we start. I am very proud to have a team who have committed so unanimously to defining the actions we will take and the long-term goals we will pursue. Even though the path is not necessarily distinct yet, we have defined the metrics we will track and the objectives we would like to achieve as a company. We have taken the all-important first steps.

This framework allows us to measure and track our impact to a greater degree than we have been able to before. We've consulted with our poeple and our stakeholders to identify the key focus areas which matter to us as a business and as individuals within the New Zealand context. These have been refined through a consultation process with our team, allowing us to put their ambitions in writing and set concrete goals and targets.

At Hind Management, our vision is to lead the way in regenerative hospitality. We aim to leave the world in a better position. By recognising our responsibilities and leading by example, we can show the right way forward and uphold the mana of the communities we operate in.

We look forward to sharing our journey with you.

Ngā Mihi

Sudesh Jhunjhnuwala
Tumuaki | Founder and CEO



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Partnership, participation, and protection

Hind Management acknowledges that our nation’s founding document is Te Tiriti o Waitangi which formally established the relationship between Māori and the Crown. Waitangi, in the Bay of Islands, locates this historically significant event in the history of Aotearoa, New Zealand.



Hind Management aligns its business conduct in keeping with Māori values. Through Whanaungatanga it ensures that a sense of family and belonging is established and recognises manaakitanga as the starting place for hospitality. Hind Management prides itself in looking after the interests of guests and our people (employees) alike in keeping with the Māori principle of manaakitanga.

Three principles apply to the way in which Hind Management aligns itself with Te Tiriti:

- **Partnership** - Working together with iwi, hapū, whānau and Māori communities.
- **Participation** - Active engagement and dialogue with Iwi, Hapū and Tangata Whenua.
- **Protection** - Hind Management governance and executive committee are committed to operationalising its Aotearoa hotels through bicultural leadership, being respectful of tangata whenua.

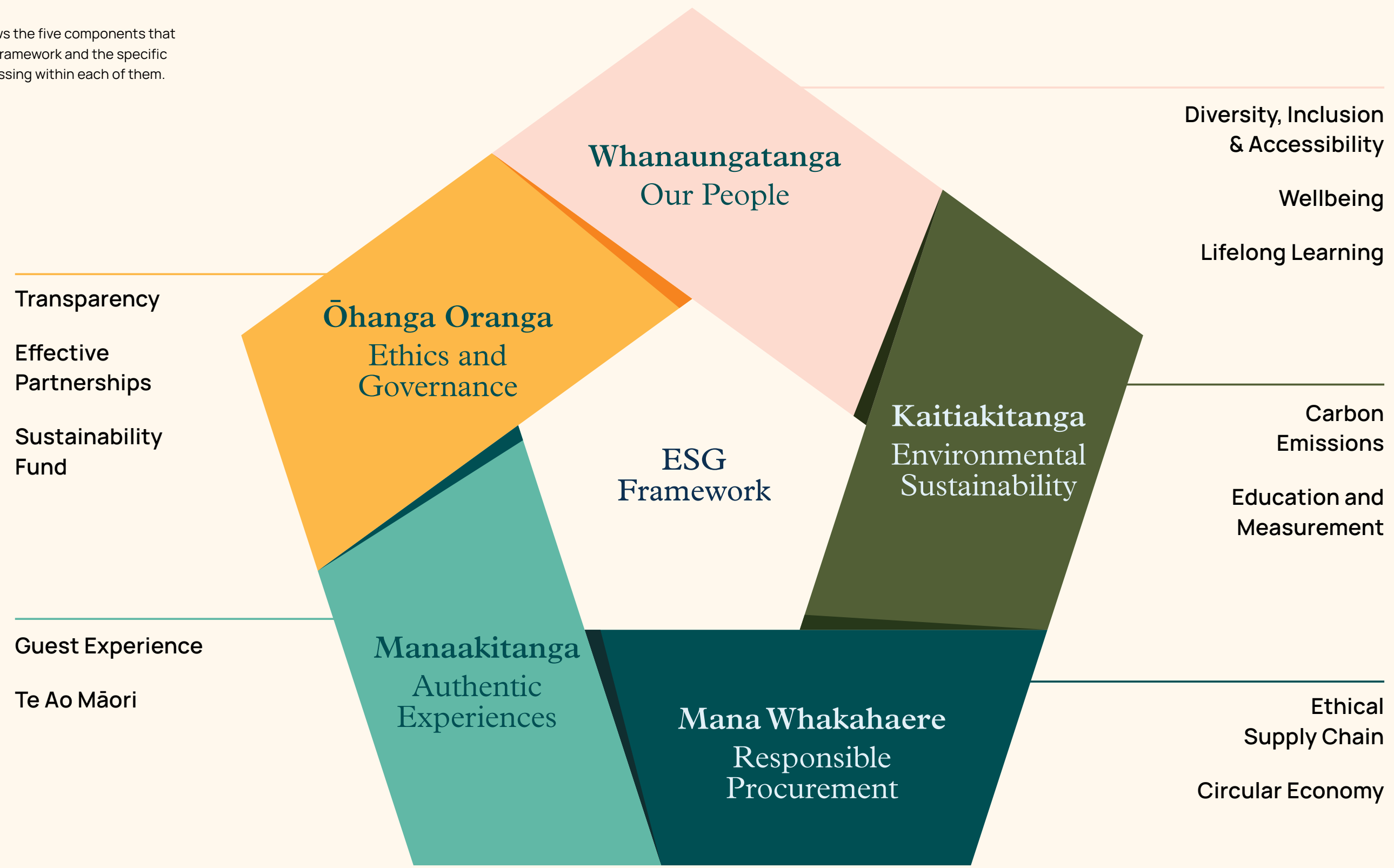
Hind Management celebrates Māori culture through use of Te Reo, making connections and mana enhancing relationships. This spans across our manuhiri visitors and also our people, who make a valued contribution to the organisation’s cultural wellbeing. In turn, we believe they too, should gain from our organisation’s Ōhanga Oranga Economic Prosperity as well as our communities and stakeholders.

