ANNUAL REPORT 2023 CORPORATE SOCIAL RESPONSIBILITY





Introduction

2023 is a landmark year in the history of Hotels VIVA, marking the company's first quarter of a century—25 years since its early dreams took shape—but also coinciding with the passing of its founder. Pedro Pascual was not only a visionary in the hotel industry but also distinguished by many admirable qualities. Under his leadership, Hotels VIVA became known for its ethical and responsible management, implementing sustainable practices and contributing to the local economy of Mallorca.

He was a strong advocate for environmental care and social responsibility, principles that have guided the company for the past 25 years. Pedro Pascual recognised the importance of balancing tourism development with preserving the natural environment. He championed a hospitality model centred on quality and customer experience, with an emphasis on family and holiday tourism.

Today, Pedro Pascual's legacy is more present than ever; his ideals, embodied in the company's sustainability principles, continue to guide the company's mission to ensure guests enjoy a truly unique experience during their stay in Mallorca.



CONTENTS

- 1. Business model
- 2. Environmental sustainability
- **3.** Social sustainability
- 4. Corporate good practices





BUSINES MODEL





1. Business model

Hotels VIVA The company

Hotels VIVA celebrates its quarter-century milestone, established as a modern, family-run business driven by its commitment to society and the environment, following the values of its founder, Pedro Pascual.

The company operates six proprietary hotels under the VIVA brand and a rural hotel in co-ownership under its own brand. All are located in premium areas in the north-east of the island. VIVA's mission places sustainability at the core of its activities, recognising the fragility of Mallorca's environment and prioritising respect and care towards all its guests and employees.



1. Business model

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The future depends on what we are able to achieve in the present. Our commitment to reducing our footprint on the land remains unwavering. By raising awareness among our employees and guests, we show that sustainability is not only possible but also the only path forward.

Xavier Català CEO AND GENERAL MANAGER

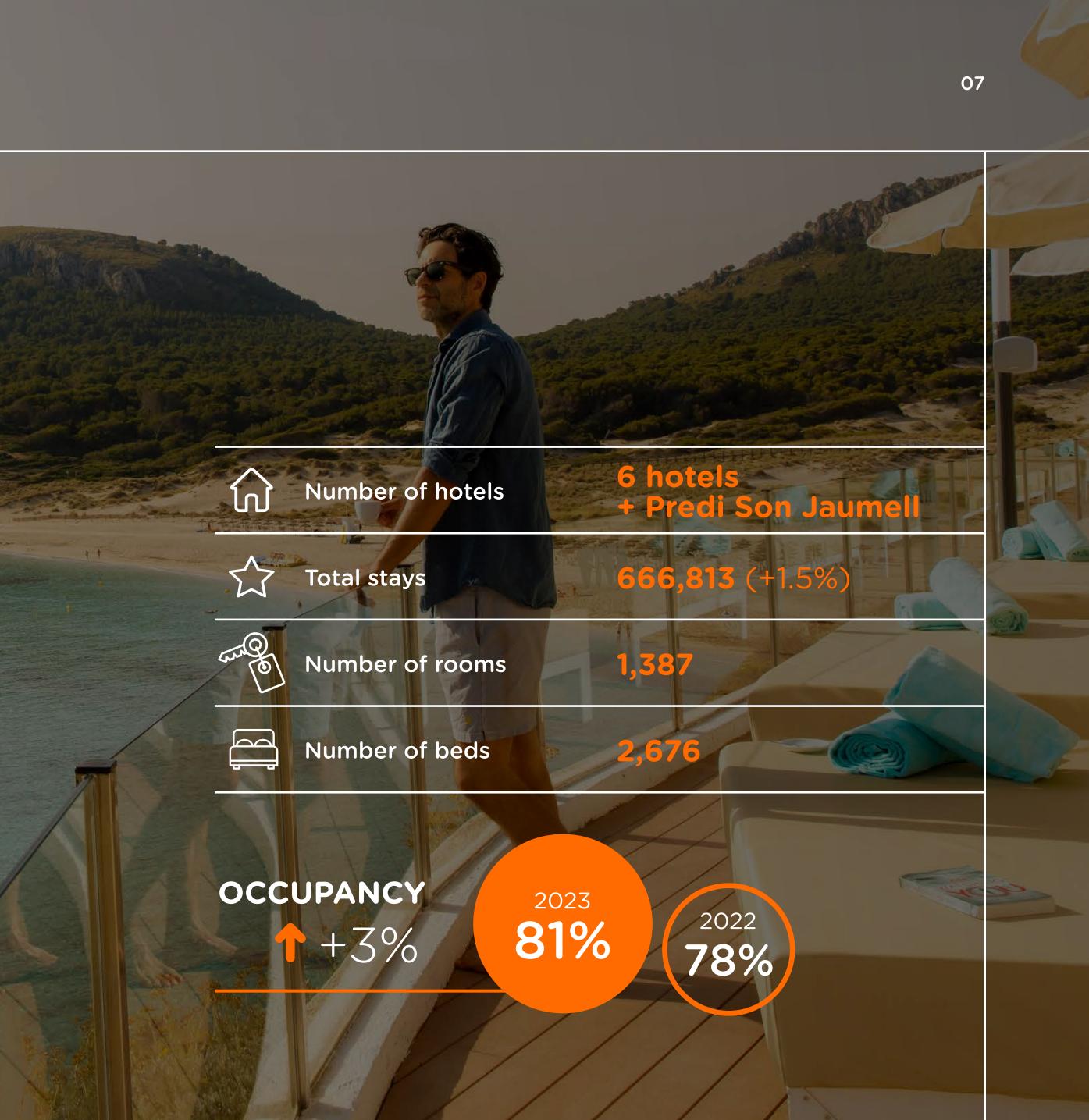


1. Business model

Hotels VIVA Product

The six Hotels VIVA properties are set in areas of exceptional natural beauty, offering guests the opportunity to immerse themselves in Mallorca's unique landscapes and environment. All hotels are rated either 4-star or 4-star superior, located in the northern part of the island. Each hotel is designed to meet a range of traveller needs, from tranquil, idyllic beaches to sport-friendly settings, family-oriented spaces and ideal locations for outdoor sports.

This portfolio is enhanced by Predi de Son Jaumell, an exceptional agritourism destination within historic 14th-century houses on a heritage estate in Capdepera, surrounded by ancient oak trees. Son Jaumell also shines for its **gournet cuisine by Michelin-starred chef Andreu Genestra.** At Bistró Senzill, local ingredients are combined with refined culinary techniques in an atmosphere that blends tradition, cultural heritage, modernity, comfort and sustainability.



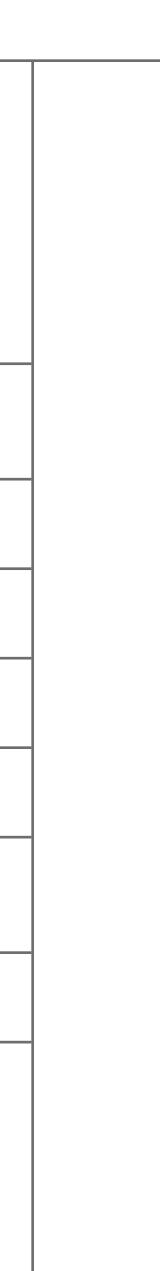
1. Business model

Hotels VIVA Locations

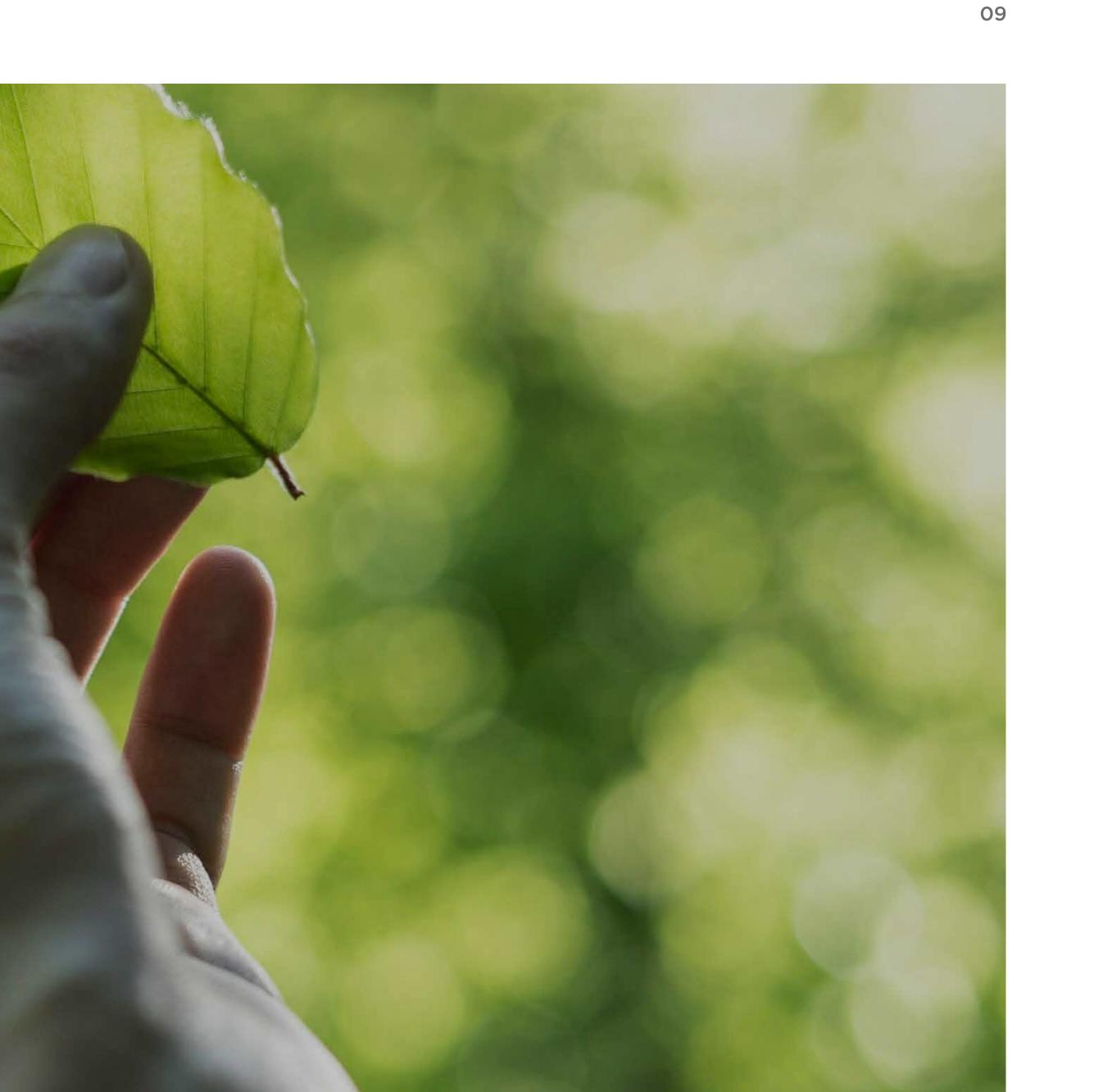
Seven prime locations across Mallorca. Each Hotels VIVA property serves as a unique vantage point from which to enjoy a distinctive environment.



