

Sustainability Report 23/24

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Foreword

Sustainability and environmental care are key pillars of our club's strategy. We focus on reducing our CO2 emissions, optimising energy use, minimising waste and limiting the use of chemicals. In addition, we consider social commitment to be essential, always seeking to benefit local communities through our actions.

To ensure continuous improvement, we are certified by several external standards that validate our sustainability efforts. This allows us to constantly assess our practices and align them with best practices.

With this report, we want to share our sustainability measures and the progress we have made in recent years, reaffirming our commitment to environmental and social well-being.

JAVIER MAESO Club Director / General Manager





Management and sustainability

At our club, we maintain a firm commitment to sustainability, which is one of the fundamental pillars of our corporate responsibility.

We recognize the significant impact we generate on the environment, economic development, education and the well-being of our employees.

Our goal is to minimise our environmental footprint, both now and in the future, while strengthening local communities and offering the best to our guests. To do so, we have established clear goals: optimise the use of water and energy, reduce waste generation and promote the recycling of valuable materials.

In addition, we seek to raise awareness among our customers and partners about the importance of sustainability, implement responsible purchasing practices and encourage volunteering.



Management and sustainability

Our sustainability strategy is structured around six key pillars: prevent, reduce, recycle, beautify, communicate and understand. All these pillars are aligned with the TUI Group's strategy, 'Better Holidays, Better World'.

We set concrete goals, plan activities to achieve them and document progress throughout the year. At the end of the cycle, we benchmark results against targets, which allows us to define objectives and actions for the following year.

Our Code of Conduct reflects our commitment to climate protection and promotes environmental awareness among our employees through training programmes. In addition, we promote the professional development of our employees and ensure good working conditions, while contributing to the sustainable development of the destinations in which we operate.

Our sustainability report covers three key areas: environment, community, and local and social engagement.





Energy

Our hotel has various facilities that require energy, such as swimming pools, air conditioning, heating pumps and boilers.

Our main objective is to reduce CO2 emissions on an annual basis. Compared to 2022/23, total energy consumption at the resort has increased slightly, with gas and electricity usage being the main drivers of this alteration.

However, when comparing the data of 2022/23 with that of 2023/24, it becomes clear that total energy consumption has remained practically stable, while consumption averages per guest have decreased significantly compared to the pandemic years, when recurring hotel closures and low occupancy levels distorted the figures.

Despite the notable reduction in total consumption during those years, the current analysis reflects positive progress towards our sustainability goal.



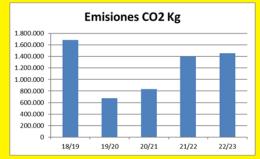


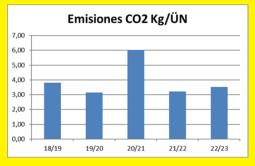


CO2 emissions

The aim of our establishment is to reduce CO2 emissions. In 2023/24, we have experienced a decrease in emissions compared to 2022/23, which is mainly due to the replacement of machinery and the renewal of equipment with less energy-consuming equipment.

This investment in efficient machinery allows us to confirm that we are meeting our sustainability target.