Hind Management actively participates in Kaitiakitanga Environmental Sustainability, that is, we must care for and protect Aotearoa’s unique environment for generations to come.

Our most important value is to care; we have built our businesses on extending hospitality to others. We ensure experiences are both authentic and memorable. It’s at the heart of all that we do; our people, brands, and organisational values which is expressed in our shared vision of **He Kura te Tangata, that is, that people are precious.**

Introducing the framework

This diagram shows the five components that make up our ESG framework and the specific areas we're addressing within each of them.



Whanaungatanga — Our people

Before anything
else, we are a
people business.



Hind Management’s
company culture
embraces a sense of
family and belonging,
where relationships
are built on shared
experiences and
strong connections —
our guests, our people,
our community and
our environment —
all stakeholders
working together.

The interactions and moments between the people we employ and the people we host are the heart of hospitality.

That’s why we put our people first. We aim to provide them with inclusion, wellbeing and professional growth opportunities.

Our ESG Strategy for People covers three areas:

- Diversity, Inclusion & Accessibility
- Wellbeing
- Lifelong Learning

UNSDG alignment



Example indicators we will track

- Number of staff trained in unconscious bias.
- Percentage of staff completed accessibility confident training or similar.
- Number of hours of professional development & education offered.

Diversity, Inclusion & Accessibility

Everyone should feel welcome and safe within our businesses. That's the heart of hospitality, after all. We are committed to being advocates for all our people and will continue our journey of creating a more diverse, inclusive and accessible culture

- **Objective 1:** Promote diversity and inclusion in our business.
- **Objective 2:** Remove barriers for people from diverse backgrounds.
- **Objective 3:** Lift people out of poverty and reduce economic inequality.

Wellbeing

Every person in our businesses deserves to thrive. Ensuring the physical, mental and social health and wellbeing of our people is a priority. A healthy and happy workforce is great for our guests, great for our business and great for our communities.

- **Objective 4:** Provide support around wellness, health and nutrition.
- **Objective 5:** Make mental health a priority.

Lifelong Learning

Professional and personal growth should never stand still. We want all of our people to have the opportunity to keep growing, by engaging in lifelong learning. Whether their future path is with Hind Management or with another employer, we want to help our people reach for better.

- **Objective 6:** Make development opportunities available for all of our people.

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We are founding members of [Accessibility Tick](#) and have an ongoing 3 year action plan which ensures we are continuously evolving and keeping updated with the progress in the field

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We believe everyone deserves to be a paid a wage that helps lift them out of poverty. Today, we pay all of our people a wage that is higher than the living wage, 12% higher than New Zealand’s minimum wage and nearly 26% higher than the minimum in our own business in January 2020.

Kaitiakitanga — Environmental sustainability

Like everyone, we have a responsibility to protect, restore and regenerate the environment we live and work in.



Hind Management is committed to kaitiaki guardianship of our environment through key sustainability benchmarks, targets and external audits to ensure preservation for future generations.