Family hotels / Adults-only hotels



2. ENVIRONMENTAL SUSTAINABILITY



2. Environmental sustainability

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To deepen our commitment to the environment, we have implemented carbon-neutral data centres and equipment, digital signage to reduce paper usage and solar-powered electric vehicles for our technical teams.

Bernat Real IT DIRECTOR



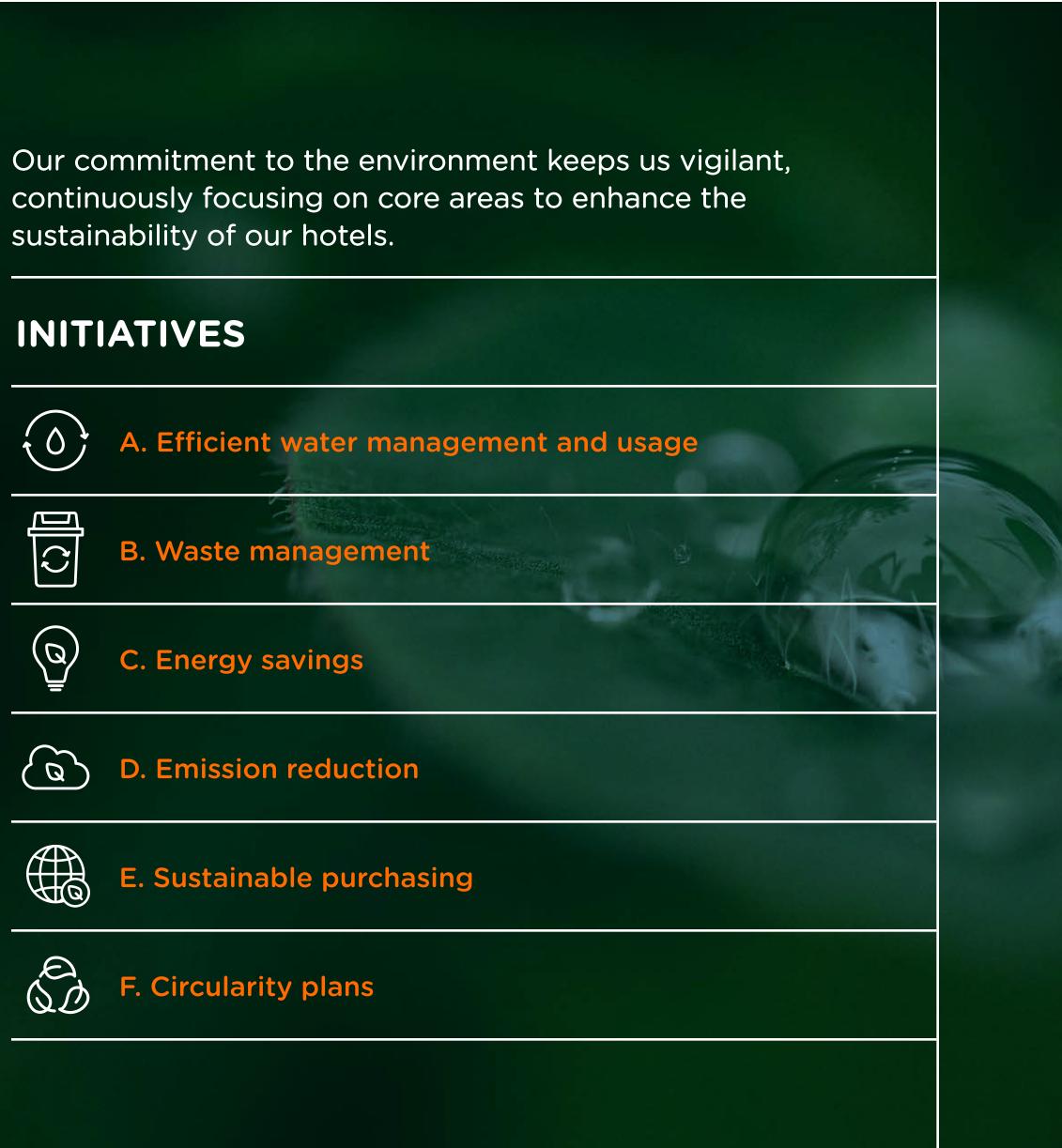
Caring for our surroundings

VIVA is a hotel chain dedicated to quality and environmental care in all aspects of our daily operations. This commitment arises from the need for sustainable tourism development that minimises the negative environmental impacts of tourism. We strive to ensure that employees, suppliers, guests and the wider community are mindful of the unique challenges and characteristics of our region.

All hotels adhere to five-year circularity plans,

in compliance with Law 3/2022, of 15 June, which mandates urgent measures for sustainable and circular tourism in the Balearic Islands.







2. Environmental sustainability A. Efficient water management and usage

AGUA LIMPIA Y SANEAMIENTO



Through continuous preventive measures and the innovations we have implemented, we have achieved a 10% reduction in average water consumption per stay.

Xisco Figuerola MAINTENANCE MANAGER

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A. Efficient water management and usage

We continue to raise awareness among employees and guests on the importance of managing and reducing water consumption. To support this goal, we have implemented targeted technologies and protocols.

IMPLEMENTED IMPROVEMENTS



Daily meter readings in service areas



Sensor taps in communal bathrooms



Reduced water tank capacity in toilets



Volcanic rock in gardens to reduce water evaporation and retain moisture for plants



Fimed, night-time irrigation



Preventive maintenance to detect water leaks









Notices reminding guests and staff of responsible water use and to turn off taps



Staff training to report any potential water leaks promptly



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Option to change towels only upon specific request



and maintenance of water tanks and storage units



egular checks to prevent Legionella



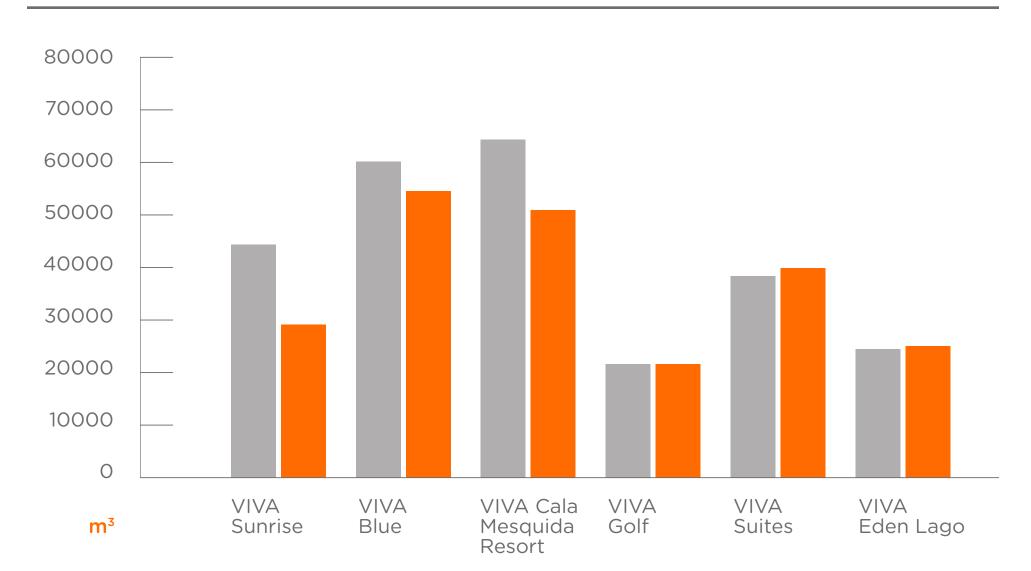
Daily quality control of swimming pool water

