

TUI BLUE KALAMOTA ISLAND

Sustainability Report

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Introduction

This report provides a comprehensive summary of our sustainability results for 2023. It includes comparisons of our environmental performance over previous years and details the progress we have made toward achieving the sustainability objectives and actions set at the beginning of the year. Furthermore, the report offers recommendations for actions to prioritize in the coming year, based on the findings from our annual sustainability assessment and our evaluation of environmental performance.

Additional Attachments: EPIT report

Environmental Performance

Energy

The recent report reveals that our energy consumption (measured in kWh) experienced an average increase of 8.66% in 2024. This rise can be attributed, in part, to our extensive hotel renovation project, which demanded significant energy usage during its execution. While we recognize this spike as a temporary challenge, we remain optimistic that the strategic measures we are implementing within our operations will lead to substantial improvements in our overall energy performance.

A cornerstone of our efforts to optimize energy consumption has been our commitment to environmental training and continuous education for our staff. By fostering a culture of sustainability and raising awareness about energy efficiency practices, we are empowering our team members to take an active role in reducing our energy footprint. Regular reminders and training sessions have been vital in promoting responsible energy use across all departments.

In pursuit of our ambitious goal to reduce greenhouse gas emissions by 20% by 2030, we are dedicated to advancing our sustainability program through a series of targeted initiatives. Key objectives include:

Commissioning the Installed Photovoltaic Power Plant: We aim to fully activate and leverage our photovoltaic power plant, harnessing solar energy to offset a significant portion of our electricity needs and reduce our dependence on non-renewable energy sources.

Expanding Vegetarian and Vegan Options: As part of our commitment to sustainable practices, we will broaden our menu offerings to include more vegetarian and vegan dishes. Our target for 2024 is to achieve an 10% reduction in meat procurement, aligning our food services with our sustainability goals and catering to the growing demand for plant-based options among our guests.

By implementing these initiatives, we are not only working towards reducing our greenhouse gas emissions but also enhancing our overall sustainability performance. We believe that every step we take brings us closer to our environmental goals and strengthens our position as a responsible leader in the hospitality industry.

PAX	2022	RVT	RNT	kWh	kW	kWh/pax	PAX	2023	RVT	RNT	kWh	kW	kWh/pax
0	Jan-22	2748	1887	4635	15	#DIV/0!	0	Jan-23	5633	3375	9008	27	#DIV/0!
0	Feb-22	2112	1592	3704	19	#DIV/0!	0	Feb-23	7154	4223	11377	40	#DIV/0!
0	Mar-22	6255	3553	9808	42	#DIV/0!	0	Mar-23	9139	4446	13585	43	#DIV/0!
0	Apr-22	11590	6256	17846	99	#DIV/0!	0	Apr-23	12095	6276	18371	91	#DIV/0!
6,179	May-22	50359	26696	77055	157	12.47	5,310	May-23	53462	30179	83641	183	15.75
7,978	Jun-22	63183	32498	95681	208	11.99	7,400	Jun-23	61965	32687	94652	200	12.79
8,228	Jul-22	71520	35143	106663	213	12.96	7,732	Jul-23	75047	39588	114635	221	14.83
8,657	Aug-22	70651	36021	106672	218	12.32	7,958	Aug-23	72778	39816	112594	214	14.15
8,433	Sep-22	59864	30451	90315	194	10.71	7,980	Sep-23	63206	33913	97119	202	12.17
4,034	Oct-22	46162	25026	71188	179	17.65	6,086	Oct-23	57398	33255	90653	186	14.90
0	Nov-22	6723	3931	10654	33	#DIV/0!	0	Nov-23	8944	5583	14527	47	#DIV/0!
0	Dec-22	4494	3011	7505	24	#DIV/0!	0	Dec-23	7035	4482	11517	37	#DIV/0!
43,509	TOTAL			601726		13.83	42,466	TOTAL			671679		15.82

PAX	2024	RVT	RNT	kWh	kW	kWh/pax
0	Jan-24	9147	5966	15113	45	#DIV/0!
0	Feb-24	8864	5623	14487	42	#DIV/0!
0	Mar-24	9161	5559	14720	62	#DIV/0!
0	Apr-24	18960	11584	30544	139	#DIV/0!
6,468	May-24	68101	36117	104218	239	16.11
8,095	Jun-24	75695	39710	115405	259	14.26
8,232	Jul-24	87302	47187	134489	302	16.34
8,437	Aug-24	101000	36000	137000	250	16.24
	Sep-24			0		#DIV/0!
	Oct-24			0		#DIV/0!
0	Nov-24			0		#DIV/0!
0	Dec-24			0		#DIV/0!
31,232	TOTAL			565976		18.12

Figure 1. Electricity consumption for the years 2022, 2023, and 2024.