As a business that manages properties, consumes resources and promotes Aotearoa New Zealand as a clean, green destination, we take sustainability seriously – it's vital to the future of our business, our people and our planet for generations to come.

Our ESG Strategy for Environmental Sustainability covers two areas:

- Carbon Emissions
- Education and Measurement

UNSDG alignment



Example indicators we will track

- Number of business units with carbon reduction plans.
- Water usage.
- Number of kWh of solar installed and % of renewable electricity.

Carbon Emissions

Reducing our impact on the planet starts with reducing our carbon emissions. The bulk of our footprint comes from the buildings we operate our businesses in. We will reduce our emissions by making reduction plans for all our operations, setting ambitious targets for the future and working towards eliminating our footprint.

- **Objective 7:** Enhance efficiency.
- **Objective 8:** Shift energy sources.
- **Objective 9:** Address refrigerants.

Education and Measurement

Knowing what we are doing, how we are doing and why we are doing it will make it easier for everyone to commit to our Environmental Sustainability focus. Our environmental goals will be linked to management KPIs and tracking environmental metrics will become part of our regular operational rhythm, informing our business decisions.

- **Objective 10:** Measure our environmental data and learn from it.

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We are actively managing our refrigerants which have a carbon liability larger than our carbon footprint. We know the age of each asset, the condition it is in and the expected lifespan which helps us plan and upgrade assets with more climate-friendly alternatives.

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We have installed solar panels at Sudima Auckland Airport. This is expected to divert 20% of our daytime electricity to our own renewable energy. We plan to roll this out across our other hotels and make it our new normal. This will help us on our journey to reduce our carbon footprint and reach our ambitious decarbonisation targets.

Mana whakahaere — Responsible procurement

We have a responsibility
to choose suppliers who
operate in a sustainable way.



Hind Management works with partners and suppliers who support our values ensuring they are reflected in all that we do. We give mana to our places, people and communities by choosing our supply chain responsibly to safeguard and ensure a wealth of resources for future generations.

Our purchasing power means we can exert influence on suppliers to make more responsible choices. We can use our procurement process to change behaviour both within our business and in our wider network.

Our ESG Strategy for Responsible Procurement covers two areas:

- Ethical Supply Chain
- Circular Economy

UNSDG alignment



Example indicators we will track

- Key consumable suppliers who signed our [Responsible Procurement Pledge](#).
- Our recycling and waste statistics.

Ethical Supply Chain

At Hind Management we are strongly committed to responsible procurement. For us, this includes considering the effects of our purchasing choices on human health, environment and society. We are choosing to vote with our pockets and make a change in our society, asking our suppliers to commit to our [Responsible Procurement Pledge](#).

- **Objective 11:** Reduce material consumption and use products from sustainable sources with transparent and ethical supply chains.

Circular Economy

Within the tourism and hospitality sectors, plastics and waste are a significant issue. We have signed the [Global Tourism Plastics Initiative \(GTPI\)](#), and are committed to eliminating the plastic items we don't need. We will innovate and adopt new products, responsible supply options and better waste management systems in order to reduce our consumption, improve our recycling performance and find alternative uses for our waste with the aim of being a zero waste business.

- **Objective 12:** Zero waste business.

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We would like to establish a zero waste business ideally eliminating the need for recycling. It can be overwhelming, but by thinking circular, setting a target and making small changes every day, we hope to set an example so that other organisations will follow.

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We're well down the path of removing all single-use plastic from our properties and will continue to eliminate its use. Our journey is not only about us though; we're calling on our suppliers and the wider hospitality and tourism industry to collaborate with us and work together. We are leading the way in New Zealand by committing to initiatives like the [Global Tourism Plastic Initiative \(GTPI\)](#) and aligning with organisations like the [Ellen MacArthur Foundation](#).



Manaakitanga — Authentic experiences

Hind Management, its people, culture and brands are committed to reflecting care, respect and mana, alongside warm hospitality and kindness towards others.

As providers of hospitality, we have a responsibility for the way our guests experience our people, products and services, Aotearoa New Zealand as a whole. We aspire to create an authentic journey for guests that is grounded in wellbeing, sustainability, respect and discovery.

Our ESG Strategy for Authentic Experiences covers two areas:

- Te Ao Māori
- Guest Experiences

UNSDG alignment



Example indicators we will track

- Number of business units with bilingual or Te Reo signage.
- Number of staff who complete Te Ao / Te Reo training.
- Number of nights a guest decides to go green in their room.

Te Ao Māori

The language and culture of tangata whenua are integral to the experience and understanding of Aotearoa New Zealand. We acknowledge our role as partners to Te Tiriti and see Te Reo Māori and tikanga as taonga to be cherished and shared with our people and our guests, no matter where they come from.