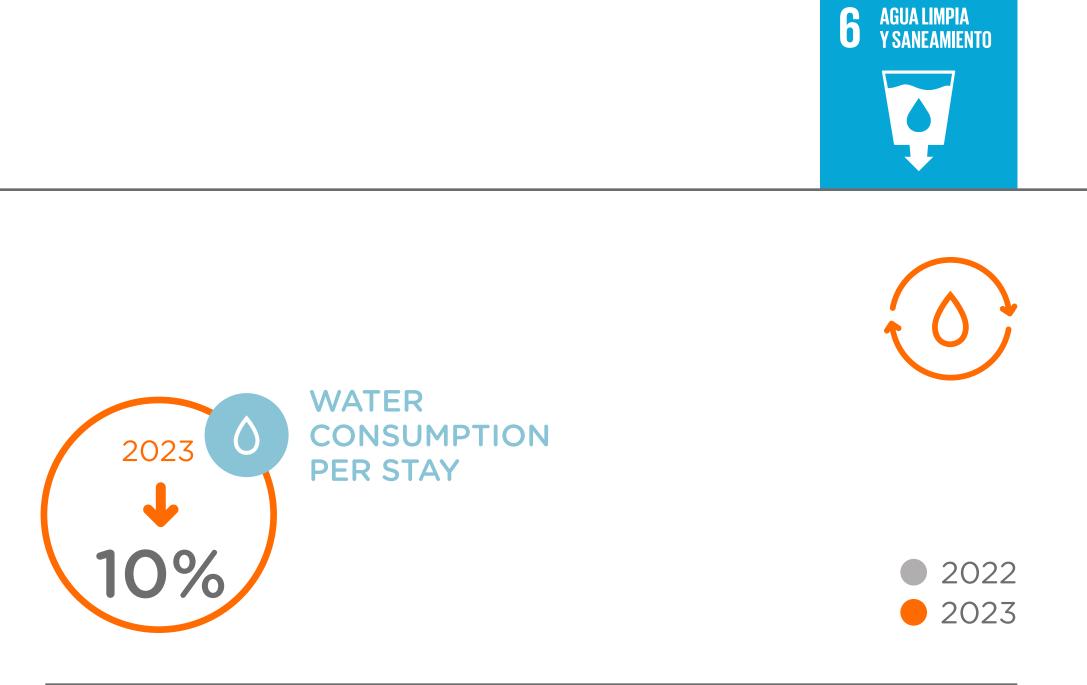


A. Efficient water management and usage

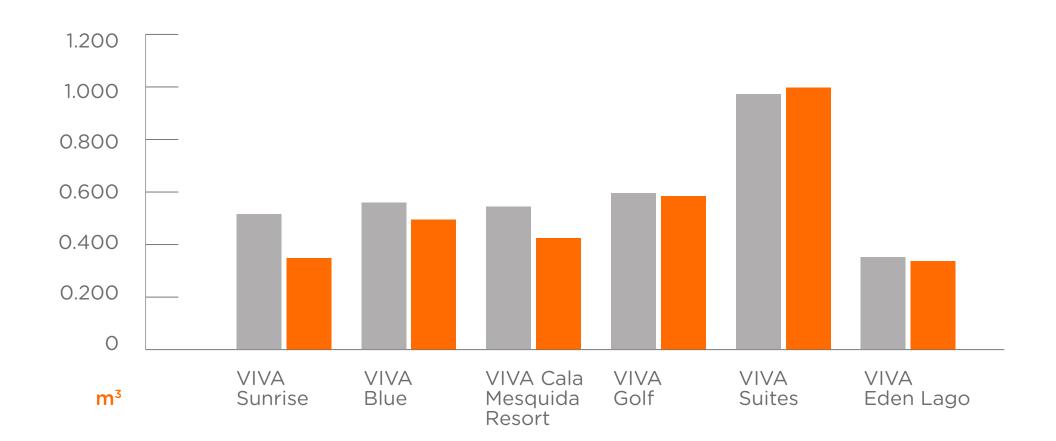
Despite an increase in overnight stays in 2023, total water consumption in cubic metres decreased from the previous year, as did the per-stay consumption ratio. **Overall, there was a 10%** reduction year-on-year, with the average per-stay consumption decreasing from 0.41 m³ in 2022 to 0.37 m³ in 2023.

WATER CONSUMPTION





WATER CONSUMPTION PER STAY





2. Environmental sustainability

B. Waste management





Removing stationery from all rooms is a crucial step towards sustainability.

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Yolanda Afán HOUSEKEEPING MANAGER, VIVA CALA MESQUIDA SUITES & SPA



B. Waste management

Hotels VIVA has implemented a plan to gradually phase out single-use plastic items from its standards.

To this end, steps have already been taken to replace all plastic cups with alternatives made from other materials and removing stationery from guest rooms. The hotels also have selective waste collection systems in place, involving staff, suppliers, subcontractors and guests.

With a 1.5% increase in stays in 2023, urban waste collection saw significant improvements.





| | | No. of the second secon | |
|------------------------|------------|--|--|
| PAPER AND CARDBOARD | 181,825kg | +6.2% | |
| GLASS | 262,018 kg | +4.5% | |
| LIGHT PACKAGING | 81,106 kg | +10.5% | |

These efforts have contributed to an ongoing reduction in nonrecyclable waste:

| NON-RECYCLABLE WASTE | 524,917 kg | HOTE4.6% here |
|-------------------------|------------|---------------|
| | | |

Regarding green waste, clippings and lawn trimmings are processed for reuse as biomass and compost, achieving a 97% reduction in carbon footprint.

Additionally, a total of 1,351 kilograms of textiles were donated to the Fundació Deixalles for reuse, resulting in a saving of over 11 tonnes of CO_2 .





B. Waste management

ADDITIONAL IMPROVEMENTS





Special protocol for hazardous waste disposal



Use of designated containers and bins for recycling in building entrances, kitchens, bars and restaurants



Use of recycled paper with a policy to utilise both sides before disposal



Supplier protocol for container returns



Integrated management system (AMBILAMP) for fluorescent tubes and bulbs



Management of used vegetable oil for conversion into biodiesel









2. Environmental sustainability

B. Waste management

RENETAS PROJECT

A key initiative is our participation in the **Project for the Recovery and Re-purposing** of Mattress Toppers in the Hospitality Sector (RENETAS)

with the Playa de Muro Hotel Association. This project aims to recover mattress toppers and re-purpose this challenging-to-recycle material. In 2023, the goal was to recover between 60% and 80% of discarded toppers (equivalent to 110–146 tonnes of material), with the aim of achieving 100% recovery in the coming years.









C. Energy saving

Improve, replace, modernise... These principles guide our efforts to conserve energy.

IMPLEMENTED MEASURES



Replacement of equipment with more efficient models at the end of their life cycle



Enhanced insulation during renovations



Installation of photovoltaic panels



Biomass boiler at VIVA Cala Mesquida Resort



Energy-saving and LED bulbs in guest rooms



Door and window sensors to pause air conditioning when open







Installation of dichroic bulbs in guest bathrooms, communal customer service areas, public spaces, bars and restaurants

Frequency converters in water pressure systems (savings on heating and domestic hot water)



Reduction in total electricity consumption and consumption per stay



Ha sido posible gracias a las placas fotovoltaicas instaladas en los últimos años

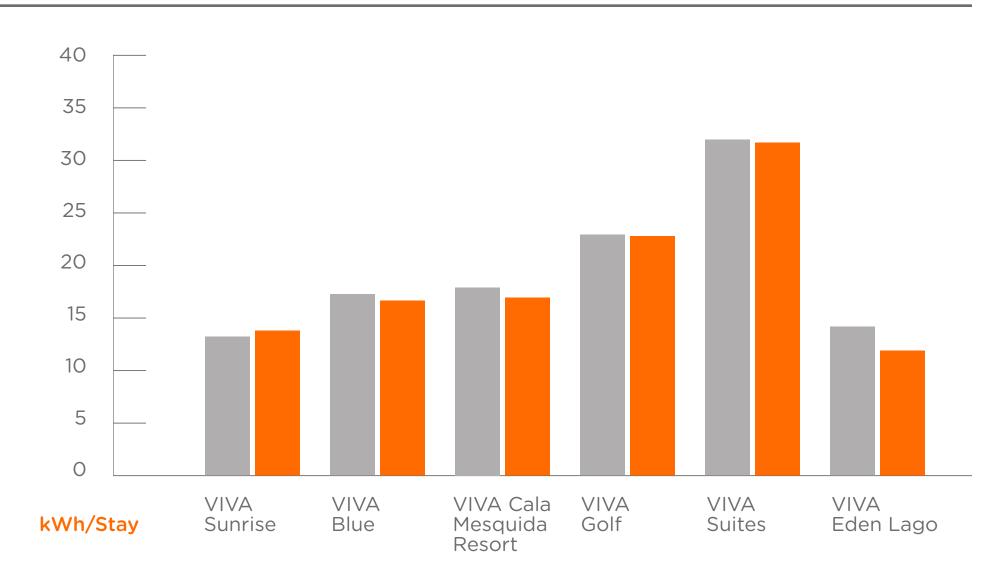
Hotels VIVA reduce en 150 toneladas su emisión anual de CO2



C. Energy saving

- Electricity consumption per stay has decreased across all hotels.
- Hotels VIVA achieved an overall reduction of 3.2% in electricity per stay.
- Additionally, gas consumption decreased in all hotels with piped gas, with an overall reduction of 21.6% across the four hotels using this energy source.