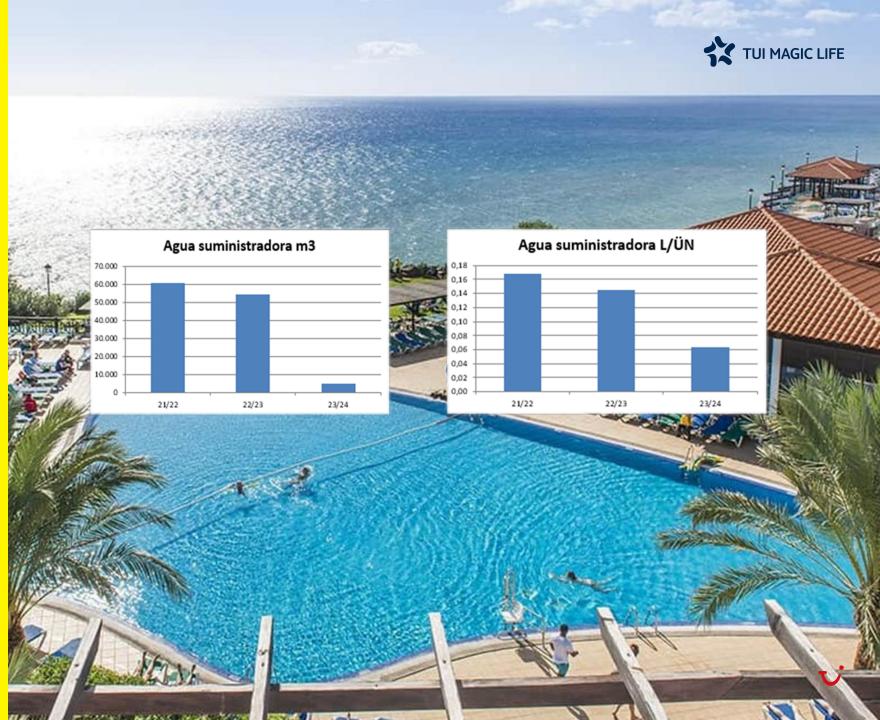
Water

The detection of water leaks and the preventive control of burst pipes have been intensified, which has led to a reduction in consumption thanks to the rapid identification and repair of these incidents.

Along with the protection of energy resources, the reduction of water consumption is a central objective of our club.

Our hotel's target is to reduce total water consumption annually.

However, in 2022/23, water consumption at the resort has increased compared to 2021/22, mainly due to the stabilisation of the situation and the regeneration of our customers and occupancy levels.



Waste and pollution management

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• We constantly measure food waste and take concrete actions to reduce it.

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- We train our employees and make our guests aware of the importance of avoiding waste by providing clear and practical information.
- We source our food from sustainable and local sources, ensuring less environmental impacts.
- The chemicals we use, such as detergents, are certified as environmentally friendly and biodegradable.
- We have implemented a comprehensive waste management system that encourages both our guests and staff to separate waste appropriately.
- We have certified partners who recycle valuable materials such as paper, plastic, glass and manage hazardous waste through specialised companies.
- 10 We recycle various types of packaging, including paper, plastic, tinplate, glass, batteries and towels, actively contributing to the reduction of environmental impacts.

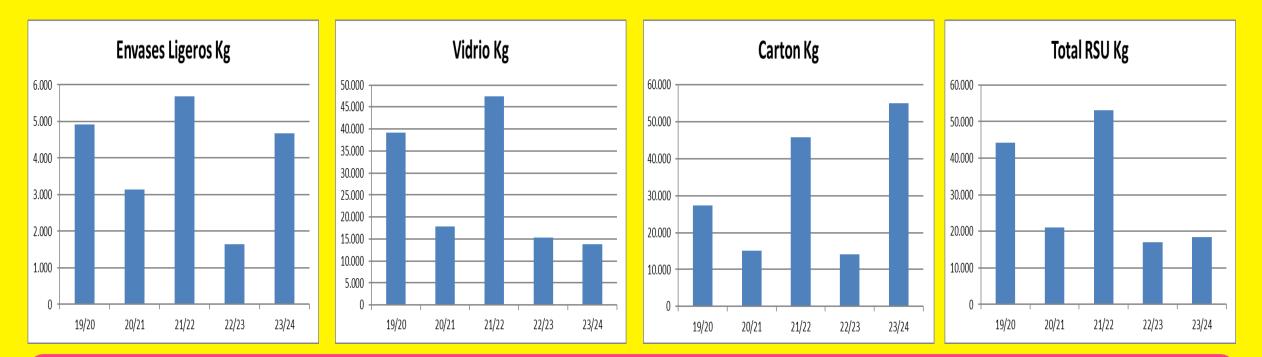
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Municipal Waste Management



With 0.309 kg of waste produced per night per guest, we have achieved a significant reduction compared to the years before the pandemic. However, we remain committed to further reducing these indicators in the coming years.