- **Objective 13:** Respect and revive local identity and wisdom, ensuring we learn from our indigenous cultures and embed Te Ao Māori in our operations.

Guest Experiences

By offering guests more choices and more opportunities to be conscious consumers, and by empowering them to put their wellbeing first while they are staying with us, we can create a more authentic and accessible guest experience. The options are endless — from opting out of daily room cleans, to healthier food options and yoga facilities, to offering volun-tourism experiences.

- **Objective 14:** Ensure the guest is a part of the sustainability experience.
- **Objective 15:** Include guests in a wellness journey.

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Sudima Kaikōura is our first project with Te Reo-only wayfinding. We are integrating the language and culture of tangata whenua into our experiences for our guests.

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Our u-rooms in our Sudima Auckland City hotel are experiential rooms designed around the principles of self-care. We’ve crafted them to be a personal sanctuary for our guests. U-rooms come with everything you’d expect from a modern hotel room plus extras to help guests prioritise their mental and physical wellbeing, including a yoga kit so they can stretch out and re-centre themselves.



Ōhanga orange — Ethics and governance

Hind Management values economic well-being and prosperity for our people, community, and stakeholders. We care for and nurture their growth and success; when we thrive, the collective should too.

Any transformational change must be led from the front. At Hind Management, we are committed to being an organisation built on sound ethics and good governance. We will ensure that we have robust ethics and strong governance structures in place, so that our people, our guests, our stakeholders and our communities know we are committed to a transparent and positive future.

Our ESG Strategy for Ethics and Governance covers three areas:

- Transparency
- Effective Partnerships
- Sustainability Fund

UNSDG alignment



Example indicators we will track

- List of accreditations and memberships, supported by ratings where applicable.
- List of our partners and philanthropic impact where applicable.

Transparency

By joining key accreditation programmes, seeking external verification of our achievements against our goals and reporting back our progress to stakeholders, we're committing to a more transparent and open way of operating.

- **Objective 16:** Create transparency through external verification.

Effective Partnerships

By partnering with organisations who share our values and who can help us move forward with our objectives, we can transform faster and more effectively. And, in turn, we can take what we've learned and apply it to our own partnerships to help others, sharing knowledge and driving positive change.

- **Objective 17:** Accelerate advancement, innovation and knowledge sharing through partnerships with key stakeholders.

Sustainability Fund

To make ESG initiatives a central part of our business, we have established our own sustainability fund which, over time, will allow for more and more great ideas to be turned into real change within our organisation. This will allow us to accelerate change and fund initiatives that come from within our own business and people.

- **Objective 18:** Fund our own sustainability initiatives.



We have been Toitū net carbonzero certified in accordance with international standards since 2013 and have a policy to ensure all Sudima Hotels join the programme within two years of being fully operational. We are now choosing to internally offset our unavoidable emissions by setting a carbon price which will form a part of our sustainability fund.



We are the first in our sector to secure a Sustainability Linked Loan (SLL) of more than \$100 million. We have set five ambitious targets which encompass environmental and social KPIs. The targets will be annually, independently verified and if we meet them, we will see a reduction in the margin of our loan. However, if we fail to meet our targets we will be penalised.