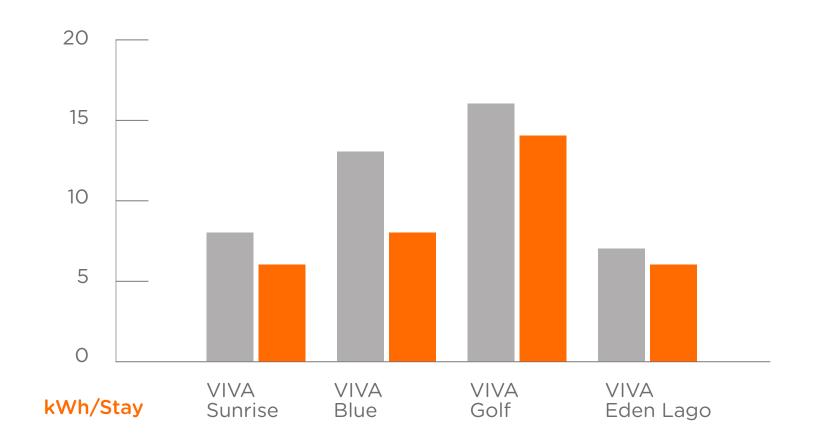
ELECTRICITY CONSUMPTION INDICATOR

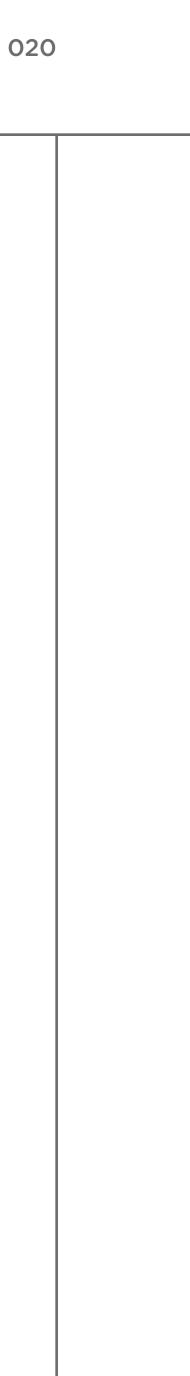






PIPED GAS CONSUMPTION INDICATOR

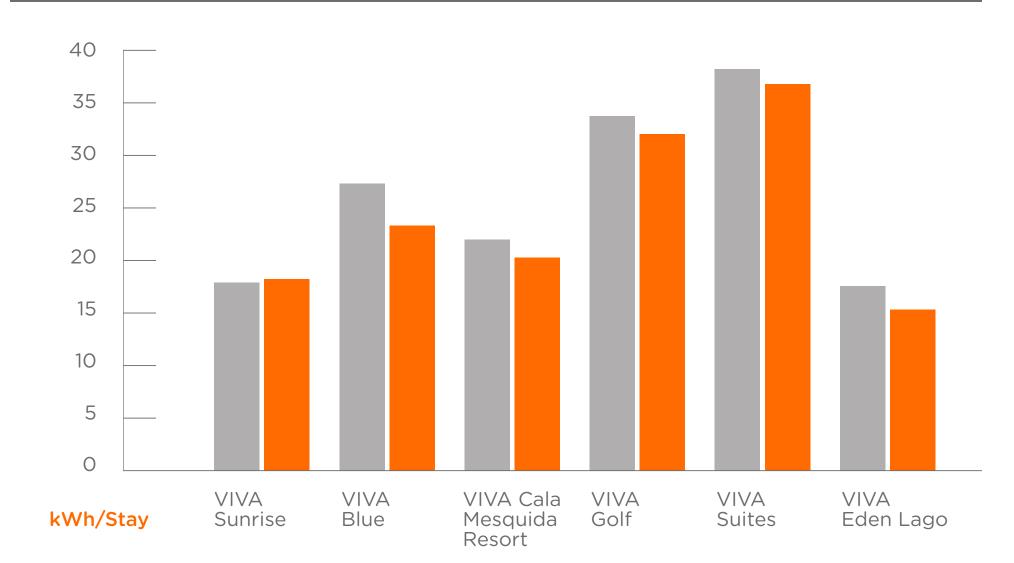




C. Energy saving

In five of the six Hotels VIVA properties, a significant decrease in total energy consumption per stay was recorded.

TOTAL ENERGY CONSUMPTION INDICATOR PER HOTEL

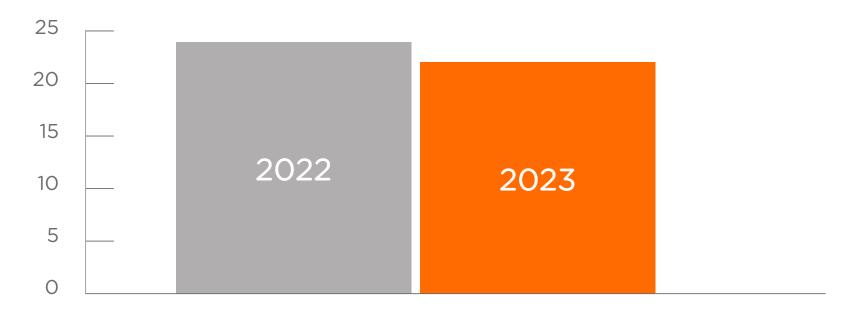


2022

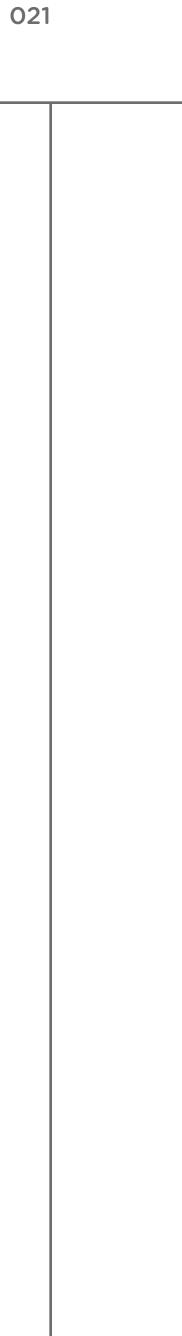
2023

This resulted in an **8% reduction in total** energy consumption per stay in 2023

TOTAL ENERGY CONSUMPTION INDICATOR FOR HOTELS VIVA



kWh/Stay



D. Emission reduction



We are fully committed to managing emissions, primarily those generated by boilers. This includes gradually replacing refrigerant gases with options that have a lower global warming potential.



for supplier deliveries to reduce noise levels.



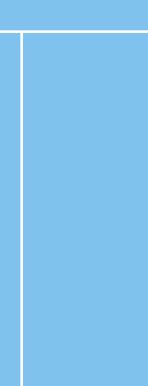






Using less aggressive cleaning products.





D. Emission reduction

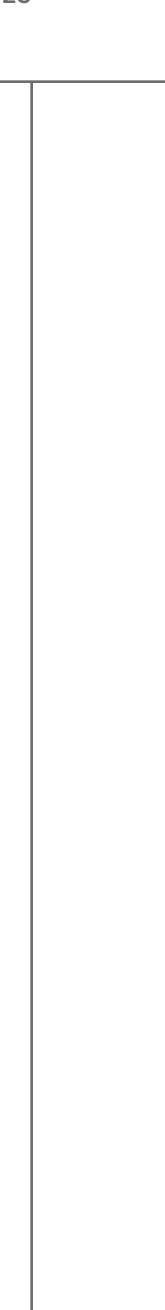
All six properties are equipped with photovoltaic solar panels for electricity production. Thanks to this self-consumption, CO_2 emissions have been reduced. Based on production data and the 2023 electricity emission factor (0.259 kg CO_2 /kWh), the CO_2 emissions avoided are as follows:

| HOTEL | SOLAR P |
|---|---------|
| VIVA HOTEL SUNRISE **** | 80,878 |
| VIVA HOTEL BLUE **** | 116,889 |
| VIVA HOTEL CALA MESQUIDA RESORT **** | 120,040 |
| VIVA HOTEL EDEN LAGO **** | 73,602 |
| VIVA HOTEL GOLF **** SUP Adults Only 18+ | 26,779 |
| VIVA CALA MESQUIDA SUITES & SPA **** SUP Adults Only 16+ | 73,561 |
| TOTAL | 491,749 |





| PANEL PRODUCTION (kWh) | AVOIDED CO ₂ EMISSIONS (Tn CO ₂) |
|------------------------|--|
| | 20.95 |
| | 30.27 |
| | 31.09 |
| | 19.06 |
| | 6.94 |
| | 19.05 |
| | 127.36 |



2. Environmental sustainability E. Sustainable purchasing

Hotels VIVA was the first hotel chain to implement 100% sustainable cellulose paper.

In other words, cellulose paper that is fully carbon-neutral throughout its production. This initiative has enabled the company to achieve sustainability and carbon-neutral certifications both as a chain and individually for each hotel. By using this paper, distributed by Lladopol, the following savings have been achieved:





21,220 litres of water



38.2 kilograms of plastic







Sourcing fruits and vegetables from local suppliers.

Reflecting our strong commitment to supporting local businesses and reducing pollution, Hotels VIVA's proximity purchasing thresholds exceed the minimums set by Balearic regulations, as outlined in each hotel's circularity plan.

All 58 food and beverage suppliers are local.



2. Environmental sustainability F. Circularity plans





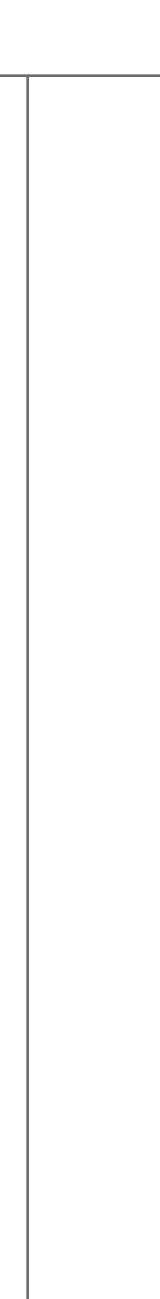
Each hotel has developed its own circularity plan

valid until 2028, to meet general legal requirements covering circularity, energy efficiency, thermal installations, waste management and more.

The main priorities within these circularity plans are:

- » Eliminating plastics
- » Enhancing energy efficiency
- » Selective waste separation
- » Reducing consumption
- » Lowering the carbon footprint

Aligned with these goals, we actively work to raise awareness among guests, employees and suppliers; reduce paper usage; use recycled or sustainable materials; digitise processes; and promote electric mobility.



ADDITIONAL MEASURES









F. Circularity plans

Carbon footprint

Hotels VIVA has made significant progress in lowering its carbon footprint. Both direct emissions and emissions from energy consumption have decreased. Despite an increase in the number of stays, emissions per stay have declined, reflecting more efficient resource use and a reduced overall environmental impact.

| | 2022 | 2023 |
|--------------------|--------------|--------------|
| Scope 1 | 1,970,587.51 | 1,715,678.74 |
| Scope 2 | 2,420,876.43 | 2,225,628.96 |
| TOTAL | 4,319,463.94 | 3,941,307.70 |
| Stays | 648,283 | 660,134* |
| Emissions per stay | 6.77 | 5.97 |

*Excludes Predi Son Jaumell Rural Hotel



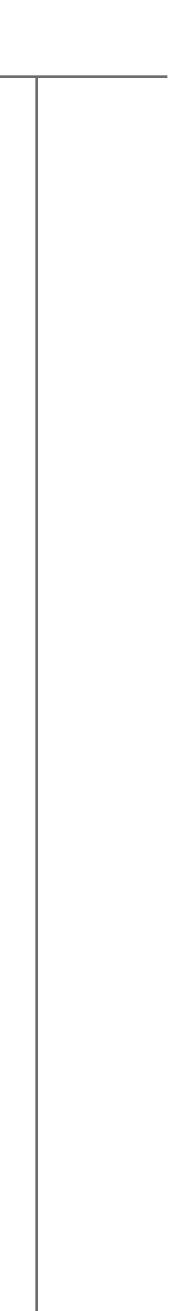


3. Social sustainability

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Our environment and the natural surroundings require us to remain vigilant and continually strive to elevate our standards of protection.