Between the periods 2022/2023 and 2023/2024, our hotel has decreased the total amount of waste, especially waste for recycling, such as paper, cardboard, plastic, glass and others. We have observed important changes, such as an increase in light packaging, due to the change in the format of some raw materials, and a decrease in glass waste.

In summary, although there has been a slight increase in municipal waste management, we remain focused on further optimising these processes.

Community and supply chain

TUI MAGIC LIFE



Our employees

Our hotel employs a team of 385 people by 2023-2024, with almost 85% of the employees coming from the local area.

Currently, we have an operational average of 380 employees. Of these, 52.47% are of Spanish nationality, and female representation is 47.53%, reflecting our commitment to diversity and inclusion.

We rigorously comply with national and international standards on **environmental protection, labour legislation and safety**. Through sustainability training and education programmes, we promote environmental awareness among our employees, using communication tools such as emails, information signs and descriptions to raise awareness of the importance of environmental responsibility among all staff.

Our commitment to the community is manifested in our goal to employ at least 80% of our staff from the local area, thus boosting local economic and social development.

Job satisfaction is one of our fundamental pillars. We therefore conduct regular surveys, through external organisations, to assess the well-being and satisfaction of our employees, ensuring continuous improvement of our working environment.

At the heart of our management approach is **compliance at all levels**, along with the ability to **communicate anonymously** with management, ongoing training and career development opportunities through internal offerings. These elements are essential to the growth and success of our team and the hotel as a whole.

Purchasing and stakeholders

Our purchasing managers prioritise sustainable and environmentally friendly products. Any renovation or purchase of equipment is carefully assessed to ensure that these criteria are met.

In terms of grocery purchasing, we opt for regional, seasonal and zero-kilometre products, thus supporting local suppliers and reducing our carbon footprint.

We involve our stakeholders throughout the value chain, ensuring that they share our environmental protection objectives. When selecting contract partners, we ensure that their practices align with our sustainability commitments.





Social and local commitment

Social commitment

On the occasion of the volcanic eruption on the island of La Palma on 19 September, which left thousands of people homeless and without their belongings, our Centre has made a donation of blankets, sheets, towels, toilet paper and other essential items, joining the initiative of the Pájara Town Hall and showing our solidarity with the people of La Palma.

Noise-free classrooms: This project gives a new life to tennis balls, which are donated to various educational centres to be placed in the legs of chairs, reducing noise in the classrooms and improving the learning environment.

Il Bonito Fair - Morro Jable 2023

'We were proud to participate in the Gastronomic Event, where the culinary talent of local chefs was highlighted. This event celebrated the richness of regional cuisine, allowing local chefs to share their unique and indigenous creations with a wide audience, thus promoting the development of local gastronomy and sustainability in the community'.







Child protection

We strongly condemn any form of child exploitation, as it is a fundamental violation of children's rights and dignity.

We do not employ underage children and immediately report any suspicious activity related to them to local authorities. Our training programmes educate staff on child protection, teaching them how to identify signs of abuse or exploitation and how to go about reporting such incidents to management.

We reserve the right to **terminate any relationship** with individuals or companies involved in child exploitation, with no exceptions.

We respect **diversity**, **dignity**, **privacy** and **human rights** at all times. In addition, we strictly comply with the 'Code' for the protection of children from sexual abuse, exploitation and trafficking, developed by the Ministry of Tourism in co-operation with ECPAT International. This code is based on the Universal Declaration of Human Rights and the United Nations Convention on the Rights of the Child.





Certifications



The internationally recognised Travelife quality label is used by the TUI Group, in particular to assess its sustainability performance. To receive the quality label, a corresponding sustainability organisation as well as measures incorporating ecological and social aspects are required. The audits are carried out by an external auditor.

The seal of approval awarded in gold by 163 is valid for two years.





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Team and Project



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Thank you.