Water

At the beginning of 2024, we observed a remarkable reduction of 25.26% in water consumption per guest night stay compared to the previous year, 2023. This encouraging trend can be largely attributed to our extensive hotel renovation project, during which we took significant steps to upgrade our facilities with a focus on sustainability. All faucets and showerheads throughout the hotel were replaced with modern, water-saving models specifically designed to optimize water flow while ensuring that guest comfort remains uncompromised. By prioritizing these enhancements, we aim to significantly reduce both water and energy consumption across our property.

We recognize the importance of water conservation, not only as a corporate responsibility but also as a vital aspect of preserving the delicate ecosystem of our island. To this end, we continually educate and remind our employees and guests about the critical role they play in these conservation efforts. By fostering a culture of environmental awareness, we hope to inspire all stakeholders to contribute actively to our sustainability initiatives.

In line with our commitment to further reduce water consumption by an additional 4% by the end of 2025, we are actively exploring innovative solutions that can enhance our sustainability efforts. One of our key initiatives involves investigating the feasibility of implementing rainwater harvesting systems, which would allow us to collect and utilize rainwater for various non-potable applications around the hotel. Additionally, we are considering the use of treated wastewater for irrigating our beautifully landscaped areas, thereby minimizing our reliance on potable water for landscaping purposes.

To ensure that these initiatives align with our long-term sustainability goals, we will conduct a thorough assessment of the financial implications, technical requirements, and overall feasibility of these proposed installations. This comprehensive evaluation will help us make informed decisions that not only enhance our operational efficiency but also contribute positively to our environmental impact.

By implementing these targeted measures, we aim to create a more eco-conscious environment and position our hotel as a leader in responsible water management within the hospitality industry. Together, we can make a meaningful difference in the preservation of our natural resources while providing an exceptional experience for our guests..

PAX	2022	1+2	No.1	No.2	l/pax	PAX	2023	1+2	No.1	No.2	l/pax
0	Jan-22	0	0	0	#DIV/0!	0	Jan-23	56	56	0	#DIV/0!
0	Feb-22	17	17	0	#DIV/0!	0	Feb-23	60	60	0	#DIV/0!
0	Mar-22	31	31	0	#DIV/0!	0	Mar-23	62	62	0	#DIV/0!
0	Apr-22	704	481	223	#DIV/0!	0	Apr-23	919	499	420	#DIV/0!
6,179	May-22	2049	2027	22	332	5,310	May-23	2219	2205	14	418
7,978	Jun-22	2721	2617	104	341	7,400	Jun-23	3141	3135	6	424
8,228	Jul-22	2482	2458	24	302	7,732	Jul-23	2320	2301	19	300
8,657	Aug-22	2432	2413	19	281	7,958	Aug-23	2718	2697	21	342
8,433	Sep-22	2343	2334	9	278	7,980	Sep-23	2952	2926	26	370
4,034	Oct-22	2466	2456	10	611	6,086	Oct-23	2917	2851	66	479
0	Nov-22	1287	1231	56	#DIV/0!	0	Nov-23	2691	2624	67	#DIV/0!
0	Dec-22	220	87	133	#DIV/0!	0	Dec-23	454	447	7	#DIV/0!
43,509	TOTAL	16752			385	42,466	TOTAL	20509			483

PAX	2024	1+2	No.1	No.2	l/pax
0	Jan-24	410	410	0	#DIV/0!
0	Feb-24	287	280	7	#DIV/0!
0	Mar-24	274	167	107	#DIV/0!
0	Apr-24	420	420	0	#DIV/0!
5,310	May-24	1154	678	476	217
7,400	Jun-24	2331	2272	59	315
7,732	Jul-24	2473	2460	13	320
7,958	Aug-24	3180	3163	17	400
7,980	Sep-24	2620	2320	300	328
0	Oct-24	0			#DIV/0!
0	Nov-24	0			#DIV/0!
0	Dec-24	0			#DIV/0!
36,380	TOTAL	13149			361

Figure 2. Water consumption for the years 2022, 2023, and 2024.