Matías Togores HOTEL DIRECTOR, VIVA BLUE & SPA



3. Social sustainability



A. Environmental protection and conservation





Hotels VIVA believes that sustainable tourism is essential for preserving our environmental wealth.

Achieving high-quality tourism naturally requires minimising human impact on ecosystems.

To promote awareness, we organised a coastal clean-up day at the beautiful Cala Mesquida, in partnership with Inca Mallorca Solidaria, the Fundación Patronato Joan XXIII and Amadip Esment. This experience underscored

> the importance of keeping natural spaces free from pollution and the challenges involved in maintaining them.





3. Social sustainability B. Sports sponsorships



Sports and outdoor activities are core to the identity of Hotels VIVA. It is a privilege to support athletes and sports clubs in realising their ambitions.

Yauheni Bely COMMERCIAL DIRECTOR

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3. Social sustainability

B. Sports sponsorships

Year after year, Hotels VIVA sponsors athletes and clubs, helping them train and compete across various disciplines. We also support significant sporting events and welcome athletes and teams at our facilities as they prepare for competition.

Inca Cycling Club C.E. Constància

ATHLETES Pau Medina García

Iván Torres Vico Mario Mola Díaz Joan Reinoso



PARTNERSHIPS

- Alcúdia Table Tennis Club Alcúdia Volleyball Club Alcúdia Football Union
- Balearic Golf Federation
- Es Raiguer Athletics Club of Mallorca
- Mallorca Golf Course Association

EVENTS

Sa Milla Ciutat d'Inca Mallorca 312 Rolex Challenge Tour Grand Final 23 Mallorca 5000 Skyrunning Kill the Hill

ACCOMMODATIONS **FOR ATHLETES** AND TEAMS

UCI INEOS Grenadiers Cycling Team Mario Mola

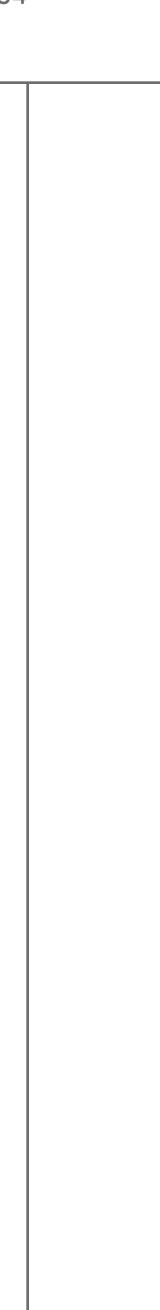


B. Sports sponsorships









C. Support for those in need and at risk of exclusion



Esment Amadip Esment Fundació























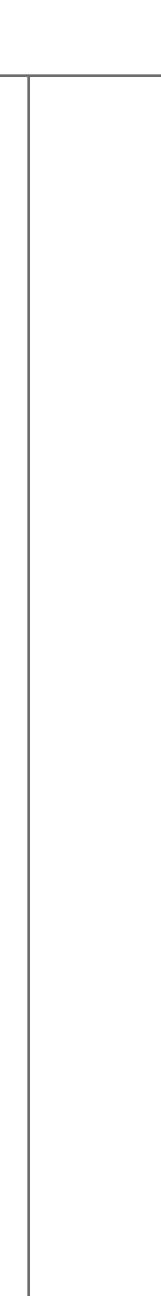
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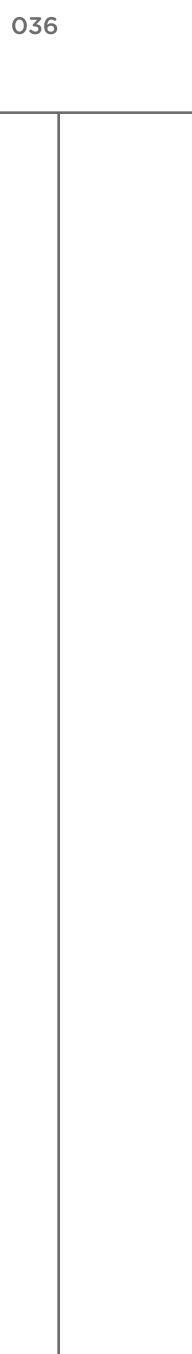


C. Support for those in need and at risk of exclusion









3. Social sustainability D. Senegal South Project

Senegal South Project

In partnership with Inca Mallorca Solidaria, Hotels VIVA continues its support and collaboration in the Kolda region of Senegal.





FOUR FOCUS AREAS

EDUCATION

Provision of IT equipment and educational resources to schools, donation of bicycles and construction of a nursery.

HEALTH AND SPORT

Support for maternity unit renovations and donation of sports equipment.

WOMEN'S EMPOWERMENT

Support in establishing a women's cooperative.

INFRASTRUCTURE AND ECONOMIC DEVELOPMENT

Assistance with well construction and optimisation of natural resources.



3. Social sustainability

E. Support for quality education for the underprivileged



EUROPA PRESS. PALMA

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ElPSOEreclamóaveral o gr

INTERNATIONAL MOBILITY SCHOLÄRSHIP



3. Social sustainability

F. Promotion of culture and support for the local economy







ART VOCAL ENSEMBLE



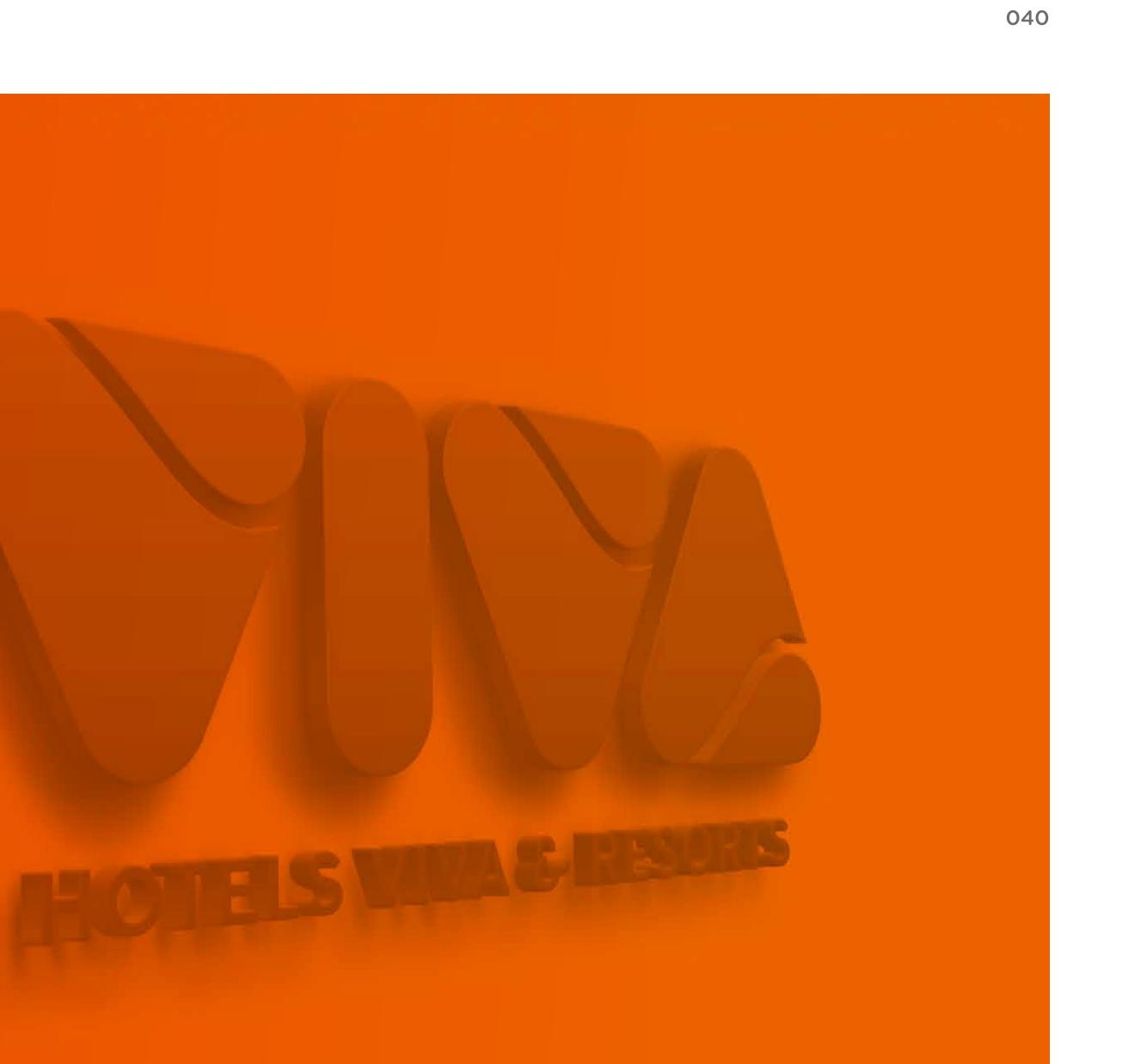


FUNDACIÓ CULTURAL ES CONVENT INCA

SPONSORSHIP OF ALCUDIA'S 'CIRCAIRE' **CIRCUS FESTIVAL**



-F . CORPORATE **GOOD PRACTICES**



4. Corporate good practices

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A fantastic family hotel with good service, everything clean both inside and around the hotel. Friendly and helpful staff. We consider it our second home, always feeling welcomed and part of the family.