Holding ourselves accountable

Action	Indicator	Monitoring in which report	Baseline	2027 target	2035 target	2050 target
Whanaungatanga – Our People						
Train staff on unconcious bias	Percentage of staff trained in unconscious bias	Human Resources Information System	Baseline will be established in 2022	100%		
Continue our commitment to audit business units on their accessibility	Number of business units assessed for accessibilitiy	Environmental, Social and Governance Metrics	Four properties assessed externally with ratings. Hotels were assessed externally and given a rating in the past. This is no longer offered so we are creating a process to internally assess buildings more regularly based on updated standards provided from an external party	100%		
Foster awareness of access needs through training	Percentage of employees completed accessibility confident training or similar	Human Resources Information System	Baseline will be established in 2022	100% within 6 months employment	100% within 30 days employment	
Initiate internship program for Māori and Pacifica	Number of internships offered	Human Resources Information System	0	Cumulative - 4	Cumulative - 9	Cumulative - 20
Provide learning and development opportunities for our staff	Number of hours of professional development & education offered	Hotel Monthly Report & Human Resources Information System	Baseline will be established in 2022	Increase 5% from base 2022	Increase 10% from base 2022	Increase 15% from base 2022
Measure wellbeing sentiment	Permanent staff wellbeing scores each quarter, reporting on – personal / company motivators, happiness and relationships	Wellbeing sentiment survey	Aug 22: 4.2/5, Nov 22: 3.8/5	Overall average score to remain above 2.8/5		
Kaitiakitanga – Environmental Sustainability						
Measure, report, and mitigate our operational emissions through ISO 14064. Add all new business units within two years of operating	Our carbon footprint	Toitū Report	SAA, SCA, SLR and SCC emissions- 1043.5tCO ₂ e or 36kgCO ₂ e/m2 offset through certified carbon credits	29kgCO ₂ e/m2	26.3kgCO ₂ e/m2	
Specify all large commercial appliances use natural refrigerants with low GWP	Our GHG liability associated with refrigerants	Refrigerant Register	SAA, SCA, SLR, SCC Total Liability- 1688 tCO ₂ e. Create accurate registers and refrigerant policy	Buy only lowest GWP tech. Remove all high GWP emitting refrigerants where technology exists	Replace old tech with new tech	
Complete feasibility study for solar panels on each business unit	Number of kWh of solar installed and % of renewable electricity	Supplier Report	0	3 business units	Include solar on all feasible existing business units. All new business units will have feasibility for solar in the build phase	
Establish a Carbon Reduction Plan for each business unit and the business as a whole	Number of business units with carbon reduction plans	Environmental, Social and Governance Metrics	0	2	100% within 2 years of operating	100% within 1 year of operating
Install Electric Vehicle and Ebike chargers in conjunction with partners where possible	Number of business units with EV and Ebike chargers	Environmental, Social and Governance Metrics	3 with Electric Vehicle and 0 with ebike		100% where feasible	
Evaluate the feasibility of rain water harvesting	Business units with rainwater harvesting	Building Metrics	2 business units with rainwater harvesting need to have accurate metering	All new business units with rainwater harvesting where feasible	Retrofits of business units with rainwater harvesting where possible	100%
Monitor water use in each business unit and reduce water use	Water usage	Building Metrics	Currently mointored through bills	Install IoT water meters and water saving tech at each business unit where feasible	Include sub water metering for each business unit	
Implement sub metering across all business units to measure gas, electricity and water consumption	Number of business units with sub metering	Environmental, Social and Governance Metrics	0	2	70% within 2 years of operating	100% within 2 years of operating

Action	Indicator	Monitoring in which report	Baseline	2027 target	2035 target	2050 target
Mana Whakahaere – Responsible Procurement						
Operate a zero waste business	Our recycling and waste statistics	Supplier Report	Baseline will be established in 2022	Improve systems of measurement	Reduce waste by 50%	Zero waste
Work with our suppliers to eliminate plastic in our direct supply chain	Avoided plastic	Supplier Report, Environmental, Social and Governance Metrics	400,000 pieces avoided annually	200,000 pieces avoided annually	0 pieces single use plastic in all business units	
Create a Responsible Procurement Policy and Pledge for our suppliers to sign	Key consumable suppliers who signed the Responsible Procurement Pledge	Environmental, Social and Governance Metrics	0	80% key consumable suppliers	100% key consumable and 30% tier 2 suppliers	100% key consumable and 80% tier 2 suppliers
Manaakitanga – Authentic Experiences						
Educate team in Te Ao / Te Reo	Number staff who complete Te Ao / Te Reo training	Talent and Culture Metrics with external verification	14 (including 10 in senior positions)	62 (including 31 in senior positions)		
Include bilingual or Te Reo signage in any new business unit / retrofits	Number of business units with bilingual or Te Reo signage	Environmental, Social and Governance Metrics	0	3	10	All
Give guests an incentive to go green in their rooms	Number of nights a guest decides to go green in their room	Environmental, Social and Governance Metrics	Baseline will be established in 2022	3% increase	5% increase	15% increase
Ōhanga Oranga – Ethics and Governance						
Create accountability in our systems	Our progress against our targets and goals	Environmental, Social and Governance Metrics	Creating methods of gathering data regularly	Include ESG report alongside financial reporting. Create annual external facing ESG report		
Ensure outreach is strategically aligned with our mission and vision	List of our partners and philanthropic impact where applicable	Partnerships Document	Baseline will be established in 2022	Regularly measure impact we create through these partnerships and ensure they are strategically aligned		
Retain our commitments to external accreditations like Accessibilty Tick, be.lab etc where applicable	List of accreditations and memberships, supported by ratings where applicable	Partnerships Document	Baseline will be established in 2022	Regularly measure impact we create through these partnerships and ensure they are strategically aligned		

He kura te tangata
People are precious