Waste

According to the EPIT report, waste emissions per guest night decreased by 3.5% during the 2023/2024 operating period. This reduction was achieved through improved waste separation processes, more rational use of resources, and stricter control over material consumption. Despite the increase in guest numbers, we managed to achieve the expected reduction, which highlights the effectiveness of the measures implemented.

However, it is essential to continue reducing solid waste emissions to meet our long-term sustainability goals. The new action plan for 2025 includes a range of targeted measures aimed at addressing this challenge. One of the key initiatives is to divert as much organic waste, especially food waste, from landfills to composting, thereby reducing our environmental impact. We also plan to introduce advanced waste management methods to minimize the amount of non-recyclable waste.

Additionally, we will strengthen the education of our staff on sustainable practices, with the goal of further reducing overall waste emissions by the end of 2025. This education will include workshops, training sessions, and regular guidelines to ensure employees are well-informed and motivated to implement waste reduction and proper disposal practices.

Our goal is also to negotiate a more favorable agreement or improve the conditions of our existing contract with the waste management contractor to ensure greater efficiency and transparency throughout the entire process. This will help us create a sustainable waste management system that not only reduces costs but also has a positive impact on the environment and our business.

Biodiversity

We are committed to reducing our reliance on single-use plastics by 35% by the end of 2025. To date, we've successfully mapped out the specific plastics used across our operations and conducted a comprehensive cost analysis to assess the feasibility of implementing these changes in the upcoming season. The next phase involves presenting our findings and strategy to the board, followed by crafting a detailed action plan to ensure a smooth implementation for the 2025 season.

Throughout the preparation and during the season, we planted a variety of herbs in accordance with our planting guidelines. This not only enhances biodiversity on the island but also creates a more pleasant environment for both our guests and staff.

Recommended Improvements

In addition to the measures described in the previous sections regarding energy, water, and waste, it is recommended to develop and implement communication methods that better engage staff, guests, and visitors in supporting our efforts to reduce emissions. This will be included in the sustainability action plan for 2025.

Progress in Achieving Goals:

Goal: Reduce our greenhouse gas emissions from energy, water, and waste by 20% before 2030. **Status:** As previously detailed, a major renovation of the hotel has been carried out to reduce energy, water, and waste consumption. We will continue with these changes to achieve our goal by 2030.

Goal: Reduce our red meat purchases by 3% by the end of 2024. **Status:** Unfortunately, we were unable to reduce the purchase of red meat for this season. It is now up to us to create high-quality, attractive menus that will encourage guests to choose vegan and vegetarian options more frequently. Additionally, we should develop a campaign to further promote these options and inspire our guests to embrace them. Reducing red meat consumption in the hotel by 8% by the end of 2025 remains an important focus for us.

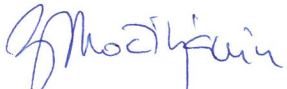
Goal: Reduce water consumption by 4% by the end of 2024. **Status:** As shown above, a significant reduction of 18.63% was achieved during 2023. It is recommended to check the condition of water flow restrictors, obtain quotes for rainwater harvesting systems, and install more efficient showerheads in guest rooms. Additionally, it is necessary to evaluate the costs and feasibility of these installations.

Other Progress:

Numerous ecological actions have been organized in which staff, guests, and other visitors participated.

Other Recommendations

In our action plan for 2024, our goal is to enhance collaboration with local suppliers to strengthen our supply network and support the community. We aim to launch a photovoltaic power plant to reduce energy consumption and CO2 emissions. We will also improve ecological management procedures to reduce waste, including the introduction of Kitro in the kitchen to monitor food consumption. Additionally, we plan to transition from an oil-fired boiler for hot water heating to a heat pump.

SENIOR MANAGER APPROVAL OF ANNUAL SUSTAINABILITY REPORT		
Signature 	First and last name	
	Bernardina Močiljanin	
	Job title	Date of approval
	Board Member	23.09. 2024.