VIVA Sunrise has been part of our lives for 32 years!

Alina Huijskens RETURNING GUEST



4. Corporate good practices

Throughout 2023, we have continued to elevate our internal and external standards



Our aim is for each of our employees, suppliers, guests and partners to feel valued, with their well-being prioritised as we move forwards together. Here are the key areas we have focused on:

STRATEGIC AREAS



A. Guest satisfaction and comfort



B. Employee satisfaction and well-being



C. Strengthening supplier relations



D. Expanding best practices, protocols and certifications



E. Public communication policies



A. Guest satisfaction and comfort

Hotels VIVA conducted satisfaction surveys

throughout the season to gather immediate, first-hand impressions from guests, resulting in an improvement in the overall stay rating compared to the previous year.

Returning guests accounted for 20%, with notable peaks in March (34%), April (27%) and October (22%).

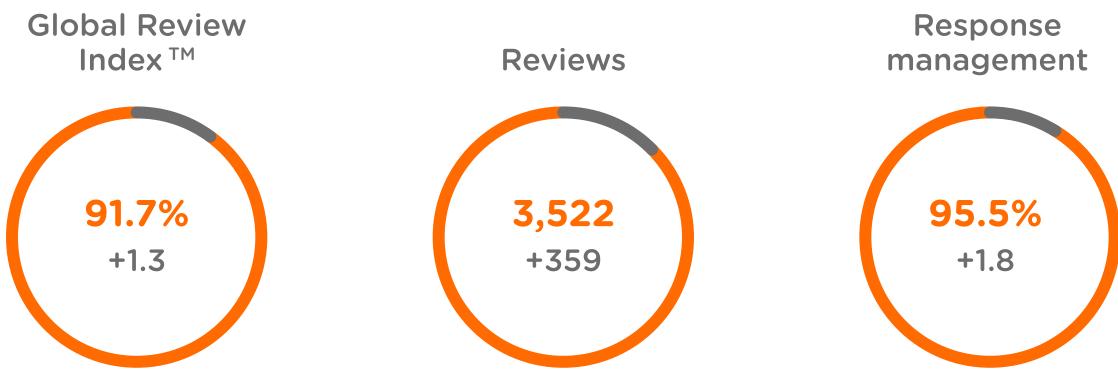
In post-stay surveys, 23,127 emails were sent in 2023, receiving 4,984 responses—a conversion rate of nearly 22%.



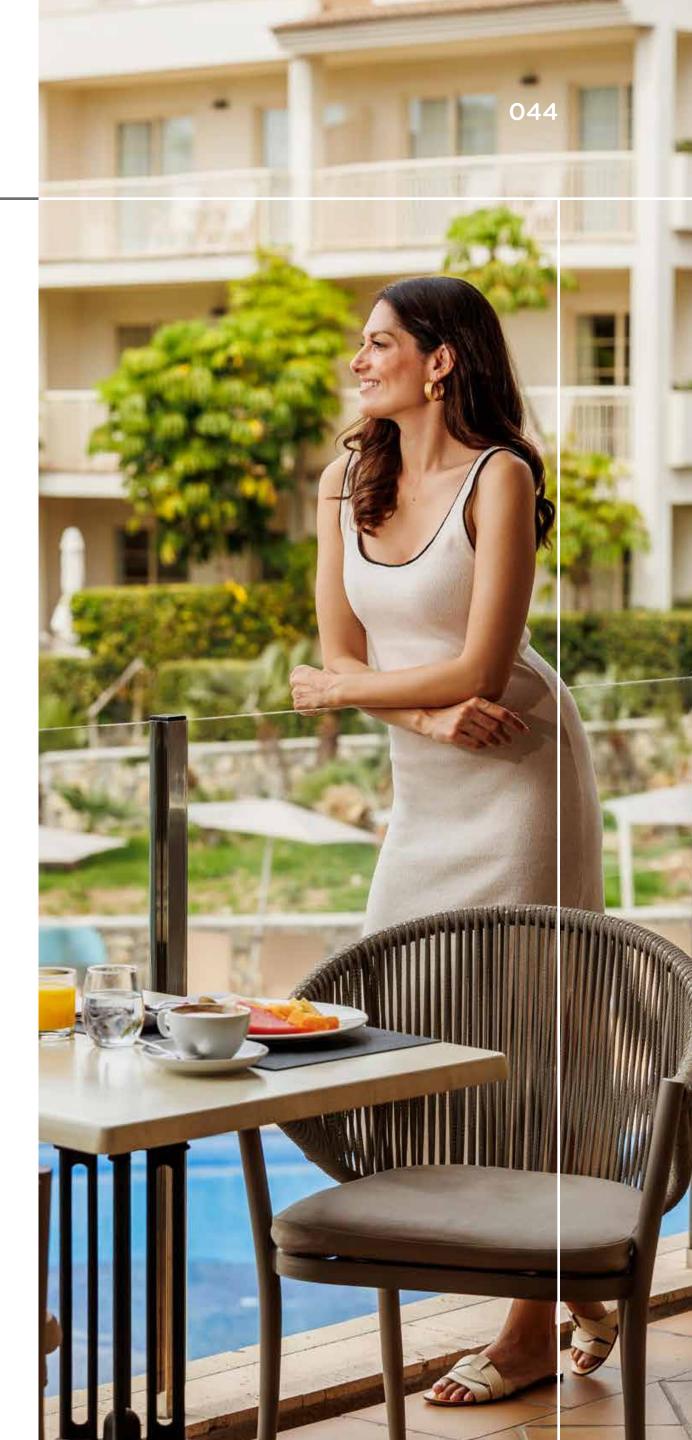


A. Guest satisfaction and comfort

Building the reputation of a hotel chain is a daily commitment, crafted guest by guest. Every gesture, every service moment and every request shape the overall impression that visitors carry back with them. For this reason, it is particularly rewarding to witness the rise in Hotels VIVA's online reputation, marked by a notable increase in positive guest reviews.



The online reputation increased by 1.3 points in 2023, reaching 91.7%.



B. Employee satisfaction and well-being

The company maintains internal communication policies and regularly assesses workplace satisfaction through anonymous surveys.

In 2023, 643 employees participated in these surveys, with the percentage of employees expressing satisfaction with working at Hotels VIVA increasing by 17% compared to the previous year.

Training sessions included 753 in risk prevention, 505 induction courses, 121 in workplace ergonomics, 65 refresher courses and 62 fire response sessions.

The training programme is essential for keeping employees' knowledge and skills current and for supporting their professional development. In 2023, a total of 30,375 training hours were completed—an increase of 87% from 2022—distributed as follows:



| Position | Training hours | |
|----------------------------------|-------------------|--|
| Senior Management | 34 | |
| Other Management Staff | 332 | |
| Administrative Employees | 153 | |
| Sales, Vendors and Similar Roles | 261 | |
| Other Qualified Staff | 13,642 | |
| Non-qualified Workers | 15,953 | |



4. Corporate good practices

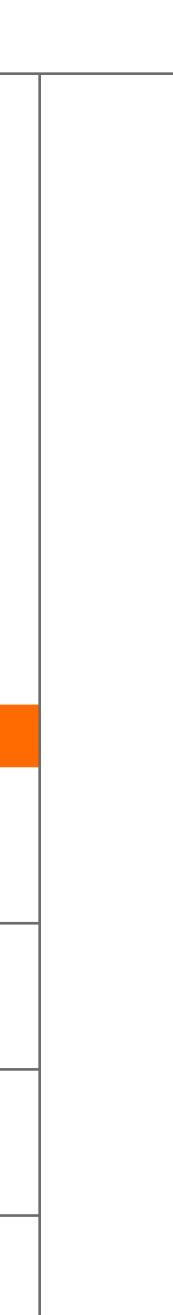
B. Employee satisfaction and well-being



General workforce data

Employees form the backbone of the Hotels VIVA family. Their stability and well-being are key to ensuring the quality service our guests enjoy. They are our best ambassadors.

| NO. OF EMPLOYEES | 1,146 |
|--|---|
| WORKFORCE COMPOSITION | |
| Permanent contracts Temporary contracts | 94.4% 5.6% |
| NATIONALITIES | 42 75% Spanish nationals |
| AGE | 76% Aged between 25 and 60 |



B. Employee satisfaction and well-being

Occupational risk prevention is integral to our policies at every level.

A Safety and Health Committee, with equal representation from employees and management, addresses workplace risk prevention across all locations.

Hotels VIVA promotes **policies to support work-life balance,** acknowledging the challenges unique to our operations. **The company maintains an equality plan** to further strengthens these work-life policies. For roles not directly tied to hotel operations, **flexible scheduling enables employees to structure their work hours around personal needs.**

Employees are encouraged to request **reduced hours for family care.** Those with dependants are prioritised for continuous shifts or preferred shift times without the need to reduce hours.

In 2023, no workplace accidents

classified as "serious" or "very serious" were reported, and no cases of occupational illness were recorded.

March also saw the fourth Hotels VIVA Employment Fair, creating opportunities for those interested in working or interning with the company.



4. Corporate good practices

C. Strengthening supplier relations

16 PAZ, JUSTICIA E INSTITUCIONES SÓLIDAS



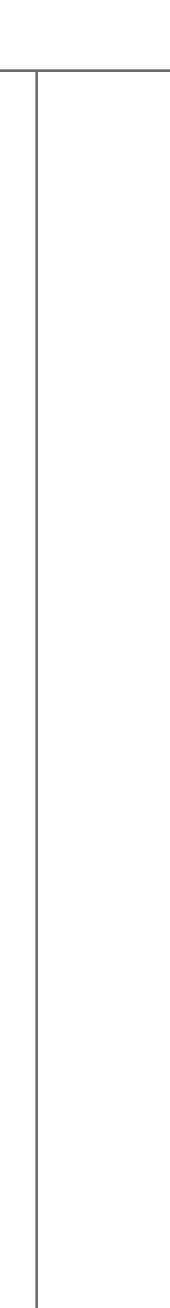
Suppliers are essential partners to our company, with some relationships spanning 25 years.

Fostering high-quality, trust-based partnerships is a priority, as we work together to provide a unique experience that meets Hotels VIVA guests' expectations.

Examples include:

- » Amadip Esment: Responsible for printing all restaurant menus.
- » **58 local product suppliers,** well above regulatory requirements.
- » Sourcing sustainable cellulose with partner **Lladopol.**

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D. Expanding best practices, protocols and certifications



Best practices

At Hotels VIVA, daily operations are guided by a commitment to continuous improvement, best practices and raising standards, aiming to deliver an enhanced experience for both guests and partners.

Technological Enhancements

Certifications and Recognitions

Awards

Additional Initiatives



4. Corporate good practices

D. Expanding best practices, protocols and certifications

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Investing in cutting-edge software supports talent acquisition and staff management, helping us achieve high levels of engagement and satisfaction.

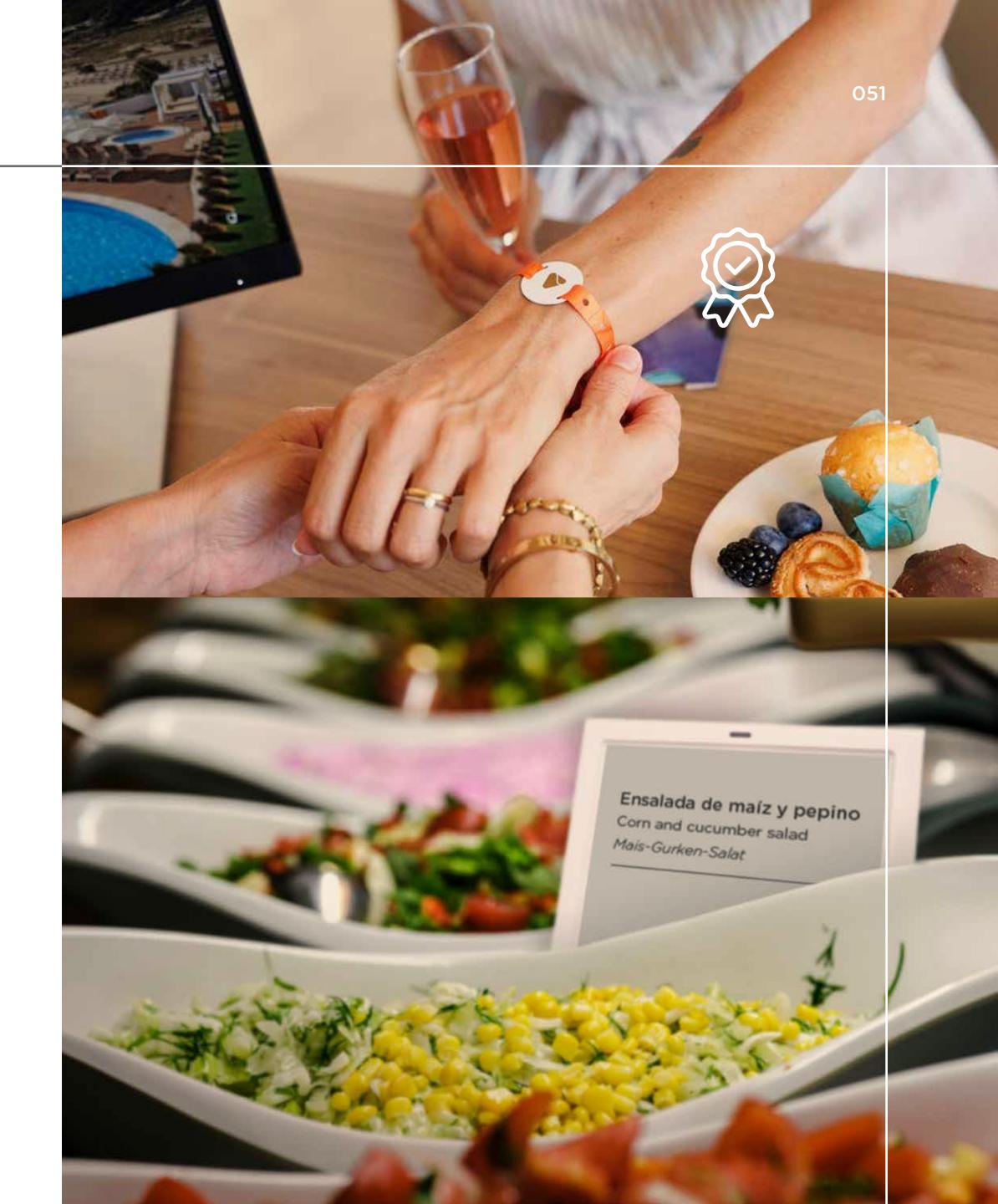
Josep Damià Horrach HEAD OF TALENT ACQUISITION AND DEVELOPMENT



D. Expanding best practices, protocols and certifications

Technological Enhancements

- **Electronic labels in buffets:** These time- and cost-saving labels provide a tech-driven solution for displaying dishes and allergen information, enhancing the guest experience.
- Electronic labels in supermarkets: These labels boost supermarket efficiency by supporting inventory management and enabling dynamic pricing.
- Recruitment **chat bot:** This platform streamlines candidate \gg selection, enabling us to focus on what truly matters—people.
- Chip bracelets in hotels: Hotel guests receive a durable, waterproof bracelet at check-in, allowing them to unlock their room and charge expenses directly to their account, eliminating the need to carry cash or cards around the resort.
- Incident management software in the maintenance department: This tool digitises and optimises hotel operational processes.



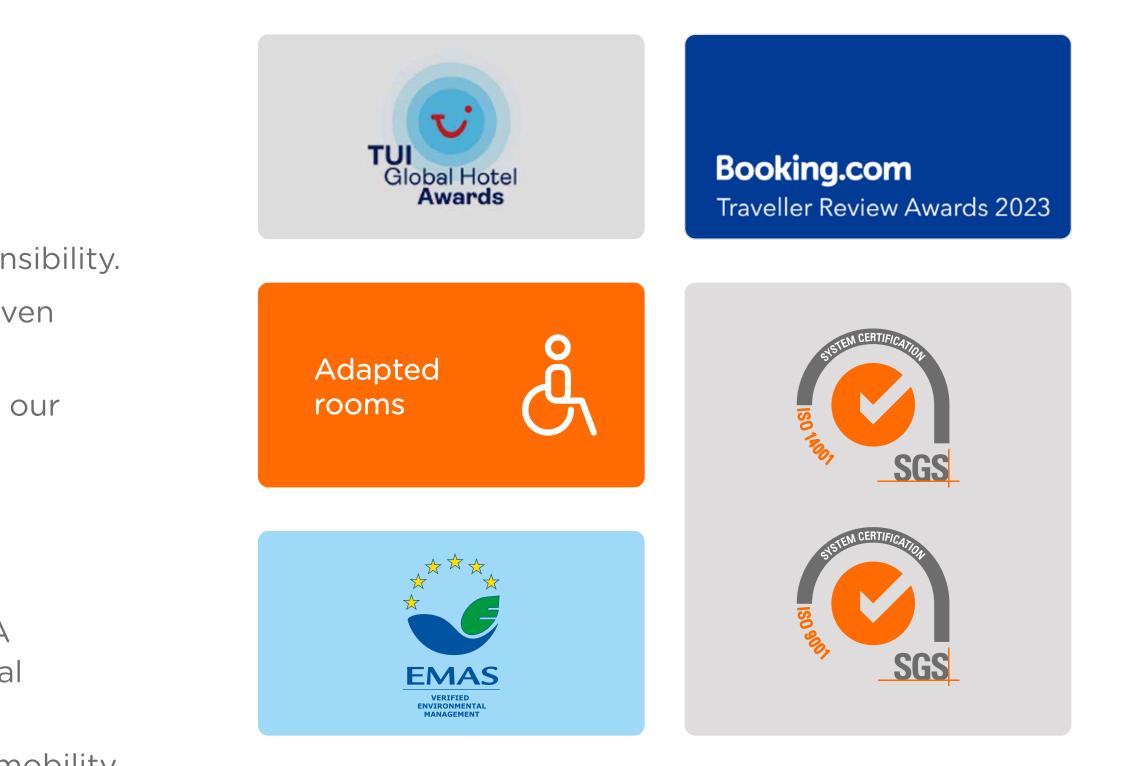
D. Expanding best practices, protocols and certifications

Certifications and Recognitions

- » **TUI Survey:** Ranks VIVA Blue highly for environmental responsibility.
- » Individual recognition by **Booking.com**: Acknowledges all seven properties.
- » **ISO 9001:2015 Quality Management Certification**: Confirms our company's processes, procedures and responsibilities.
- » ISO 14001:2015 Environmental Management Certification: Integrates environmental management within our company operations.
- » **EMAS Certification** (Eco-Management and Audit Scheme). A European tool for promoting sustainability and environmental management excellence.
- » Accessible rooms: Rooms adapted for guests with reduced mobility.







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D. Expanding best practices, protocols and certifications

Awards

- **Coral Travel** >>
- Ving >>
- **Recommended on Holiday Check 23** >>



Other initiatives



» Whistleblower channel: Allows employees and third parties to report actions and behaviours that breach ethics and integrity.

» Privacy and data protection: A core commitment by the Legal Department to protect personal data of users, collaborators and suppliers.

» Workload assessment teams: Established within the Housekeeping Department.

» Implementation of the PayFlow app: Allows employees early access to a portion of their earned wages, deducted from their end-of-month salary.



Jornada informativa sobre estudio de cargas de trabajo en el departamento de pisos



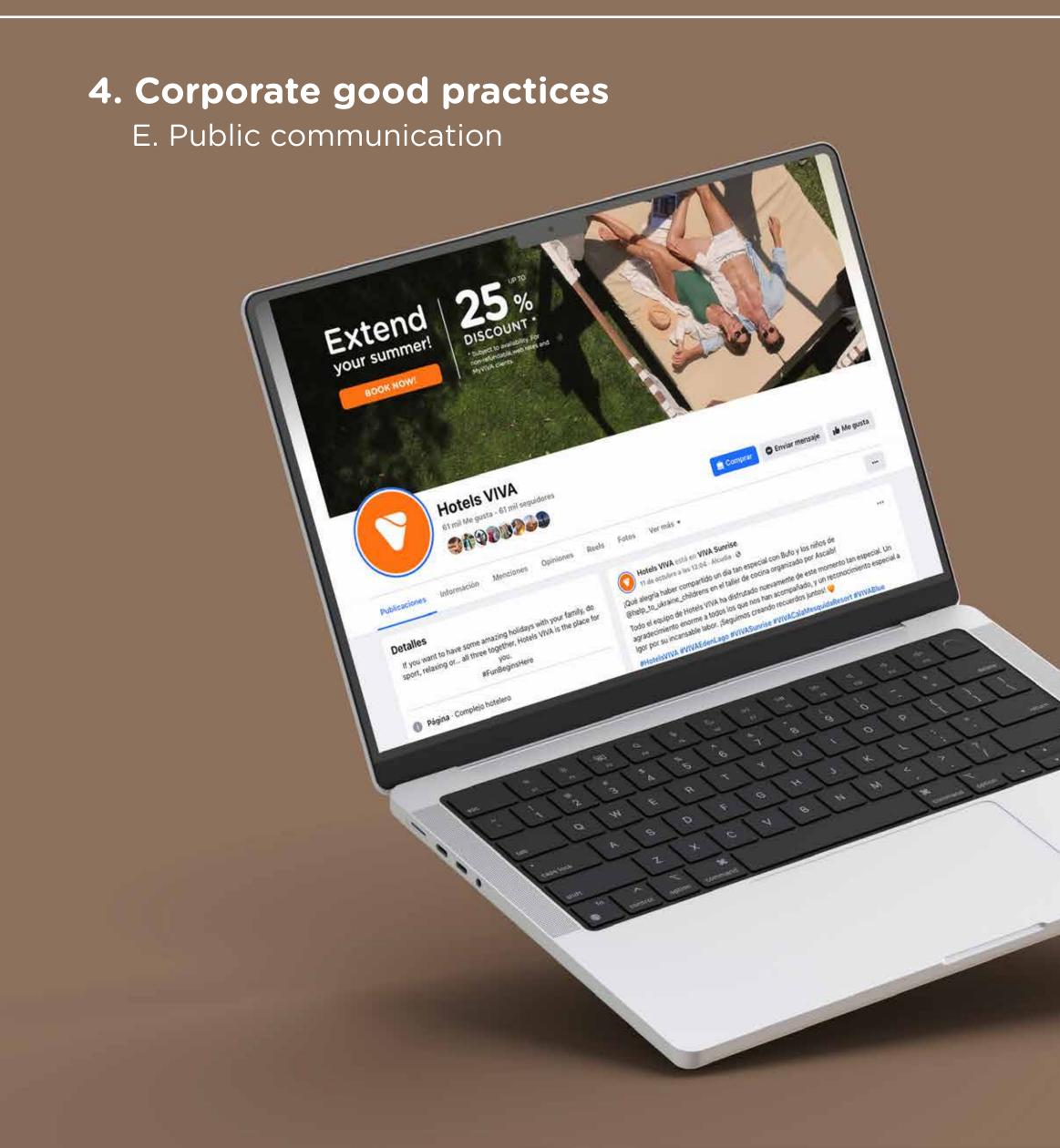


D. Expanding best practices, protocols and certifications







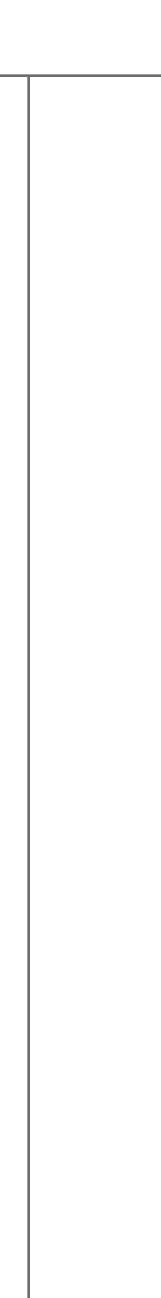




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Growing and thriving sustainably would be impossible without a strong, consistent online communications strategy. Our reputation is built daily, and our guests are undoubtedly our best ambassadors.

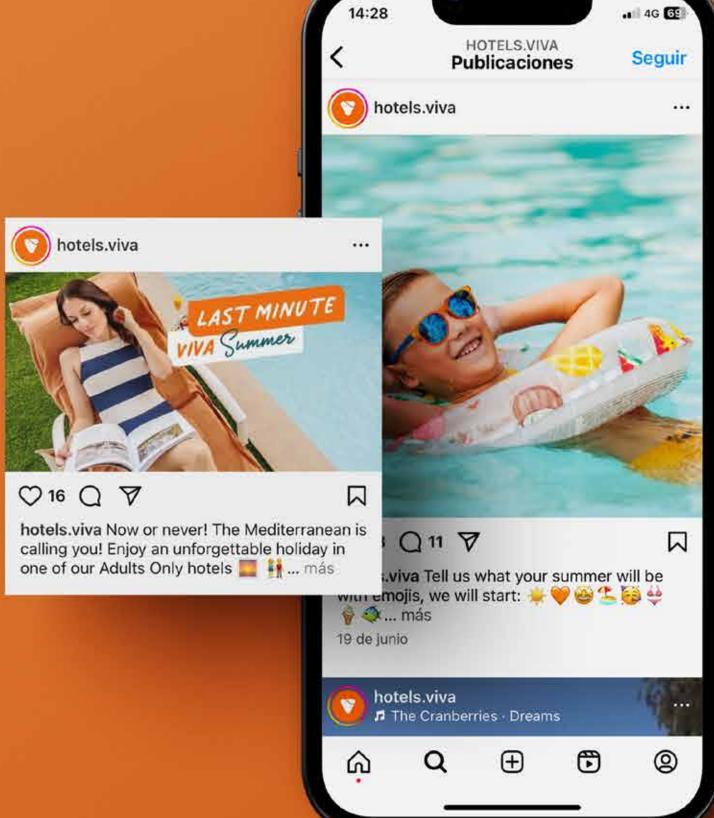
Antonia Martorell HEAD OF SOCIAL MEDIA AND SOCIAL REPUTATION

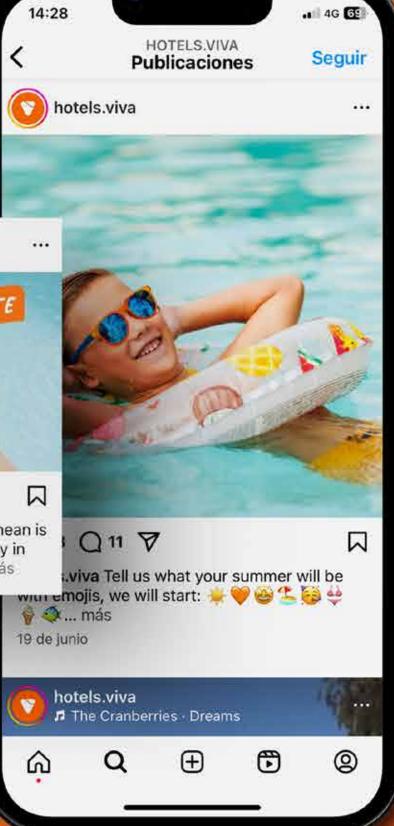


4. Corporate good practices E. Public communication

Hotels VIVA continues to increase its presence on major social media platforms,

growing its follower base across all platforms while adding new networks to its routine management. Daily follower engagement offers a direct gauge of effective practices and areas for improvement. Social media serves as the best showcase to project an image aligned with corporate objectives.



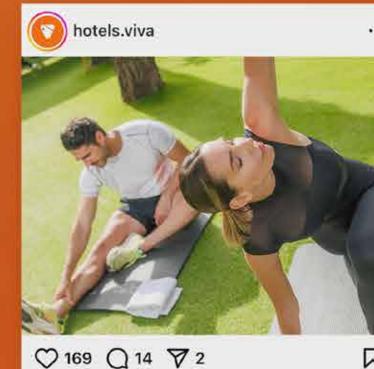








Ø71 Q4 ₹ hotels.viva Comodidad, naturaleza y diversión son la clave de nuestro VIVA Eden Lago 💗 ... más







Messenger

2

Facebook

WhatsApp

4. Corporate good practices E. Public communication

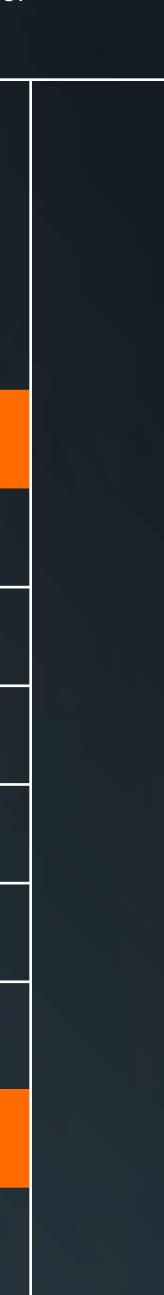


Instagram



SOCIAL MEDIA FIGURES 2023

| | Followers | Change |
|---------------------------------------|-----------|--------|
| f Facebook | 61,532 | +0.1% |
| Instagram | 17,215 | +1.6% |
| X X (Twitter) | 3,208 | +0.3% |
| in LinkedIn | 7,422 | +0.7% |
| TikTok Created in July 2023 | 154 | |
| Total followers | 89,531 | +0.6% |



Hotels VIVA remains committed to the 17 Sustainable Development Goals, striving daily to further environmental care and the well-being of individuals.







2023 has been a landmark year for Hotels VIVA for many reasons. Our guiding light remains, as always, our dedication to people and our environment.





